#### CDM-MP86

# Meeting report

# Methodologies Panel eighty-sixth meeting

Version 01.0

Date of meeting: 20 to 24 September 2021

Place of meeting: Virtual

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## Agenda item 1. Agenda and meeting organization

#### Agenda item 1.1. Opening

- 1. The Chair of the Methodologies Panel (MP), Mr. El Hadji Mbaye Diagne, opened the meeting.
- 2. Table 1 below represents attendance at the virtual meeting, which was held from 20 to 24 September 2021.

Table 1. Attendance

| Chair/Vice-Chair                  | Members                      |
|-----------------------------------|------------------------------|
| Mr. El Hadji Mbaye Diagne (Chair) | Mr. Amr Osama Abdel-Aziz     |
| Ms. Natalie Kushko (Vice-Chair)   | Mr. Braulio Pikman           |
|                                   | Ms. Gbemi Cassandra Jayesimi |
|                                   | Mr. Jean-Jacques Becker      |
|                                   | Ms. Jessica Wade-Murphy      |
|                                   | Mr. Kenichiro Yamaguchi      |
|                                   | Mr. Kishor Rajhansa          |
|                                   | Ms. Martha Kiwuwa Ntabadde   |
|                                   | Mr. Sudhir Sharma            |
|                                   | Mr. Thomas Grammig           |
|                                   | Ms. Yuko Nagata              |

#### Agenda item 1.2. Adoption of the agenda

- 3. The MP adopted the agenda of the meeting with the addition of one request for clarification under agenda item 3.1 Standards/tools: "SSC\_816: Clarification on how to determine the population who consumes the purified water serviced by the project activity under AMS-III.AV" (regarding methodology AMS-III.AV, ver. 06.0).
- 4. The MP considered information provided by members, the Chair and the Vice-Chair with respect to any potential conflict of interest. Statements on conflict of interest can be viewed on the UNFCCC clean development mechanism (CDM) website.<sup>1</sup>

## Agenda item 2. Governance and management matters

#### Agenda item 2.1. Matters related to the Methodologies Panel

5. The MP took note of the outcomes of the 111<sup>th</sup> meeting of the Executive Board of the CDM (hereinafter referred to as the Board) that were relevant to the MP.

https://cdm.unfccc.int/Panels/meth/index.html.

#### Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

- 6. The MP took note that the dates of its eighty-seventh meeting (MP 87) will be decided at the 112<sup>th</sup> meeting of the Board in October 2021.
- 7. Project participants, designated national authorities and other stakeholders may note the following upcoming deadlines:
  - (a) The deadline for the submission of proposed new methodologies to be considered at MP 87 is eight weeks prior to the meeting;
  - (b) The deadline for the submission of requests for revision to be considered at MP 87 is eight weeks prior to the meeting;
  - (c) The deadline for the submission of requests for clarification to be considered at MP 87 is six weeks prior to the meeting.

### Agenda item 3. Regulatory matters

- 8. Information on cases, including their status, outcome and history, is made publicly available for standardized baselines, large-scale methodologies, methodological tools and small-scale methodologies on the UNFCCC CDM website.<sup>2</sup> For information related to large-scale methodologies and methodological tools, see the multiple links under the "Large-scale methodologies" heading. For information related to small-scale methodologies and methodological tools, see the multiple links under the "Small-scale methodologies" heading.
- 9. The relevant reference documents, "Procedure: Development, revision, clarification and update of standardized baselines" and "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools", are available on the UNFCCC CDM website.<sup>3</sup>
- 10. The MP took note of the overview of the top-down and bottom-up proposed standardized baselines.
- 11. The MP took note of the update on the relevant regulatory matters finalized since the last meeting of the MP (MP 85):
  - (a) Fast-track clarification by the MP: "AM\_CLA\_0291: Clarification on the calculation of baseline and project emissions for waste-to-energy plants applying ACM0022";
  - (b) Relevant work carried out by consultants;
  - (c) Desk reviews.

https://cdm.unfccc.int/methodologies/index.html.

https://cdm.unfccc.int/Reference/Procedures/index.html.

#### Agenda item 3.1. Standards/tools

#### (a). Standards for CDM project activities and programmes of activities

- 12. The MP took note that no proposed standardized baselines were to be considered at this meeting.
- 13. The MP considered the analysis of existing methodologies and tools with regard to the consistency in definition of biomass-related terms and provided input to the revision of the "Glossary: CDM terms". Further, in this regard, the MP proposed a revision to the methodological tool "TOOL16: Project and leakage emissions from biomass" and agreed to seek input from stakeholders (see paragraph 20 below). This work was being carried out in response to the mandate by the Board at its 110<sup>th</sup> meeting (EB 110 meeting report, para. 30).
- 14. The MP considered the analysis of existing methodologies and tools with regard to the consistency in definition of market penetration metrics and agreed to continue working on this issue at its next meeting. This work is being carried out in response to the mandate by the Board at its 110<sup>th</sup> meeting (EB 110 meeting report, para. 30).

#### (b). Methodological standards for large-scale CDM project activities

- (i). New methodologies and tools (large-scale)
- 15. The MP considered the new large-scale methodology and tool as presented in table 2 below and, where applicable, took external expertise and public input into account.

Table 2. Status of the new large-scale methodologies and tools

| Туре        | Submission | Title of the request  | Mandate                       | Status  | Paragraph |
|-------------|------------|---|-------------------------------|---|-----------|
| Methodology | NM0377     | Energy-saving through the use of the reverse osmosis technology in the water desalination process | EB 110<br>report,<br>para. 35 | Work in progress and  To seek guidance from the Board | 16        |
| TOOL        | N/A        | Monitoring data/parameters  | EB 111<br>report,<br>para. 25 | Work in progress                                      | 17        |

16. The MP considered the draft new methodology "NM0377: Energy-saving through the use of the reverse osmosis technology in the water desalination process" and the issues raised by the Board at its 110<sup>th</sup> meeting (EB 110 report, para. 35) on the draft new methodology. In response, the MP analysed the characteristics and status of the desalination technologies, globally but more specifically in the Middle East and North Africa (MENA) region, which hosts the proposed project activity submitted along with the proposed new methodology. On the basis of the analysis, the MP agreed to seek guidance from the Board regarding further consideration of this matter in an information note "Technical note".

- on desalination technologies", as contained in <u>annex 1</u> to this report. The history of the bottom-up submission can be viewed on the UNFCCC CDM website.<sup>4</sup>
- 17. The MP initiated work on the development of a new methodological tool for monitoring data/parameters and agreed to continue working on this issue at its next meeting. This work is being carried out in response to the mandate by the Board at its 111<sup>th</sup> meeting (EB 111 report, para. 25) to develop a methodological tool that contains a repository of data/parameters.

#### (ii). Revisions to approved methodologies and tools (large-scale)

18. The MP considered the revisions to large-scale methodological tools, as presented in table 3 below, and, where applicable, took external expertise and public input into account.

| Table 3. Status | f revisions of large-scale methodological tools |
|-----------------|---|
|-----------------|---|

| Туре | AM/AT  | Title   | Mandate  | Status                             | Paragraph |
|------|--------|---|--|------------------------------------|-----------|
| TOOL | TOOL06 | Project emissions from flaring                        | EB 111 report,<br>para. 29; EB 110<br>report, para. 39 | Approval                           | 19        |
| TOOL | TOOL16 | Project and leakage emissions from biomass            | EB 110 report,<br>para. 30                             | Call for public input              | 20        |
| TOOL | TOOL23 | Additionality of first-of-its-kind project activities | EB 108 report,<br>para. 30 c                           | Work in progress                   | 21        |
| TOOL | TOOL24 | Common practice                                       | EB 108 report,<br>para. 30 c                           | Work in progress                   | 22        |
| TOOL | TOOL27 | Investment analysis                                   | EB 85 report,<br>para. 50                              | Approval and call for public input | 23        |
| TOOL | TOOL32 | Positive lists of technologies                        | N/A  | Work in progress                   | 24        |

- 19. The MP recommended that the Board approve the top-down revision of the methodological tool "TOOL06: Project emissions from flaring", as contained in <u>annex 2</u> to this report. The work was carried out in response to the mandate by the Board at its 110<sup>th</sup> meeting (EB 110 report, para. 39) to expand the scope of the tool to cover project emissions from flaring of hydrocarbons and methane (non-renewable source) and an additional request from the Board at its 111<sup>th</sup> meeting (EB 111 report, para. 29) to further improve clarity and internal consistency of the methodological tool. The associated calculation spreadsheet that is publicly available will be updated once the revised tool is approved by the Board.
- 20. While considering the analysis of existing methodologies and tools with regard to the consistency in definition of biomass-related terms, as referred in paragraph 13 above, the

<sup>&</sup>lt;sup>4</sup> https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0377.

MP agreed to launch a call for public input on the top-down revision of the methodological tool "TOOL16: Project and leakage emissions from biomass", as contained in <u>annex 3</u> to this report. If inputs are received, the inputs will be considered at MP 87 and will be taken into account in the revision of the tool and other related methodologies and tools when preparing the recommendation to the Board. The aim is to finalize the revision of the methodologies and tools at the next MP meeting. This work is being carried out in response to the mandate by the Board at its 110<sup>th</sup> meeting (EB 110 meeting report, para. 30).

- 21. The MP considered the top-down revision of the methodological tool "TOOL23: Additionality of first-of-its-kind project activities" and agreed to continue working on this issue at its next meeting. This work is being carried out in response to the mandate from the Board at its 108<sup>th</sup> meeting (EB 108, para. 30 (c)) to explore including an appropriate penetration threshold for the technology/measure.
- 22. The MP considered the top-down revision of the methodological tool "TOOL24: Common practice" and agreed to continue working on this issue at its next meeting. This work is being carried out in response to the mandate from the Board at its 108<sup>th</sup> meeting (EB 108, para. 30 (c)) to explore including an appropriate penetration threshold for the technology/measure.
- 23. The MP recommended that the Board approve the top-down revision of the methodological tool "TOOL27: Investment analysis", as contained in <a href="mailto:annex 4">annex 4</a> to this report. The MP also agreed to launch a call for public input on the draft revised tool, and any input will be discussed with the MP and forwarded to the Board for its consideration. This work was carried out in response to the mandate by the Board at its eighty-fifth meeting (EB 85 report, para. 50) to update the default values for the cost of equity in the appendix to the tool annually.
- 24. The MP, in relation to the revision of the methodological tool "TOOL32: Positive lists of technologies", discussed the options for the method and data sources that will be used to analyse share and levelized cost of electricity generation from solar photovoltaic and further agreed to continue working on this issue at its next meeting. This work is being carried out in line with the requirements under the Appendix of the tool to propose an updated positive list of technologies before the expiry of the existing positive lists after 28 November 2022.

#### (iii). Requests for clarification of methodologies and tools (large-scale)

25. The MP considered the clarifications (large-scale) as presented in table 4 below. The requests are available on the UNFCCC CDM website.<sup>5</sup>

https://cdm.unfccc.int/methodologies/PAmethodologies/clarifications/pending.

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Table 4. Status of requests for clarification (large-scale)

| Submission number | AM/AT   | Title of request  | Status    | Paragraph |
|-------------------|---------|---|-----------|-----------|
| AM_CLA_0290       | ACM0002 | Clarification on how to calculate<br>the EGPJ as the quantity of<br>electricity generated by the<br>project activity and supplied to the<br>grid and to the electricity<br>consuming facility, under<br>ACM0002 | Clarified | 26        |
| AM_CLA_0292       | AM0090  | Clarification on the transportation of multiple cargo under AM0090  | Clarified | 27        |
| AM_CLA_0293       | AM0009  | Applicability of Liquefied Natural<br>Gas (LNG) use domestically as<br>alternative to utilization of<br>otherwise gas flared under the<br>AM0009 version 7.0  | Clarified | 28        |
| AM_CLA_0294       | AM0009  | The application of the Approved Methodology AM0009 for the Project implemented at the Gas Condensate Field  | Clarified | 29        |

- 26. The MP considered the request for clarification "AM\_CLA\_0290: Clarification on how to calculate the EGPJ as the quantity of electricity generated by the project activity and supplied to the grid and to the electricity consuming facility, under ACM0002" (regarding ACM0002, ver. 12.3.0). The MP recommended that the Board approve the response to the request for clarification.
- 27. The MP considered the request for clarification "AM\_CLA\_0292: Clarification on the transportation of multiple cargo under AM0090" (regarding AM0090, ver. 1.1.0). The MP recommended that the Board approve the response to the request for clarification.
- 28. The MP considered the request for clarification "AM\_CLA\_0293: Applicability of Liquefied Natural Gas (LNG) use domestically as alternative to utilization of otherwise gas flared under the AM0009 version 7.0" (regarding AM0009, ver. 07.0). The MP recommended that the Board approve the response to the request for clarification.
- 29. The MP considered the request for clarification "AM\_CLA\_0294: The application of the Approved Methodology AM0009 for the Project implemented at the Gas Condensate Field" (regarding AM0009, ver. 07.0). The MP recommended that the Board approve the response to the request for clarification.
- (c). Methodological standards for small-scale CDM project activities
- (i). New methodologies and tools (small-scale)
- 30. The MP took note that that no new small-scale methodologies or tools were to be considered at this meeting.

#### (ii). Revisions to approved methodologies and tools (small-scale)

31. The MP considered the revision to a small-scale methodology, as presented in table 5 below.

Table 5. Status of revision to small-scale methodology

| Туре        | AM/AT          | Title of request   | Mandate | Recommendation                     | Paragraph |
|-------------|----------------|--|---------|------------------------------------|-----------|
| Methodology | AMS-<br>III.BK | Strategic feed<br>supplementation<br>in smallholder<br>dairy sector to<br>increase<br>productivity | N/A     | Approval and call for public input | 32        |

32. The MP recommended that the Board approve the top-down revision of the methodology "AMS-III.BK.: Strategic feed supplementation in smallholder dairy sector to increase productivity", as contained in <a href="mailto:annex 5">annex 5</a> to this report. The MP also agreed to launch a call for public input on the draft revised methodology, and any input will be discussed with the MP and forwarded to the Board for its consideration. This work was carried out to correct an error in the calculation of project emissions related to the amount of supplement consumed by the project animals, in accordance with the paragraph 75 of the "Procedure: Development, revision and monitoring methodologies and methodological tools" (ver. 02.1).

#### (iii). Requests for clarification of methodologies and tools (small-scale)

33. The MP considered the clarification (small-scale) as presented in table 6 below. The request is available on the UNFCCC CDM website.<sup>6</sup>

Table 6. Status of requests for clarification (small-scale)

| Submission number | AM/AT          | Title of request   | Status    | Paragraph |
|-------------------|----------------|--|-----------|-----------|
| SSC_816           | AMS-<br>III.AV | Clarification on how to determine the population who consumes the purified water serviced by the project activity under AMS-III.AV | Clarified | 34        |

34. The MP considered the request for clarification "SSC\_816: Clarification on how to determine the population who consumes the purified water serviced by the project activity under AMS-III.AV" (regarding AMS-III.AV, ver. 06.0). The MP recommended that the Board approve the response to the request for clarification.

https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending.

#### Agenda item 3.1.1. Post-registration changes

35. The MP took note that that no requests for input to post-registration changes for large-scale and small-scale methodologies or tools were to be considered at this meeting.

#### Agenda item 3.1.2. Deviations from approved methodologies and tools

36. The MP took note that no requests for input to deviations related to large-scale and small-scale methodologies or tools were to be considered at this meeting.

#### Agenda item 3.2. Other issues

37. The MP considered the options to conduct analysis on the default values and guidance to choose alternate values for key parameters included in AMS-I.E, AMS-II.G and TOOL30, and agreed to continue working on this issue at its next meeting. The work is being carried out in response to the mandate from the Board at its 108<sup>th</sup> meeting (EB 108 report, para. 37) requesting the MP to conduct additional analysis to explore alternative options regarding caps used in AMS-I.E, AMS-II.G and TOOL30. The Board, at its 111<sup>th</sup> meeting (EB 111 report, para. 26), provided specific guidance and requested the MP to continue the work on the concept note.

### Agenda item 4. Conclusion of the meeting

- 38. The members of the MP adopted the report of MP 86. The report and annexes will be available on the UNFCCC CDM website.
- 39. The Chair of the MP closed the meeting.

## Annexes to the report

- Annex 1 Information note: Technical note on desalination technologies
- Annex 2 TOOL06: Project emissions from flaring
- Annex 3 TOOL16: Project and leakage emissions from biomass
- Annex 4 TOOL27: Investment analysis
- Annex 5 AMS-III.BK.: Strategic feed supplementation in smallholder dairy sector to increase productivity

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#### **Document information**

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