

# Development and update of standardized baselines (SBs)

**Global DNA Forum Meeting 2018**

“Workshop on CDM”

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- **Why are standardized baselines (SBs) needed?**

- ✓ Establishing baseline and additionality of CDM projects in certain areas can be complex and time consuming
- ✓ The Board, over years, has simplified and standardised a number of parameters in methodologies (e.g. default usage hours of equipment)
  - ✓ Further 'globally applicable' standardisation may not be feasible without compromising on the rigour of emission reduction estimates
- ✓ SBs can tackle the issue for a wide ranging of parameters by taking a region/country specific approach for a sector
- ✓ Facilitate cost-effectiveness, predictability and scalability

- **CMP6 decision**

- ✓ The Host country's DNAs may submit proposals for SBs for consideration by the Board;
- ✓ Requests the Board to develop SBs, in consultation with DNAs prioritizing methodologies applicable to underrepresented project types or regions

## Background

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- **Key regulatory documents approved by the Board**
    - a) Procedures for development, revision, clarification and update of standardized baselines (**SB procedures**);
    - b) Guidelines for the establishment of sector specific SBs (**SB guidelines**);
    - c) Guidelines for establishment of SBs for afforestation and reforestation project activities under the CDM (**AR-SB guidelines**);
    - d) Guidelines for quality assurance and quality control of data used in the establishment of SBs (**QA/QC guidelines**);
    - e) Standard for determining coverage of data and validity of SBs (**SB Data Standard**)
    - f) TOOL29: Determination of standardized baselines for energy-efficient refrigerators and air-conditioners (**RAC tool**);
    - g) TOOL31: Determination of standardized baselines for energy efficiency measures in residential, commercial and institutional buildings
  - **The SB framework is being continuously improved based on the lessons learned.**
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## Statistics

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- **40 approved SBs** (including one approved AR-SB)
  - 11 SBs have expired.
  - Sectors covered:
    - **Power (grid emission factor);**
    - **Cookstoves (baseline woody biomass consumption and fNRB);**
    - Charcoal production;
    - Waste;
    - Wastewater;
    - Rice cultivation;
    - Rice mill power generation
- Development of **15 top-down SBs** have been mandated by the Board, out of which 7 were already approved by the Board (mostly cookstove SBs). Top-down work to develop SBs in transport sector is also under way.



## Top-down process for SBs development

### **EB96:** Process of handling EOI from DNAs for top-down SBs

- a) DNAs submit a communication to the Board, providing to the extent possible:
- ❖ **Types of technologies/measures** that the DNA foresees being implemented for the sector using the SB, including CDM-related barriers;
  - ❖ **Projections on the size of ERs** or removal enhancements by potential CDM PAs or PoAs in the sector where the SB will be applied;
  - ❖ **Availability of finance**, independent of any technical support that the Board may provide, e.g. the availability of DNA resources, donor support, etc.;
  - ❖ **Any additional barriers faced by the DNA** in proposing a draft SB in the bottom-up process for the requested (or any other) sector, including issues pertaining to the capacity of DNA staff and information on the efforts to explore full funding from donors to cover the entire cost of development of the SB;
- b) Secretariat brings all EOIs to the attention of the Board twice a year;
- c) The Board considers at its mid-year and end-of-year meetings.



## Bottom-up process for SBs development

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- DNAs submit the following documentation:
  - ✓ **Proposed SB submission form** (CDM-PSB-FORM);
  - ✓ **Spreadsheet** containing all data used and the calculations performed for the establishment of the SB;
  - ✓ **Quality control report** prepared in accordance with the QA/QC Guidelines;
  - ✓ **Assessment report** prepared;
  - ✓ **All additional documentation** supporting the submission (e.g. statistics and/or, studies etc.), where applicable;
  - ✓ **Letters of approval** on the proposed SB from all the DNAs of the Parties to which it applies.

## Bottom-up process for SBs development

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- **Steps** in general:
  - 1) Submission of a proposed SB
  - 2) Initial assessment
  - 3) Preparation of an assessment report by the secretariat (if omitted by DNAs)
  - 4) Preparation of a draft recommendation
  - 5) Consideration by selected members from the panel or WG
  - 6) Consideration by the panel or WG (if requested by members)
  - 7) Preparation of draft SB
  - 8) Consideration by the Board (28 days)

## Process for SBs update

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- DNAs submit the following documentation to the secretariat **between 270 to 180 days prior** to the date when the validity of the current SBs expires:
  - ✓ **Approved SB update request form** (CDM-ASU-FORM);
  - ✓ **The proposed updated SB**, highlighting the proposed changes to the approved SB;
  - ✓ **Spreadsheet** containing all data used and the calculations performed for the establishment of the proposed updated SB;
  - ✓ **Quality control report** prepared in accordance with the QA/QC Guidelines;
  - ✓ **Assessment report** on the proposed updated SB;
  - ✓ **All additional documentation** supporting the submission (e.g. statistics and/or, studies etc.), where applicable;
  - ✓ **Letters of approval** on the proposed updated SB from all the DNAs of the Parties to which it applies.



## Process for SBs update

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- **Steps** in general:
  - 1) Submission of a proposed updated SB
  - 2) Initial assessment
  - 3) Preparation of a draft recommendation
  - 4) Consideration by selected members from the panel or WG
  - 5) Consideration by the panel or WG
  - 6) Preparation of draft updated SB
  - 7) Consideration by the Board (28 days)

## TOOL30 Calculation of the fraction of non-renewable biomass (fNRB)

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- EB90 agreed:
  - a) Default country-specific fNRB values **expire in 5 years from date of approval**;
  - b) SB procedures apply for update of fNRB values;
  - c) Tasked the panel to develop a **revised method for calculating fNRB values**.
- EB97 adopted TOOL30.
- TOOL is applicable to
  - a) **By DNAs** to submit region/country-specific default fNRB values, following the SB procedure; or
  - b) **By PPs** to calculate project or PoA-specific fNRB values
  - c) DNAs and PPs shall provide **justifications** on the selected area
- Default: **30%**



## Content of the fNRB tool

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- Procedure to estimate **consumption for woody biomass** (H and  $B_{old,total}$ )
  - a) Official statistics or reports or peer-reviewed literature;
  - b) Based on the number of households and other consumers of woody biomass
- Procedure to estimate **quantity of renewable biomass** (RB)
  - a) Estimates of the Mean Annual Increment of biomass (MAI) of the **forest areas**; and
  - b) Estimates of the MAI of **other wooded land areas**.
- DNAs or PPs may consider the extent of **non-accessible area** (e.g. protected area where extraction of wood is prohibited, geographically remote area).

