

CDM-MP89

Meeting report

Methodologies Panel eighty-ninth meeting

Version 01.0

Date of meeting: 27 to 29 September 2022

Place of meeting: Bonn, Germany



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), Ms. Natalie Kushko, opened the meeting.
2. Table 1 below represents attendance at the meeting, which was held from 27 to 29 September 2022 in Bonn, Germany.

Table 1. Attendance

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

^(a) Attended the meeting virtually.

Agenda item 1.2. Adoption of the agenda

3. The MP adopted the agenda of the meeting.
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 United Nations Framework Convention on Climate Change (UNFCCC) clean development mechanism (CDM) website.¹

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 115th 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

6. The MP took note that the dates of its ninetieth meeting (MP 90) will be decided at the 116th meeting of the Board (EB 116) in November 2022.
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 90 is eight weeks prior to the meeting;
 - (b) The deadline for the submission of requests for revision to be considered at MP 90 is eight weeks prior to the meeting;
 - (c) The deadline for the submission of requests for clarification to be considered at MP 90 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.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.
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.³
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 88):
 - (a) Fast-track clarification by the MP: There were no fast-track clarifications finalized by the MP;
 - (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

12. The MP took note that no proposed standardized baselines were to be considered at this meeting.

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

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

13. The MP considered the new large-scale methodologies 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

Type	Submission	Title	Mandate	Status	Paragraph
Methodology	NM0381	Emission reduction by hydrogen production from renewable energy sources	Bottom-up submission	Work in progress	14
Methodology	Top-down	Renewable energy generation for captive use	CDM EB 113 meeting report, para. 48	Work in progress	15

14. The MP considered the proposed new large-scale methodology “NM0381: Emission reduction by hydrogen production from renewable energy sources” 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 produce hydrogen through water electrolysis using renewable electricity. The history of this bottom-up submission can be viewed on the UNFCCC CDM website.⁴

15. The MP considered the top-down development of the new methodology “Renewable energy generation for captive use” and agreed to continue working on the new methodology at its next meeting. The work is being carried out in response to the mandate by the Board at EB 113 (EB 113 meeting report, para. 48) to develop a new methodology to clarify the applicability and requirements in relation to wheeling and banking of renewable electricity fed into the grid by the project activity before its use.

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

16. 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.

⁴ <https://cdm.unfccc.int/methodologies/PAMethodologies/pnm/byref/NM0381>.

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

Type	AM/AT	Title	Mandate/ submission	Status	Paragraph
Methodology	ACM0002	Grid-connected electricity generation from renewable sources	Bottom-up submission (AM_REV_0261: Revision to ACM0002 to include battery energy storage systems (BESS) to greenfield and existing renewable power generation power plants), and EB 115 meeting report, para. 37	Approval	17
Methodology	ACM0002	Grid-connected electricity generation from renewable sources	Bottom-up submission (AM_REV_0262: Request to revision of ACM0002 to integrate battery energy storage system (BESS) to renewable energy projects supplying electricity to the captive user and or sale through open access)	Work in progress	18
Tool	TOOL07	Tool to calculate the emission factor for an electricity system	Bottom-up submission (REV_TOOL_000 5: Inclusion of harmonized IFI default grid emission factors in the 'TOOL07: Tool to calculate the emission factor of an electric system')	Work in progress	19

Type	AM/AT	Title	Mandate/ submission	Status	Paragraph
Tool	TOOL27	Investment analysis	EB 112 meeting report, para. 26	Approval, call for public input and seek a mandate from the Board	20 and 21
Methodology	Various	-	-	Seek a mandate from the Board	22

17. The MP recommended that the Board approve the revised methodology “ACM0002: Grid-connected electricity generation from renewable sources”, as contained in annex 1 to this report. This revision is based on the bottom-up submission “AM_REV_0261: Revision to ACM0002 to include battery energy storage systems (BESS) to greenfield and existing renewable power generation power plants” and addresses the comments received from the Board at EB 115 (EB 115 meeting report, para 37). The history of this large-scale bottom-up request can be viewed on the UNFCCC CDM website.⁵
18. The MP considered bottom-up submission “AM_REV_0262: Request to revision of ACM0002 to integrate battery energy storage system (BESS) to renewable energy projects supplying electricity to the captive user and or sale through open access” for the revision of the methodology “ACM0002: Grid-connected electricity generation from renewable sources” (ver. 20.0) and agreed to continue working on this agenda item at its next meeting. The history of this bottom-up request can be viewed on the UNFCCC CDM website.⁶
19. The MP considered bottom-up submission “REV_TOOL_0005: Inclusion of harmonized IFI default grid emission factors in the ‘TOOL07: Tool to calculate the emission factor of an electric system’” for the revision of the “TOOL07: Tool to calculate the emission factor of an electric system” (ver. 07.0) and agreed to seek information from the submitter. The MP agreed to continue working on this issue at its next meeting, subject to information being received from the submitter. The history of this bottom-up request can be viewed on the UNFCCC CDM website.⁷
20. The MP recommended that the Board approve the revised “TOOL27: Investment analysis”, as contained in annex 2 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. The work was carried out in response to the mandate by the Board at EB 112 (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.

⁵ <https://cdm.unfccc.int/methodologies/PAMethodologies/revisions/16857>.

⁶ <https://cdm.unfccc.int/methodologies/PAMethodologies/revisions/54722>.

⁷ <https://cdm.unfccc.int/methodologies/PAMethodologies/tools-revisions/62466>.

21. While considering the top-down revision of the methodological tool “TOOL27: Investment analysis”, as referred to in paragraph 20 above, the MP identified that the tool would benefit from editorial, consistency and structural review. In this regard, the MP recommended that the Board provide a mandate to the MP to revise the tool for its editorial, consistency and structural improvement, in addition to the mandate from the Board at EB 85 (EB 85 report, para. 50) to update the default values for the cost of equity in the appendix to the tool annually.
22. The MP initiated the discussion on compact fluorescent lamp (CFL) technologies in CDM methodologies based on a comment received proposing to remove CFLs as an eligible type of project activity technology in CDM methodologies due to the proposed phase-out of these technologies under international conventions (e.g. Minamata Convention on Mercury). The MP identified that the approved methodologies listed below are applicable to CFL technologies. The MP noted that, under the CDM rules, CDM project activities should be consistent with applicable laws and regulations of the host country. In this regard, the MP agreed to seek a mandate from the Board to review and, if needed, revise the approved methodologies listed below to make them technology-neutral in relation to eligible energy-efficient lighting technologies. Further, the MP noted that some methodologies make reference to applicable laws and regulations of the host country in relation to environmental issues other than greenhouse gas emissions. The MP agreed to seek guidance from the Board on whether a different approach would be necessary for such policy matters. The approved methodologies referred to above in this paragraph are:
- (a) AM0046: Distribution of efficient light bulbs to households;
 - (b) AM0113: Distribution of compact fluorescent lamps (CFL) and light-emitting diode (LED) lamps to households;
 - (c) AMS-II.C.: Demand-side energy efficiency activities for specific technologies;
 - (d) AMS-II.J.: Demand-side activities for efficient lighting technologies;
 - (e) AMS-III.AR.: Substituting fossil fuel-based lighting with LED/CFL lighting systems.

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

23. The MP considered the clarification (large-scale) as presented in table 4 below. The request is available on the UNFCCC CDM website.⁸

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

Submission number	AM/AT	Title of request	Status	Paragraph
AM_CLA_0297	ACM0002	Clarification regarding application of ACM0002 for captive purpose	Work in progress	24
AM_CLA_0300	AM0090	Clarification on the transportation of cargo through ferry under AM0090	Clarified	25

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

24. The MP agreed to consider the request for clarification “AM_CLA_0297: Clarification regarding application of ACM0002 for captive purpose” (regarding ACM0002, ver. 20.0) when the work on new methodology (see para. 15 above) is concluded in order to submit the revised response to the request for clarification AM_CLA_0297 together with the new methodology in accordance with the request of the Board at EB 113 (EB 113 meeting report, para. 48).
25. The MP considered the request for clarification “AM_CLA_0300: Clarification on the transportation of cargo through ferry under AM0090” (regarding AM0090, ver. 01.1.0). 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)

26. 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.

Table 5. Status of the new small-scale methodology

Type	Submission	Title	Mandate	Status	Paragraph
Methodology	SSC-NM107	Emission reduction by hydrogen fuel cell vehicles	EB 115 meeting report, para. 39	Approval	27

27. The MP recommended that the Board approve the draft new methodology “SSC-III.XX: Hydrogen fuel cell vehicles”, as contained in annex 3 to this report. The new methodology covers the project activities that aim to introduce a fleet of vehicles using hydrogen fuel cells such as buses, commuter vans or taxis used for public transport and trucks used for freight transport, food delivery or waste collection. The recommendation is based on the submission “SSC-NM107: Emission reduction by hydrogen fuel cell vehicles”, and takes into account the comments from the Board at EB 115 (EB 115 meeting report, para. 39). The history of this bottom-up submission can be viewed on the UNFCCC CDM website.⁹

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

28. The MP considered the revision to small-scale methodology, as presented in table 6 below.

⁹ <https://cdm.unfccc.int/methodologies/SSCmethodologies/pnm/byref/SSC-NM107>.

Table 6. Status of revision to small-scale methodology

Type	AM/AT	Title	Mandate/ submission	Status	Paragraph
Methodology	AMS-III.R.	Methane recovery in agricultural activities at household/ small farm level	Bottom-up submission (SSC_826: Revision of AMS-III.R. to provide further clarity on monitoring requirements for biogas digester systems)	Approval; seeking a mandate from the Board	29 and 30

29. The MP recommended that the Board approve the revised methodology “AMS-III.R.: Methane recovery in agricultural activities at household/small farm level”, as contained in annex 4 of this report. The revision is based on the bottom-up submission “SSC_826: Revision of AMS-III.R. to provide further clarity on monitoring requirements for biogas digester systems”. The revision provides clarity on the two options to calculate emission reductions and changes the title of the methodology to “AMS-III.R.: Methane recovery from livestock and manure management at households and small farms”. The history of this small-scale bottom-up request can be viewed on the UNFCCC CDM website.¹⁰
30. While considering the bottom-up submission SSC_826, as referred to in paragraph 29 above, the MP agreed that the existing approach to determine baseline emissions may need to be updated in line with the most recent Intergovernmental Panel on Climate Change (IPCC) Tier 1 and Tier 2 approach based on the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Also, the MP noted that some studies found that methane leakage from biogas digesters may in some instances exceed the default value (10 per cent) assumed in the CDM methodologies/tools. The MP agreed that further analysis may be necessary to review literature and consider whether any revision to strengthen the requirements on accounting for physical leakage of methane from biogas digesters would be necessary. Therefore, the MP recommended that the Board provide a mandate to the MP to conduct further analysis and consider possible revisions to the relevant CDM methodologies/tools such as AMS-III.R., “AMS-III.D.: Methane recovery in animal manure management systems”, “AMS-I.I.: Biogas/biomass thermal applications for households/small users” and “TOOL14: Project and leakage emissions from anaerobic digesters”.

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

31. The MP considered the clarifications (small-scale) as presented in table 7 below. The requests are available on the UNFCCC CDM website.¹¹

¹⁰ <https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/05693>.

¹¹ <https://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications/pending>.

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

Submission number	AM/AT	Title of request	Status	Paragraph
SSC_831	AMS-III.AU.	Clarification on switching cultivars in AMS-III.AU.	Clarified	32
SSC_832	AMS-II.N.	Clarification on accounting for lumen depreciation time of LED lamps under AMS-II.N.	Clarified	33

32. The MP considered the request for clarification “SSC_831: Clarification on switching cultivars in AMS-III.AU.” (regarding AMS-III.AU., ver. 04.0). The MP recommended that the Board approve the response to the request for clarification.
33. The MP considered the request for clarification “SSC_832: Clarification on accounting for lumen depreciation time of LED lamps under AMS-II.N.” (regarding AMS-II.N., ver. 02.0). The MP recommended that the Board approve the response to the request for clarification.

Agenda item 3.1.1. Post-registration changes

34. The MP took note that that no requests for input to post-registration changes related to the application of 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

35. 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

36. The MP took note that no other matters were to be considered at this meeting.

Agenda item 4. Conclusion of the meeting

37. The members of the MP adopted the MP 89 meeting report. The report and annexes will be available on the UNFCCC CDM website.
38. The Chair of the MP closed the meeting.

Annexes to the report

- Annex 1 - ACM0002: Grid-connected electricity generation from renewable sources
- Annex 2 - TOOL27: Investment analysis
- Annex 3 - SSC-III.XX: Hydrogen fuel cell vehicles
- Annex 4 - AMS-III.R.: Methane recovery in agricultural activities at household/small farm level

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