

CDM-MP87

Meeting report

Methodologies Panel eighty-seventh meeting

Version 01.0

Date of meeting: 7 to 11 February 2022

Place of meeting: Virtual



United Nations
Framework Convention on
Climate Change

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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. The MP noted that one member of the MP, Mr. Kishor Rajhansa, was unable to attend the meeting and provided proper justification for his absence.
3. Table 1 below represents attendance at the virtual meeting, which was held from 7 to 11 February 2022. Names in bold print represent presence at the meeting.

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

4. The MP adopted the agenda of the meeting.
5. 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.¹

Agenda item 2. Governance and management matters

Agenda item 2.1. Matters related to the Methodologies Panel

6. The MP took note of the outcomes of the 112th meeting of the Executive Board of the CDM (hereinafter referred to as the Board) that were relevant to the MP.

¹ <https://cdm.unfccc.int/Panels/meth/index.html>.

Agenda item 2.2. Upcoming deadlines of relevance to stakeholders

7. The MP took note that the final dates of its 88th and 89th meeting (MP 88 and MP 89) will be decided at the 113th meeting of the Board in March 2022.
8. 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 88 is eight weeks prior to the meeting;
 - (b) The deadline for the submission of requests for revision to be considered at MP 88 is eight weeks prior to the meeting;
 - (c) The deadline for the submission of requests for clarification to be considered at MP 88 is six weeks prior to the meeting.

Agenda item 3. Regulatory matters

9. 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.² 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.
10. 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.³
11. The MP took note of the overview of the top-down and bottom-up proposed standardized baselines.
12. The MP took note of the update on the relevant regulatory matters finalized since the last meeting of the MP (MP 86):
 - (a) Fast-track clarifications by the MP:
 - (i) AM_CLA_0295: Clarification on the applicability conditions for manure treatment systems under AM0073 and ACM0010;
 - (ii) SSC_820: Inquiry about tree cover loss and risk buffer in AMS-III.AU. Projects;
 - (b) Relevant work carried out by consultants;
 - (c) Desk reviews.

² <https://cdm.unfccc.int/methodologies/index.html>.

³ <https://cdm.unfccc.int/Reference/Procedures/index.html>.

Agenda item 3.1. Standards/tools

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

- 13. The MP took note that no proposed standardized baselines were to be considered at this meeting.
- 14. The MP recommended that the Board consider the concept note “Ensuring the consistency in definitions of market penetration metrics and thresholds for additionality demonstration”, as contained in annex 1 to this report. The MP also agreed to launch a call for public input on the proposed changes to the relevant methodologies and tools as shown in the concept note, and any input received will be discussed with the MP and forwarded to the Board for its consideration. This work is being carried out in response to the mandate by the Board at its 110th meeting (EB 110 report, para. 30) and also covers the mandate by the Board at its 108th meeting (EB 108 report, para. 30 (c)) to revise “TOOL23: Additionality of first-of-its-kind project activities”.
- 15. The MP recommended that the Board consider the concept note “Harmonized approach for monitoring the methane concentration in biogas and landfill gas (LFG)”, as contained in annex 2 to this report. This work is being carried out in response to the mandate by the Board at its 111th meeting (EB 111 report, para. 25) to develop a methodological tool that contains a repository of data/parameters. The MP agreed to propose further work on methodologies and tools regarding this issue as detailed in the concept note and seek guidance from the Board.

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

(i). New methodologies and tools (large-scale)

- 16. 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

Type	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 report, para. 35	Reject	17
TOOL	N/A	Repository of default factors	EB 111 report, para. 25	Approval and call for public input	18

- 17. The MP recommended that the Board reject the proposed new large-scale methodology “NM0377: Energy saving through the use of the reverse osmosis technology in the water desalination process”. The proposed new methodology is intended for project activities that aim to reduce the amount of energy required to desalinate a unit of water using electricity from the grid or grid-connected captive power plants. The reasons for rejection are outlined in the “Form: New baseline and monitoring methodology recommendation

form”. The history of the bottom-up submission can be viewed on the UNFCCC CDM website.⁴

18. The MP considered the concept note “Revision to default values of CO₂ emission factor for diesel generator system and kerosene usage for lighting purpose” and agreed to include the default factors in a methodological tool. The MP recommended that the Board approve the draft new tool “TOOLXX: Repository of default factors”, as contained in annex 3 to this report. The MP also agreed to launch a call for public input on the draft new tool, and any input received 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 111th meeting (EB 111 report, para. 25) to update the default factors in methodologies that are found to be not conservative or accurate in accordance with the latest science.

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

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

Table 3. Status of revisions to large-scale methodologies and tools

Type	AM/AT	Title	Mandate	Status	Paragraph
Tool	TOOL06	Project emissions from flaring	EB 112 report, para. 25	Approval	20
Tool	TOOL08	Tool to determine the mass flow of a greenhouse gas in a gaseous stream	EB 112 report, para. 25	Not to revise	20
Methodology	AM0122	Recovery of methane-rich vapours from hydrocarbon storage tanks	N/A	Seek a mandate from the Board	21
Tool	TOOL16	Project and leakage emissions from biomass	EB 110 report, para. 30	Approval and call for public input	22(a)
Methodology	AM0036	Use of biomass in heat generation equipment	EB 110 report, para. 30	Approval and call for public input	22(b)
Methodology	AM0089	Production of diesel using a mixed feedstock of gasoil and vegetable oil	EB 110 report, para. 30	Approval and call for public input	22(c)
Methodology	ACM0006	Electricity and heat generation from biomass	EB 110 report, para. 30	Approval and call for public input	22(d)

⁴ <https://cdm.unfccc.int/methodologies/PAmethodologies/pnm/byref/NM0377>.

Type	AM/AT	Title	Mandate	Status	Paragraph
Methodology	ACM0017	Production of biofuel	EB 110 report, para. 30	Approval and call for public input	22(e)
Methodology	ACM0018	Electricity generation from biomass in power-only plants	EB 110 report, para. 30	Approval and call for public input	22(f)
Tool	TOOL23	Additionality of first-of-its-kind project activities	EB 108 report, para. 30 (c)	Work-in-progress (see also paragraph 14 above)	23
Tool	TOOL24	Common practice	EB 108 report, para. 30 (c)	Work-in-progress	23
Tool	TOOL27	Investment analysis	EB 112 report, para. 26	Work-in-progress	24
Methodology	AM0009	AM_REV_0260: Broadening the applicability of the approved methodology AM0009 to including recovery and utilization of gas from gas condensate fields that would otherwise be flared or vented, as well	N/A	Reject	26

20. The MP recommended that the Board approve the top-down revision of the methodological tool “TOOL06: Project emissions from flaring”, as contained in [annex 4](#) to this report. The work was carried out in response to the mandate by the Board at its 110th meeting (EB 110 report, para. 39) to expand the scope of the tool to cover project emissions from flaring of hydrocarbons (non-renewable source) and additional requests from the Board at its 111th meeting (EB 111 report, para. 29) and at its 112th meeting (EB 112 report, para. 25) to further improve the clarity and internal consistency of the methodological tool. The MP agreed to limit the revision within the scope of biogenic aspect of the tool (also see para. 21 below). The MP further agreed that the related revision of the “TOOL08: Tool to determine the mass flow of a greenhouse gas in a gaseous stream” is therefore not required.
21. While considering the top-down revision of the methodological tool “TOOL06: Project emissions from flaring” in response to the mandate by the Board at its 110th meeting (EB 110 report, para. 39) to expand the scope of the tool to cover project emissions from flaring of hydrocarbons (non-renewable source), as referred to in paragraph 20 above, the MP recommended to include the guidance related to project emissions from flaring of

- hydrocarbons (non-renewable source) in the relevant methodology “AM0122: Recovery of methane-rich vapours from hydrocarbon storage tanks”. In this regard, the MP recommended that the Board provide a mandate to the MP to revise the methodology AM0122.
22. The MP recommended that the Board approve the top-down revision of the methodological tool and methodologies listed below in the context of the revision of “TOOL16: Project and leakage emissions from biomass” and associated biomass methodologies (see also para. 33 below). The MP also agreed to launch a call for public input on the draft revised tool and methodologies, and any input received will be discussed with the MP and forwarded to the Board for its consideration. The work was carried out in response to the mandate by the Board at its 110th meeting (EB 110 report, para. 30) to analyse the existing approved methodologies and methodological tools with regard to consistency in the use of biomass-related terms and related guidance and to recommend revisions to the methodologies and tools, as appropriate, based on the analysis.
- (a) “TOOL16: Project and leakage emissions from biomass”, as contained in [annex 5](#) to this report;
 - (b) “AM0036: Use of biomass in heat generation equipment”, as contained in [annex 6](#) to this report;
 - (c) “AM0089: Production of diesel using a mixed feedstock of gasoil and vegetable oil”, as contained in [annex 7](#) to this report;
 - (d) “ACM0006: Electricity and heat generation from biomass”, as contained in [annex 8](#) to this report;
 - (e) “ACM0017: Production of biofuel”, as contained in [annex 9](#) to this report;
 - (f) “ACM0018: Electricity generation from biomass in power-only plants”, as contained in [annex 10](#) to this report.
23. The MP considered the top-down revision of “TOOL23: Additionality of first-of-its-kind project activities” and “TOOL24: Common practice” and agreed to incorporate the proposed changes to TOOL23 in the concept note as referred to in paragraph 14 above. With regard to the proposed revision to TOOL24, the MP agreed to continue the work and conclude it at its next meeting. The work is being carried out in response to the mandate by the Board at its 108th meeting (EB 108 report, para. 30 (c)) to explore including an appropriate penetration threshold for technology/measure.
24. The MP considered the top-down revision of “TOOL27: Investment analysis” and agreed to continue its work on the update of the default values for expected return on equity in its next meeting. Countries for which default values for the cost of equity could not be included in the last update in the tool due to non-availability of data, the MP agreed to continue working on a method to derive the respective values. The work was carried out in response to the mandate by the Board at its 112th meeting (EB 112 report, para. 26) to further work on the tool, ensuring consistency and comparability with the approach used for the remainder of the countries and recommend the revised tool for consideration by the Board at a future meeting.
25. The MP recommended that the Board consider the information note “Analysis of share and levelized cost of electricity generation of grid-connected solar photovoltaic

technology” prepared in the context of the revision of the methodological tool “TOOL32: Positive lists of technologies”, as contained in annex 11 to this report, and provide guidance for further work regarding the update of the positive list contained in the tool. This work was carried out in line with the requirements in 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.

26. The MP recommended that the Board reject the request for revision “AM_REV_0260: Broadening the applicability of the approved methodology AM0009 to including recovery and utilization of gas from gas condensate fields that would otherwise be flared or vented, as well” (regarding methodology “AM0009: Recovery and utilization of gas from oil fields that would otherwise be flared or vented” , ver. 07.0). The reasons for rejection are outlined in the “Form: Approved baseline and monitoring methodology/methodological tool revision recommendation form”. The history of this large-scale bottom-up request can be viewed on the UNFCCC CDM website.⁵

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

27. The MP considered the requests for clarification (large-scale) as presented in table 4 below. The requests are available on the UNFCCC CDM website.⁶

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

Submission number	AM/AT	Title of request	Status	Paragraph
AM_CLA_0296	AM0009	Recovery of liquefied petroleum gas (LPG) under AM0009	Clarified	28
AM_CLA_0297	ACM0002	Clarification regarding application of ACM0002 for captive purpose	Clarified	29

28. The MP considered the request for clarification “AM_CLA_0296: Recovery of liquefied petroleum gas (LPG) under AM0009” (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_0297: Clarification regarding application of ACM0002 for captive purpose” (regarding ACM0002, ver. 20.0). 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 considered the new small-scale methodology as presented in table 5 below, and, where applicable, took external expertise and public input into account.

⁵ <https://cdm.unfccc.int/methodologies/PAmethodologies/revisions/13250>.

⁶ <https://cdm.unfccc.int/methodologies/PAmethodologies/clarifications/pending>.

Table 5. Status of the new small-scale methodologies and tools

Type	Submission	Title of request	Mandate	Status	Paragraph
Methodology	SSC-NM107	Emission reduction by hydrogen fuel cell vehicles	N/A	Work in progress	31

31. The MP considered the proposed new small-scale methodology “SSC-NM107: Emission reduction by hydrogen fuel cell vehicles” and agreed to continue working on the proposed methodology at its next meeting, subject to further information being received from the proponent of the methodology. The proposed new methodology is intended for project activities that introduce hydrogen fuel cell vehicles for passenger and freight transport. The history of this small-scale bottom-up request can be viewed on the UNFCCC CDM website.⁷

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

32. The MP considered revisions to small-scale methodologies, as presented in table 6 below.

Table 6. Status of revisions to small-scale methodologies

Type	AM/AT	Title of request	Mandate	Recommendation	Paragraph
Methodology	AMS-I.A.	Electricity generation by the user	EB 110 report, para. 30	Approval and call for public input	33(a)
Methodology	AMS-I.C.	Thermal energy production with or without electricity	EB 110 report, para. 30	Approval and call for public input	33(b)
Methodology	AMS-I.F.	Renewable electricity generation for captive use and mini-grid	EB 110 report, para. 30	Approval and call for public input	33(c)
Methodology	AMS-I.I.	Biogas/biomass thermal applications for households/small users	EB 110 report, para. 30	Approval and call for public input	33(d)

33. The MP recommended that the Board approve top-down revisions of the methodologies listed below, in addition to the tool and methodologies listed in paragraph 22 above, in the context of the revision of “TOOL16: Project and leakage emissions from biomass” and associated biomass methodologies. The MP also agreed to launch a call for public input on the draft revised methodologies, and any input received will be discussed with the MP and forwarded to the Board for its consideration. The work was carried out in response to the mandate by the Board at its 110th meeting (EB 110 report, para. 30) to analyse the

⁷ <https://cdm.unfccc.int/methodologies/SSCmethodologies/pnm/byref/SSC-NM107>.

existing approved methodologies and methodological tools with regard to the consistency in the use of biomass-related terms and related guidance, and to recommend revisions to the methodologies and tools, as appropriate, based on the analysis.

- (a) “AMS-I.A.: Electricity generation by the user”, as contained in annex 12 to this report;
- (b) “AMS-I.C.: Thermal energy production with or without electricity”, as contained in annex 13 to this report;
- (c) “AMS-I.F.: Renewable electricity generation for captive use and mini-grid”, as contained in annex 14 to this report;
- (d) “AMS-I.I.: Biogas/biomass thermal applications for households/small users”, as contained in annex 15 to this report.

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

34. The MP considered the requests for clarification (small-scale) as presented in table 7 below. The requests are available on the UNFCCC CDM website.⁸

Table 7. Status of requests for clarification (small-scale)

Submission number	AM/AT	Title of request	Status	Paragraph
SSC_818	AMS-III.AJ.	Clarification on the application of the methodology AMS-III.AJ. to the production of construction products from recycled plastics	Clarified	35
SSC_822	AMS-I.E.	Clarification on the scope of electric space heating technology in AMS-I.E.	Clarified	36
SSC_823	AMS-I.A.	Clarification on applicability of solar water pumps for irrigation purpose under AMS-I.A.	Clarified	37
SSC_824	AMS-II.E.	Clarification on consideration of the impact of the measures under AMS-II.E.	Clarified	38
SSC_825	AMS-III.AH.	Clarification on application of AMS-III.AH. for using Green Hydrogen for energy purpose in ammonia production	Clarified	39

35. The MP considered the request for clarification “SSC_818: Clarification on the application of the methodology AMS-III.AJ. to the production of construction products from recycled plastics” (regarding AMS-III.AJ., ver. 07.0). The MP recommended that the Board approve the response to the request for clarification.

⁸ <https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending>.

36. The MP considered the request for clarification “SSC_822: Clarification on the scope of electric space heating technology in AMS-I.E.” (regarding AMS-I.E., ver. 12.0). The MP recommended that the Board approve the response to the request for clarification.
37. The MP considered the request for clarification “SSC_823: Clarification on applicability of solar water pumps for irrigation purpose under AMS-I.A.” (regarding AMS-I.A., ver. 17.0). The MP recommended that the Board approve the response to the request for clarification.
38. The MP considered the request for clarification “SSC_824: Clarification on consideration of the impact of the measures under AMS-II.E.” (regarding AMS-II.E., ver. 12.0). The MP recommended that the Board approve the response to the request for clarification.
39. The MP considered the request for clarification “SSC_825: Clarification on application of AMS-III.AH. for using Green Hydrogen for energy purpose in ammonia production” (regarding AMS-III.AH., ver. 03.0). The MP recommended that the Board approve the response to the request for clarification.

Agenda item 3.1.1. Post-registration changes

40. 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

41. 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

42. The MP considered the concept note “Review of default baseline assumptions applied 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 108th meeting (EB 108 report, para. 37), and its 111th meeting (EB 111 report, para. 26).

Agenda item 4. Conclusion of the meeting

43. The members of the MP adopted the report of MP 87. The report and annexes will be available on the UNFCCC CDM website.
44. The Chair of the MP closed the meeting.

Annexes to the report

- Annex 1 - Concept note: Ensuring the consistency in definitions of market penetration metrics and thresholds for additionality demonstration
- Annex 2 - Concept note: Harmonized approach for monitoring the methane concentration in biogas and landfill gas (LFG)
- Annex 3 - TOOLXX: Repository of default factors
- Annex 4 - TOOL06: Project emissions from flaring
- Annex 5 - TOOL16: Project and leakage emissions from biomass
- Annex 6 - AM0036: Use of biomass in heat generation equipment
- Annex 7 - AM0089: Production of diesel using a mixed feedstock of gasoil and vegetable oil
- Annex 8 - ACM0006: Electricity and heat generation from biomass
- Annex 9 - ACM0017: Production of biofuel
- Annex 10 - ACM0018: Electricity generation from biomass in power-only plants
- Annex 11 - Information note: Analysis of share and levelized cost of electricity generation of grid-connected solar photovoltaic technology
- Annex 12 - AMS-I.A.: Electricity generation by the user
- Annex 13 - AMS-I.C.: Thermal energy production with or without electricity
- Annex 14 - AMS-I.F.: Renewable electricity generation for captive use and mini-grid
- Annex 15 - AMS-I.I.: Biogas/biomass thermal applications for households/small users

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Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	21 February 2022	MP 87 meeting report. Initial publication.

Decision Class: Operational
Document Type: Meeting report
Business Function: Governance
Keywords: MP, reporting procedures
