

**CDM-EB111**

## Meeting report

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# CDM Executive Board 111th meeting

Version 01.0

Date: 30 August to 1 September and 7 to 9 September 2021

Venue: 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. Due to travel restrictions and guidance from health authorities, the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) met virtually.
2. Mr. Olivier Kassi, Chair of the Board, opened the meeting and asserted that the quorum requirement was met.
3. The Board noted that Mr. Sirous Vatankhah was unable to attend the meeting.
4. Table 1 below presents the attendance of members and alternate members at the meeting. The names of the members and alternate members present at the meeting are in bold print. Where only the name of an alternate member is in bold print, the alternate participated as a member.

**Table 1. Attendance\***

<b>Members</b>	<b>Alternates</b>
<b>Mr. Omar Alcock<sup>b</sup></b>	<b>Mr. Amjad Abdulla<sup>b</sup></b>
<b>Mr. El Hadji Mbaye Diagne<sup>a</sup></b>	<b>Mr. Rachid Tahiri<sup>a</sup></b>
<b>Mr. Piotr Dombrowicki<sup>b</sup></b>	<b>Ms. Anna Romanovskaya<sup>b</sup></b>
<b>Ms. Diana Harutyunyan<sup>b</sup></b>	<b>Ms. Natalie Kushko<sup>b</sup></b>
<b>Mr. Olivier Kassi<sup>a</sup></b>	<b>Mr. Frank Wolke<sup>a</sup></b>
<b>Mr. Moises Alvarez<sup>b,1</sup></b>	<b>Ms. Asmau Jibril<sup>b</sup></b>
<b>Mr. Lambert Schneider<sup>a</sup></b>	<b>Mr. Kazunari Kainou<sup>a</sup></b>
<b>Mr. Muhammad Tariq<sup>b</sup></b>	<b>Mr. Kamal Djemouai<sup>b</sup></b>
<b>Mr. Spencer Linus Thomas<sup>a</sup></b>	<b>Mr. Eduardo Calvo<sup>a</sup></b>
Mr. Sirous Vatankhah <sup>a</sup>	<b>Mr. Nurul Quadir<sup>a</sup></b>

\* In view of the postponement of the sixteenth session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP 16) to 2021, the Bureau of the Conference of the Parties, the CMP and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, on 25 August 2020, decided to extend the current membership of the Convention, Kyoto Protocol and Paris Agreement bodies, as needed, until successors can be appointed or elected (<https://unfccc.int/news/bureau-confirms-criteria-to-advance-the-unfccc-process>). In accordance with rule 4 of the rules of procedure of the Board (decision 4/CMP.1, annex I), the members and alternate members shall remain in office until their successors are elected.

(a) Term: Two years, i.e. starting the first meeting in 2019.

(b) Term: Two years, i.e. starting the first meeting in 2020.

<sup>1</sup> Mr. José Miguez served in office until 30 June 2021 and was succeeded by Mr. Moises Alvarez for the remainder of the term on the basis of the decision of the Group of Latin American and Caribbean Countries.

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

5. The Board adopted the agenda of the meeting.

## **Agenda item 2. Governance and management matters**

### **Agenda item 2.1. Membership issues**

6. The Board considered information provided by members and alternate members with respect to any potential conflict of interest.
7. The Board welcomed Mr. Moises Alvarez, the new member elected by the CMP at its fifteenth session (CMP 15), nominated by Parties not included in Annex I. The Board expressed its deep appreciation to the outgoing member, Mr. José Miguez, for his long contribution to the work of the CDM.

### **Agenda item 2.2. Strategic planning and direction**

8. The Board took note of an update on the latest carbon market and policy developments.
9. The Board took note of an update on the progress of the support provided to international climate finance institutions.

### **Agenda item 2.3. Performance management**

10. The Board agreed on its annual report to the CMP at its sixteenth session, which covers the period from 15 December 2020 to 9 September 2021, and requested the secretariat to finalize the report in consultation with the Chair and Vice-Chair of the Board to include the outcomes of its 111<sup>th</sup> meeting. Once the report is complete, it will be published on the UNFCCC and CDM websites.
11. The Board took note of the update on the status of the work of the Board, noting the changes in its workplan for 2021.

### **Agenda item 2.4. Matters related to the Board and its support structure**

12. The Board considered a draft CDM two-year business plan and management plan (MAP) 2022–2023 as prepared by the secretariat and requested the secretariat to publish it as an annex to the annotations for consideration by the Board at its next meeting.
13. The Board took note of the resignation of Ms. Maria Ana Gonzalez Casartelli from the CDM Registration and Issuance Team (RIT), effective 1 June 2021. The Board agreed not to appoint a new member to the vacant seat for the remainder of the term. The Board expressed its deep appreciation to Ms. Casartelli for her contributions to the work of the RIT.

## **Agenda item 2.5. Operations of panels and working groups**

### **(a). CDM Accreditation Panel**

14. The Board took note of the report of the 89<sup>th</sup> meeting of the CDM Accreditation Panel (CDM-AP) and its electronic consultation reports. The reports summarized information relating to the work of the panel, including developments with respect to accreditation assessments and other accreditation-related issues. The decisions of the Board related to the recommendations of the CDM-AP are contained under agenda item 3.1. "Accreditation".

### **(b). Methodologies Panel**

15. The Board took note of the report of the 85<sup>th</sup> meeting of the Methodologies Panel (MP). The report summarized information relating to the work of the MP, including submissions of methodologies and recommendations to the Board. The decisions of the Board related to the recommendations of the MP are contained under agenda item 4. "Regulatory matters".

## **Agenda item 3. Rulings (case-specific)**

### **Agenda item 3.1. Accreditation**

16. The Board took note of the notifications by the CDM-AP on the successful completion of regular surveillance assessments of the following designated operational entities (DOEs):
- (a) E-0011 "Korea Energy Agency" (KEA);
  - (b) E-0022 "TÜV NORD CERT GmbH" (TÜV NORD);
  - (c) E-0034 "China Environmental United Certification Center Co., Ltd" (CEC);
  - (d) E-0054 "Re Carbon Gözetim Denetim ve Belgelendirme Limited Sirketi" (Re Carbon);
  - (e) E-0056 "Korea Testing & Research Institute" (KTR).
17. The Board took note of the notifications by the CDM-AP on the successful completion of performance assessments of the following DOEs:
- (a) E-0005 "TÜV SÜD South Asia Private Limited" (TÜV SÜD);
  - (b) E-0024 "Colombian Institute for Technical Standards and Certification" (ICONTEC);
  - (c) E-0025 "Korean Foundation for Quality" (KFQ);
  - (d) E-0037 "RINA Services S.p.A." (RINA);
  - (e) E-0066 "Earthood Services Private Limited" (Earthood).

### **Agenda item 3.2. Registration**

18. The Board noted that 7,853 CDM project activities have been registered as at 9 September 2021. The status of requests for registration of project activities can be viewed on the UNFCCC CDM website.<sup>1</sup>
19. The Board noted that 355 programmes of activities (PoAs) have been registered as at 9 September 2021 and that under these PoAs, 2,745 component project activities have been included. The status of requests for registration of PoAs can be viewed on the UNFCCC CDM website.<sup>2</sup>

### **Agenda item 3.3. Issuance**

20. The Board noted that 2,111,588,464 CERs have been issued for CDM project activities and that 46,621,536 CERs have been issued for PoAs as at 9 September 2021. The status of CERs issued can be viewed on the UNFCCC CDM website.<sup>3</sup>
21. The Board noted that 89,352,384 CERs (CERs/temporary CERs (tCERs)/long-term CERs (ICERs)) have been voluntarily cancelled as at 9 September 2021. Out of these, 3,734,008 CERs were voluntarily cancelled using the online platform for voluntary cancellation of CERs. The status of CERs voluntarily cancelled can be viewed on the UNFCCC CDM website.<sup>4</sup>

### **Agenda item 3.4. Other rulings**

22. In accordance with the "CDM project cycle procedure for programmes of activities", the Board considered a request for renewal of PoA period of the PoA "PoA for the Reduction of emission from non-renewable fuel from cooking at household level" (7359), submitted by the DOE E-0032 "LGAI Technological Center, S.A." (LGAI Tech. Center S.A) and decided to renew the PoA period of the PoA.

## **Agenda item 4. Regulatory matters**

### **Agenda item 4.1. Standards/tools**

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

23. Due to time constraints, the Board could not consider the revision of the process for updating standardized baselines.
24. The Board adopted the following revised regulatory documents and decided to make them effective on 7 October 2021:
  - (a) "CDM project standard for project activities", as contained in [annex 1](#) to this report;
  - (b) "CDM validation and verification standard for project activities", as contained in [annex 2](#) to this report;
  - (c) "CDM project standard for programmes of activities", as contained in [annex 3](#) to this report;
  - (d) "CDM validation and verification standard for programmes of activities", as contained in [annex 4](#) to this report.

25. The Board considered the concept note “Improving clarity and consistency of methodological products” and requested the secretariat to undertake the measures and related work proposed in the concept note, except paragraph 13 (f) which lists the “process to identify improvements to methodological products based on published literature”. The Board agreed that the repository of data/parameters referred under paragraph 13 (d) of the concept note shall be recommended as a new methodological tool. The Board further requested the secretariat to prepare a report for consideration by the Board at a future meeting on the implementation of these measures covering the period of at least six months. The report should cover details and resource estimates for the remaining work indicated in paragraph 13 (f) that involves review of published literature.
26. The Board considered the concept note “Analysis and options regarding caps used in AMS-I.E, AMS-II.G and TOOL30” that proposed, besides the existing default values, threshold values for the parameters fraction of non-renewable biomass (fNRB), per capita baseline wood fuel consumption and wood-to-charcoal conversion factor. The Board agreed that the information provided has been useful and requested the MP to continue the work and provide an updated concept note for consideration by the Board at a future meeting, including the following elements:
- (a) A thorough review of the scientific literature regarding these values;
  - (b) Based on an analysis, a proposal for up-to-date default values, including region-specific values where necessary;
  - (c) A further assessment of the necessity of the thresholds, i.e. what additional guidance may be necessary for project participants to use other data and information sources (e.g. conditions for the data quality and data vintage and the evidence required) and whether this guidance should be applicable to all projects or be applicable only when thresholds are exceeded;
  - (d) If thresholds are to be proposed based on the analysis above, the statistical basis of the proposed values shall be justified (e.g. based on 95 per cent confidence interval or average plus two- or three-times standard deviation);
  - (e) If necessary, a study by an acknowledged expert may be commissioned to develop region-specific values, in particular for fNRB.

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

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

27. The Board adopted the new methodology “AM0122: Recovery of methane-rich vapours from hydrocarbon storage tanks”, as contained in annex 5 to this report. The new methodology is applicable to project activities that recover and utilize methane-rich vapours from hydrocarbon storage tanks within existing (installed prior to 31 December 2020) oil production facilities, oil and gas pre-treatment facilities, gas-processing plants, oil treatment facilities, liquid hydrocarbon storage and loading stations by use of vapour recovery units.

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

28. The Board approved, as major revisions, the following revised methodologies:
- (a) "AM0027: Substitution of CO<sub>2</sub> from fossil or mineral origin by CO<sub>2</sub> from biogenic residual sources in the production of inorganic compounds", as contained in annex 6 to this report. The revision clarifies the source of baseline CO<sub>2</sub>, expands the eligibility of sources of CO<sub>2</sub> in the baseline and addresses provisions that could potentially lead to claiming emission reductions from CO<sub>2</sub> sequestration;
  - (b) "ACM0022: Alternative waste treatment processes", as contained in annex 7 to this report. The revision addresses inconsistencies and ambiguities identified in some parts of the methodology.
29. The Board considered the proposed revision to "TOOL06: Project emissions from flaring" and requested the MP to further improve its clarity and internal consistency based on the feedback provided in the meeting, and to submit a proposed revision at the next meeting.
30. The Board considered the request from the MP to provide guidance on whether it should explore pragmatic options to address the leakage emissions in the methodology "AM0045: Grid connection of isolated electricity systems" due to clearance of forest in establishing the transmission lines. The Board agreed that the current requirements of the methodology AM0045 that leakage emissions from deforestation in the construction of transmission lines shall continue to be considered as a one-time emission in the first verification period and provided guidance that no further work would be necessary.

***(iii). Clarifications (large-scale)***

31. The Board approved the responses by the MP to the following requests for clarification, as referred to in the report of the 85<sup>th</sup> meeting of the MP:
- (a) "AM\_CLA\_288: Clarification on leakage emissions related to deforestation and reforestation in the interconnection of an isolated electricity system under AM0045", regarding AM0045, version 02.0;
  - (b) "AM\_CLA\_289: Clarification on sub-step 3(a) under establishing the discount factor for number of testing", regarding AM0079, version 02.0.

**(c). Methodological standards for small-scale CDM project activities**

***(i). New methodologies and tools (small-scale)***

32. The Board rejected the proposed new methodology "SSC-NM106: Change in smallholder cattle emissions intensity".

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

33. The Board approved, as major revisions, the following revised methodologies to have consistent methods in determining the emission factors associated with the consumption of fossil fuel and with the consumption of electricity in the production of virgin plastics:
- (a) "AMS-III.AJ.: Recovery and recycling of materials from solid wastes", as contained in annex 8 to this report;



- (b) "AMS-III.BA.: Recovery and recycling of materials from E-waste", as contained in annex 9 to this report.
- 34. The Board rejected the request for proposed revision "SSC\_812: Revision request on the calculation of 'By' and the eligibility of grid-connected renewable electric cooking systems under AMS-I.E." regarding methodology "AMS-I.E.: Switch from non renewable biomass for thermal applications by the user" (version 11.0).

**(iii). Clarifications (small-scale)**

- 35. The Board approved the response by the MP to the request for clarification "SSC\_814: Clarification on addition of new buildings within a school under AMS-II.E." regarding AMS-II.E., version 12.0, as referred to in the report of the 85<sup>th</sup> meeting of the MP.

**Agenda item 4.2. Procedures**

- 36. The Board adopted the following revised regulatory documents and decided to make them effective on 7 October 2021:
  - (a) "CDM project cycle procedure for project activities", as contained in annex 10 to this report;
  - (b) "CDM project cycle procedure for programmes of activities", as contained in annex 11 to this report.
- 37. The Board considered proposals on the process of RIT assessments of review cases, and agreed to request the secretariat to organize a virtual workshop for all RIT members on their preparation of assessment reports and summary presentations to effectively support the review by the Board.
- 38. In response to a communication from a stakeholder (see paragraph 43 below), the Board agreed to clarify that, based on the existing CDM rules ("CDM project cycle procedure for project activities" (version 02.0), paragraph 131 and "CDM project cycle procedure for programmes of activities" (version 02.0), paragraph 173), it is not possible to process the post-registration change request for a project activity or a notification of changes of a component project activity (CPA) if such request or notification is submitted after the deadline for submission of request or notification due to increase in capacity. Therefore, it is not possible for such project activity or PoA (covering the CPA that had an increase in capacity) to proceed with a request for issuance.

**Agenda item 4.3. Policy issues**

- 39. The Board considered how to process a request for issuance for a straddling monitoring period between the first and second commitment periods of the Kyoto Protocol, whereby negative emission reductions were recorded in relation to the first commitment period. The Board agreed that the negative emission reductions recorded for the first commitment period are to be compensated by the reported positive emission reductions in relation to the second commitment period.

## **Agenda item 5. Relations with forums and other stakeholders**

40. The Board took note that no external input was received on the annotated agenda of its 111<sup>th</sup> meeting.
41. The Board took note that the Chair of the DOE/Accredited Independent Entity Coordination Forum did not request to interact with the Board and encouraged the Forum to continue raising issues related to the Board's guidance and proposing solutions.
42. The Board took note of the following activities undertaken relating to stakeholders, designated national authorities, applicant entities and DOEs:
  - (a) 55<sup>th</sup> DOE conference call held on 22 June 2021 via video conference;
  - (b) Asia-Pacific Climate Week 2021 virtual conference held from 6 to 9 July 2021.
43. The Board considered one communication (INQ-10945) submitted by a stakeholder and agreed to respond to the submitter in accordance with the "Procedure: Direct communication with stakeholders".
44. The Board took note that no observers requested registration to attend and to interact with the Board for this meeting. Observers to the 112<sup>th</sup> meeting of the Board shall register with the secretariat by 5 October 2021.

## **Agenda item 6. Other matters**

45. The Board considered the report of the International Transaction Log (ITL) on non-replacement of tCERs and took note of the following record of non-replacement of tCERs that has been transferred to the retirement account and were not replaced by the deadline of 31 December 2020:
  - (a) Italy: non-replacement of 131,267 tCERs. However, replacement completed on 11 March 2021;
  - (b) Luxembourg: non-replacement of 262,563 tCERs;
  - (c) Japan: non-replacement of 343,203 tCERs.
46. The Board agreed to include the information contained in paragraph 45 above in the annual report to the CMP at its sixteenth session.
47. The Board agreed to the provisional agenda for the 112<sup>th</sup> meeting, to be held in Glasgow, United Kingdom of Great Britain and Northern Ireland, from 26 to 29 October 2021, as contained in [annex 12](#) to this report.

## **Agenda item 7. Conclusion of the meeting**

48. The Board agreed that any decisions taken by the Board at this meeting are deemed to have been taken in Bonn, Germany.
49. The Chair summarized the main conclusions and closed the meeting.

50. Any decisions taken by the Board shall be made publicly available in accordance with paragraph 17 of the "CDM modalities and procedures" and with rule 31 of the "Rules of procedure of the Executive Board of the clean development mechanism". The proceedings of the open sessions of the meeting can be accessed via broadcast.<sup>5</sup>

## **Annexes to the report**

### **Standards for CDM project activities and programmes of activities**

- Annex 1 - Standard: CDM project standard for project activities (version 03.0)
- Annex 2 - Standard: CDM validation and verification standard for project activities (version 03.0)
- Annex 3 - Standard: CDM project standard for programmes of activities (version 03.0)
- Annex 4 - Standard: CDM validation and verification standard for programmes of activities (version 03.0)

### **Methodological standards for large-scale CDM project activities**

- Annex 5 - AM0122: Recovery of methane-rich vapours from hydrocarbon storage tanks (version 01.0)
- Annex 6 - AM0027: Substitution of CO<sub>2</sub> from fossil or mineral origin by CO<sub>2</sub> from biogenic residual sources in the production of inorganic compounds (version 03.0)
- Annex 7 - ACM0022: Alternative waste treatment processes (version 03.0)

### **Methodological standards for small-scale CDM project activities**

- Annex 8 - AMS-III.AJ.: Recovery and recycling of materials from solid wastes (version 08.0)
- Annex 9 - AMS-III.BA.: Recovery and recycling of materials from E-waste (version 03.0)

### **Procedures**

- Annex 10 - Procedure: CDM project cycle procedure for project activities (version 03.0)
- Annex 11 - Procedure: CDM project cycle procedure for programmes of activities (version 03.0)

### **Other matters**

- Annex 12 - Provisional agenda: CDM Executive Board 112<sup>th</sup> meeting (version 01.0)

**List of documents that have undergone editorial changes or been issued since the last meeting**

***Regulatory Documents***

- ASB0005-2021: Grid emission factor for the Belize national power grid (version 01.0)

***Ruling Notes***

- Ruling note: Rationale for rejection of PRC-5979-003 (version 01.0)

***Reports***

- Regular report to the CDM EB: Regional Collaboration Centres (1 January to 30 June 2021) (version 01.0)
- Regular report to the CDM EB: Voluntary Cancellation Platform (1 January to 30 June 2021) (version 01.0)

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**Document information**

Version	Date	Description
01.0	9 September 2021	CDM EB 111 meeting report Initial publication.
Decision Class: Operational Document Type: Meeting report Business Function: Governance Keywords: EB, reporting procedures		

## Endnotes

1. <http://cdm.unfccc.int/Projects/>.
2. <http://cdm.unfccc.int/ProgrammeOfActivities/>.
3. [http://cdm.unfccc.int/Issuance/cers\\_iss.html](http://cdm.unfccc.int/Issuance/cers_iss.html).
4. <https://cdm.unfccc.int/Registry/index.html>.
5. <https://cdm.unfccc.int/EB/111/broadcast.html>.