



FRAMEWORK CONVENTION ON CLIMATE CHANGE - Secretariat
CONVENTION-CADRE SUR LES CHANGEMENTS CLIMATIQUES - Secrétariat

Date: 11 May 2012
Ref: CDM-EB-67

EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM
SIXTY-SEVENTH MEETING
Report

Date of meeting: 7–11 May 2012

Location: Bonn, Germany

Attendance: The names of members and alternate members present at the meeting are in bold print below. Where only the name of an alternate member is in bold print, the alternate participated as a member.

Members	Alternates
Mr. Martin Cames^b	Ms. Pauline Kennedy^b
Mr. Maosheng Duan^b	Ms. June Hughes^{b1}
Ms. Diana Harutyunyan^b	Ms. Natalie Kushko^b
Mr. Martin Hession^a	Mr. Thomas Bernheim^a
Mr. Antonio Huerta-Goldman^a	Mr. Eduardo Calvo^a
Mr. Victor Kabengele^a	Ms. Fatou Gaye^a
Mr. Kazunari Kainou^a	Mr. Peer Stiansen^a
Mr. Shafqat Kakakhel^a	Mr. Hussein Badarin^a
Mr. José Miguez^b	Mr. Paulo Manso^{b1}
Mr. Hugh Sealy^b	Mr. Amjad Abdulla^b

^a Term: Two years (term of service ends immediately before the first meeting in 2013).

^b Term: Two years (term of service ends immediately before the first meeting in 2014).

¹ Nomination by CMP at its seventh session was not received, therefore the current alternate member will remain in office until the successor is nominated by the respective constituency.

NB: The term of service of a member, or an alternate member, starts at the first meeting of the Executive Board in the calendar year following his/her election and ends immediately before the first meeting of the Executive Board in the calendar year in which the term ends (see Rules of procedure of the Executive Board).

Quorum (in parenthesis required numbers): **10** (7) members or alternate members acting as members present of which **4** (3) from Annex I Parties and **6** (4) from non-Annex I Parties.

WWW broadcasting: < <http://cdm.unfccc.int/EB/Meetings> >.

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**Agenda item 1. Agenda and meeting organization****Agenda item 1.1. Quorum**

1. Mr. Maosheng Duan, Chair of the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), opened the meeting and asserted that the quorum requirement was met.
2. The Board noted that Ms. June Hughes was unable to attend the meeting. The alternate member provided proper justification for her absence.

Agenda item 1.2. Adoption of the agenda

3. The Board adopted the agenda of the meeting.

Agenda item 1.3. External input to matters on the agenda of the meeting

4. The Board took note of the five external inputs to the annotated agenda of the sixty-seventh meeting of the Board received from the call for public inputs in accordance with the "Modalities and procedures for direct communications with stakeholders". A compilation of these inputs was made available to the Board. The inputs received on specific agenda items were considered by the Board in the relevant agenda items. The Board thanked the stakeholders for the useful comments.
5. The Board took note of the inputs from the DOE/AIE Coordination Forum reported by its Chair, Mr. Werner Betzenbichler, who elaborated inputs on the items on the agenda of this meeting. He highlighted that the draft "CDM accreditation standard for operational entities" (CDM accreditation standard) remained ambiguous in some areas and noted a specific concern regarding the definition of relevant educational background in a CDM sectoral scope. He welcomed a suggestion to extend the validity of the transitional measure for complex-technical area until 13 June 2013. He raised the need to ensure the integrity of the accreditation process and its use of appropriately qualified technical experts.
6. Mr. Betzenbichler also raised a number of concerns regarding the concept note on materiality. He expressed support on behalf of DOEs for the initiative on sustainable development co-benefits. However, he referred to the additional workload for the DOEs and requested the Board to provide clear guidance to them. Regarding significant deficiencies in past validation, verification and certification reports, Mr. Betzenbichler informed the Board that DOEs were expecting to provide feedback on the study of the availability of insurance and related products before the DOE consultation on this issue.
7. The Board thanked Mr. Betzenbichler for his inputs and encouraged the forum to continue to raise issues related to its guidance and to offer appropriate solutions and recommendations.

Agenda item 2. Governance and management matters**Agenda item 2.1. Membership issues**

8. The Board considered information provided by members and alternate members with respect to any potential conflict of interest. The statements on conflict of interest from members and alternate members can be viewed on the UNFCCC CDM website at <<http://cdm.unfccc.int/EB/index.html>>.

**Agenda item 2.2. Strategic planning/direction**

9. The Board considered an update on the status of the work related to the CDM Policy Dialogue, including:

- (a) The CDM Policy Dialogue Panel is currently engaged in stakeholder consultations, through meetings, informal discussions, surveys and calls for inputs, with a balanced representation of regions and stakeholder groups;
- (b) The CDM Policy Dialogue Panel has initiated a research programme to analyse 22 specific research questions within three main focus areas: impact, governance and the future context of the CDM;
- (c) The deliberation of recommendations will start at the second meeting of the panel in May, and will continue until the third panel meeting in Johannesburg, South Africa, at the end of July 2012;
- (d) The overall work of the panel is on track with regard to both budget and time schedule.

10. The Board considered an update on the recent developments and prospects in the carbon market, including with regard to supply and demand, prices, domestic trading systems and new mechanisms. The Board requested the secretariat to continue providing reports and analysis of the carbon market and policy developments and raise issues requiring consideration by the Board.

11. The Board took note of the secretariat's work to enhance its support for underrepresented countries in the CDM, in accordance with the mandate from the CMP at its seventh session, and requested the secretariat to provide more detailed information, at its next meeting, through a note on the development of this work.

Agenda item 2.3. Performance management

12. The Board considered an update on the status of the work of the Board in 2012, as shown in the Board's work programme contained in [annex 1](#). This document currently indicates the work planned for the Board at the meetings in 2012, based on the agreed CDM-MAP 2012. The work programme also provides information on the products which will undergo panel or working group consultation as well as calls for public input. The Board requested the secretariat to include in future versions of the work programme any new mandates arising from each meeting and provide an update on the status of work at the following meeting.

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

13. In accordance with the mandate by the CMP at its seventh session, the Board discussed the possible review of its code of conduct and agreed to continue its discussions at its next meeting.

14. The Board welcomed the launch of the CDM loan scheme at the African Carbon Forum in April 2012 following the signature of the memorandum of understanding with the chosen implementing agency of the loan scheme, the United Nations Office for Project Services (UNOPS), in conjunction with the UNEP Risoe Centre on Energy, Climate and Sustainable Development (URC) on 23 March 2012.



15. The Board agreed on measures to enhance its interaction with the Registration and Issuance Team (RIT) on cases of requests for registration, issuance and renewal of crediting period that have been placed under review. The Board requested the secretariat to include these in an internal operational procedure. The Board further requested the secretariat to start implementing these measures for cases placed under review after its sixty-seventh meeting. The measures are:

- (a) The secretariat will share with the RIT members assigned to a review case, by email, the summary note prepared by the secretariat on the corresponding request for registration, issuance or renewal of crediting period, before the RIT members start their assessment of the review case;
- (b) The assigned RIT members and the secretariat will concurrently and independently prepare short slide presentations on their assessments of the review case. Where the RIT and secretariat assessments contain different proposed decisions, the secretariat will send both presentations to the Board prior to the Board meeting where the review case is to be considered. If a Board member or alternate member requests a clarification on the RIT's assessment, the RIT members will provide the clarification prior to the Board meeting;
- (c) The secretariat shares with the assigned RIT members, by email, the assessment report prepared by the secretariat of the review case, after the Board's final decision has been made on the review case;
- (d) The secretariat informs the assigned RIT members, by email, of the outcome of the Board's consideration of the review case, including the final ruling if the review case has been rejected by the Board.

16. The Board adopted the revised "Terms of reference for the Registration and Issuance Team", as contained in [annex 2](#) to this report, in particular to reflect the new measures for enhanced interaction between the RIT and the Board referred to in paragraph 15 above.

17. The Board adopted the revised "Terms of reference of the support structure of the CDM Executive Board", as contained in [annex 3](#) to this report, which introduce provisions relating to the newly established Carbon Capture and Storage Working Group (CCS WG). Mr. José Miguez and Ms. Pauline Kennedy were appointed by the Board to serve as Chair and Vice-Chair respectively.

18. The Board requested the secretariat to prepare a revision of the "Terms of reference of the support structure of the CDM Executive Board", for its future consideration, to take into account the views expressed by the Board on the section on the role of panels and working groups.

19. The Board adopted the revised "CDM Executive Board decision and documentation framework", as contained in [annex 4](#) to this report. The Board requested the secretariat to make further changes to the document, for its future consideration, specifically to reduce the number of document types and reconcile the various approaches to version control for policy regulations and methodologies. The Board also requested the secretariat, in the context of preparing a revised draft, to consider the appropriate classification of this document.

20. The Board agreed, in the event that additional sessions of the Ad hoc Working Groups (AWG) are held in late August or early September, as tentatively planned, to hold its strategy planning session and sixty-ninth meeting in conjunction with these sessions. The Board requested its Chair to confirm this arrangement once the dates and venue of the AWG sessions are finalized.

**Agenda item 2.5. Operation of panels and working groups**

21. The Board considered the shortlists of applicants for members of the CDM Accreditation Panel (CDM-AP), the Methodologies Panel (Meth Panel), the Small-Scale Working Group (SSC WG) and the Afforestation and Reforestation Working Group (A/R WG), received in response to the call for experts to replace outgoing members of these bodies.

22. The Board agreed to appoint Mr. Takashi Otsubo, Mr. Stanford Mwakasonda, Mr. Vinay Deodhar and Mr. Hernan Carlino as members of the CDM-AP. The term of service commences on the first day of the sixtieth meeting of the CDM-AP and ends immediately before the first meeting of the panel after the selection of new members by the Board in 2013. The Board further noted that Mr. Anil Jauhri, Ms. Marina Shvangiradze and Mr. Ricardo Esparta will remain in the CDM-AP for another year.

23. The Board agreed to appoint Mr. Amr Osama Abdel-Aziz, Mr. Ambachew Admassie, Ms. Jessica Wade-Murphy, Mr. Jean-Jacques Becker, Mr. Abderrahman Naas, Mr. Jürg Füssler, Mr. Luis Alberto de La Torre, Mr. Jan-Willem Martens, Mr. Jaime Martin, Mr. Pablo Mello e Souza, Mr. Niroj Mohanty, Mr. Daniel Perczyk, Mr. A. K. Perumal, Mr. Braulio Pikman, Ms. Ciska Terblanche, and Mr. Kenichiro Yamaguchi as members of the Meth Panel. The term of service commences on the first day of the fifty-sixth meeting of the Meth Panel and ends immediately before the first meeting of the panel after the selection of new members by the Board in 2013. The Board expressed its deep appreciation to the outgoing members Mr. Alex Dunn, Mr. Hermant Nandanpawar and Mr. Dinesh Aggarwal for their contribution to the work of the Meth Panel. The Board requested the outgoing members to attend the fifty-sixth meeting of the Meth Panel to enable a smooth transition.

24. The Board agreed to appoint Mr. Felix Babatunde Dayo, Mr. Michiel Ten Hoopen, Ms. Carolyn Luce, Mr. Gilberto Bandeira de Melo, Mr. Daniel Percyk, Mr. A. K. Perumal and Mr. Steven Schiller as members of the SSC WG. The term of service commences on the first day of the thirty-seventh meeting of the working group and ends immediately before the first meeting of the SSC WG after the selection of new members by the Board in 2013.

25. The Board agreed to appoint Mr. Neil Bird, Mr. Larwanou Mahamane, Mr. Raul Ponce-Hernandez, Mr. Marcelo Rocha, Mr. Shailendra Kumar Singh, Mr. Xiaoquan Zhang and Ms. Sarah Walker as members of the A/R WG. The term of service commences on the first day of the thirty-sixth meeting of the working group and ends immediately before the first meeting of the A/R WG after the selection of new members by the Board in 2013. The Board expressed its deep appreciation to the outgoing member Mr. Timothy Pearson for his contribution to the work of the A/R WG. The Board requested the outgoing member to attend the thirty-sixth meeting of the A/R WG to enable a smooth transition.

26. Following the establishment of the CCS WG referred to in paragraph 17, the Board requested the secretariat to launch a call for experts for members of the CCS WG on the UNFCCC CDM website and prepare a shortlist of applicants for consideration by the Board at its next meeting. The Board also requested the secretariat to ensure that sufficient number of experts on CCS is available in the roster of experts for desk reviews of proposed new methodologies.

CDM Accreditation Panel

27. The Board took note of the report of the fifty-ninth meeting of the CDM-AP. The report summarized information relating to the work of the panel, including the status of applications and developments with respect to accreditation assessments, and other accreditation-related issues.

*Methodologies Panel*

28. The Board took note of the report of the fifty-fifth meeting of the Meth Panel. The report summarized information relating to the work of the panel, including submissions of methodologies and recommendations to the Board.

29. The Board took note that the Meth Panel could not conclude its consideration of the following proposed new methodologies:

(a) NM0354 “Energy efficiency improvements of a lime production facility through installation of new kilns”;

(b) NM0356 “New natural gas based combined heat and power plant”.

30. The Board took note that the Meth Panel could not conclude its consideration of the request for revision AM_REV_0226. The Meth Panel will continue to consider this request at its next meeting.

31. The Board took note of the responses provided by the Meth Panel to the requests for clarification AM_CLA_0191, AM_CLA_0225, AM_CLA_0226 and AM_CLA_0227 referred to in paragraph 27 of the report of the fifty-fifth meeting of the Meth Panel.

32. The Board took note that the Meth Panel has continued its work to prepare draft revisions of the following methodologies and tools:

(a) AM0025 “Avoided emissions from organic waste through alternative was treatment processes”, in response to the tasks of improving approved methodologies and tools, and implementing programme of activity (PoA) standards and procedures, as contained in the 2012 workplan of the Meth Panel as well as the submission AM_REV_0226;

(b) ACM0010 “Consolidated baseline methodology for GHG emission reductions from manure management systems”, in response to the task of improving approved methodologies and tools, as contained in the 2012 workplan of the Meth Panel;

(c) ACM0014 “Mitigation of greenhouse gas emissions from treatment of industrial wastewater”, in response to the task of improving approved methodologies and tools, as well as the task of implementing PoA standards and procedures, as contained in the 2012 workplan of the Meth Panel;

(d) ACM0015 “Consolidated baseline and monitoring methodology for project activities using alternative raw materials that do not contain carbonates for clinker production in cement kilns”, in response to the request contained in paragraph 28 of the report of the fifty-third meeting of the Board;

(e) Methodological tool “Tool to determine project emissions from flaring gases containing methane”, in response to the task of improving approved methodologies and tools, as contained in the 2012 workplan of the Meth Panel.

33. The Board took note of the recommendation from the Meth Panel on the response to the request for deviation I-DEV_0437, as contained in paragraph 28 of the report of its fifty-fifth meeting.



34. The Board took note that, in response to the request contained in paragraph 90 of the report of the sixty-sixth meeting of the Board, and the task of implementing PoA standards and procedures as contained in the 2012 workplan of the Meth Panel, the panel recommended specific requirements on the use of large-scale methodologies under a PoA and that the requirements have been incorporated in the draft revisions of these methodologies prepared by the Meth Panel at its fifty-fifth meeting for the following methodologies:

- (a) AM0025 “Alternative waste treatment processes”;
- (b) ACM0001 “Flaring or use of landfill gas”;
- (c) ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”;
- (d) ACM0014 “Mitigation of greenhouse gas emissions from industrial waste water treatment”.

35. The Board took note that, in response to the request contained in paragraph 88 of the report of the sixty-sixth meeting of the Board, the Meth Panel did not conclude its recommendation for this request concerning methodologies AM0028 “Catalytic N₂O destruction in the tail gas of Nitric Acid or Caprolactam Production Plants” and AM0034 “Catalytic reduction of N₂O inside the ammonia burner of nitric acid plants”, and will continue considering these issues at its next meeting.

Small-Scale Working Group

36. The Board took note of the report of the thirty-sixth meeting of the SSC WG. The report summarized information relating to the work of the SSC WG, including submissions of methodologies and recommendations to the Board.

37. The Board took note that the SSC WG could not conclude its consideration of the following proposed new methodologies and will continue considering these cases at its future meetings:

- (a) SSC-NM074-rev “Emission reductions through improved efficiency of vehicle fleets”;
- (b) SSC-NM078 “GHG emission reduction due to supply of molten metal instead of ingots for aluminium castings”;
- (c) SSC-NM080 “Installation of grid connected energy efficient pump-set for agriculture use”.

38. The Board took note of the responses to the requests for clarifications SSC_604, SSC_606, SSC_607, SSC-609–SSC_613, SSC_615–SSC_617, SSC_619 and SSC_621, as provided by the SSC WG and referred to in the report of the thirty-sixth meeting of the SSC WG.

39. The Board took note that, in response to the task of top-down revisions of selected methodologies to account for suppressed demand in accordance with the suppressed demand guidelines, as contained in the 2012 workplan of the SSC WG, the group initiated work on the revisions of the methodologies AMS-IA “Electricity generation by the user” and AMS-III.AR “Substituting fossil fuel based lighting with LED/CFL lighting systems”.

40. The Board took note that, in response to the task of top-down development of new methodologies, as contained in the 2012 workplan of the SSC WG, the group agreed to continue its work on the preparation of a draft methodology for recycling of scrap tyres, taking into account comments and proposals submitted via the commenting system.



41. The Board took note that, in response to the task of revision of the microscale additionality guidelines and extension of the simplified modalities for additionality demonstration, as contained in the 2012 workplan of the SSC WG, the group considered the issues pertaining to the thresholds for Type I, II and III activities under the “Guidelines for demonstrating additionality of microscale project activities”, and the extension of the positive list in Attachment A of Appendix B for household energy supply and manure management technologies, and provided feedback to the secretariat.

42. The Board took note that its decision to approve the recommendation from the SSC WG at its thirty-sixth meeting on the proposal by the designated national authority (DNA) of Chile for automatic additionality of specific microscale renewable technologies is available at <http://cdm.unfccc.int/DNA/submissions/index.html>. The decision was adopted in accordance with paragraph 27 of the “Procedure for submission and consideration of microscale renewable energy technologies for automatic additionality”.

Afforestation and Reforestation Working Group

43. The Board took note of the report of the thirty-fifth meeting of the A/R WG. The report summarized information relating to the work of the A/R WG, submissions of methodologies and recommendations to the Board.

44. The Board took note of the response to the request for clarifications SSC_AR_008, as provided by the A/R WG and referred to in the report of the thirty-fifth meeting of the A/R WG.

45. The Board took note that, in response to the task of improving A/R methodologies and tools as contained in the 2012 workplan of the A/R WG, and as a consequence of the response to the above clarification, the group will work on consolidating small-scale A/R CDM methodologies and that this work may lead to the withdrawal of certain methodologies.

46. The Board took note that the A/R WG considered the draft proposal for revision of the “Tool for the demonstration and assessment of additionality in A/R CDM project activities” and the “Combined tool to identify the baseline scenario and demonstrate additionality in A/R WG CDM project activities” and agreed that in view of the available guidelines “Guidelines for objective demonstration and assessment of barriers” (EB 50, annex 13) and the “Guidelines on the assessment of investment analysis” (EB 62, annex 5), a revision of the tools is currently not needed.

47. The Board took note that the A/R WG will continue to consider the following issues:

- (a) Amendment of AR-AM0005 “Afforestation and reforestation project activities implemented for industrial and/or commercial use”;
- (b) Revision of the tool “Estimation of carbon stocks and change in carbon stocks of trees and shrubs in A/R CDM project activities”;
- (c) Revision of the tool “Tool for testing significance of GHG emissions in A/R CDM project activities”;
- (d) Draft approaches for screening of land suitability and determination of project boundary in fragmented landscapes.

48. The Board took note that the A/R WG provided feedback to the secretariat on the draft guidelines for standardized baselines with expanded applicability to A/R projects, as contained in annex 3 of the thirty-fifth meeting report of the A/R WG.



49. The Board took note of the terms of reference for the preparation of a technical report on soil GHG emissions from land-use conversion, as agreed by the A/R WG upon the request of the Meth Panel.

Agenda item 3. Rulings (case-specific matters)

Agenda sub-item 3.1. Accreditation

50. The Board considered the recommendation of the CDM-AP and agreed to accredit and provisionally designate for three years the entity CDM-E-0058 “Foundation of Industrial Development - Management System Certification Institute (Thailand)” (FID-MASCI) for validation, verification and certification functions in sectoral scopes 1, 3, 4, 13 and 15.

51. The Board considered the recommendation of the CDM-AP and agreed to extend the accreditation for six months for the entity CDM-E-0045 “Ernst & Young Associés (France)” (EYG).

52. The Board considered the recommendations of the CDM-AP and agreed to re-accredit for three years the following entities:

- (a) CDM-E-0005 “TÜV SÜD Industrie Service GmbH” (TÜV SÜD) for validation, verification and certification functions in sectoral scopes 1–15;
- (b) CDM-E-0011 “Korea Energy Management Corporation” (KEMCO) for validation, verification and certification functions in sectoral scopes 1–15;
- (c) CDM-E-0027 “Swiss Association for Quality and Management Systems” (SQS) for validation, verification and certification functions in sectoral scopes 1–15;
- (d) CDM-E-0034 “China Environmental United Certification Center Co., Ltd” (CEC) for validation, verification and certification functions in sectoral scopes 1–15.

53. The Board considered the recommendation of the CDM-AP and agreed to extend the accreditation for sectoral scope 4 for the entity CDM-E-0031 “Perry Johnson Registrars Carbon Emissions Services” (PJRCS).

54. The Board took note of notifications by the CDM-AP of positive regular on-site surveillances of the following entities:

- (a) CDM-E-0009 “Bureau Veritas Certification Holding SAS” (BVCH), non-central site (São Paulo, Brazil);
- (b) CDM-E-0010 “SGS United Kingdom Limited” (SGS), non-central site (Gurgaon, India);
- (c) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV NORD), non-central site (São Paulo, Brazil);
- (d) CDM-E-0030 “Nippon Kaiji Kentei Quality Assurance Limited” (NKKKQA), central office (Tokyo, Japan);
- (e) CDM-E-0031 “Perry Johnson Registrars Carbon Emissions Services” (PJRCS), central office (Troy, USA).

55. The Board took note of notifications by the CDM-AP of the positive outcome of performance assessments of the following entities:

- (a) CDM-E-0003 “DNV Climate Change Services AS” (DNV);



- (b) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV NORD);
- (c) CDM-E-0024 “Colombian Institute for Technical Standards and Certification” (ICONTEC);
- (d) CDM-E-0034 “China Environmental United Certification Center Co., Ltd.” (CEC);
- (e) CDM-E-0037 “RINA Services S.p.A.” (RINA);
- (f) CDM-E-0045 “Ernst & Young Associés (France)” (EYG).

56. The Board took note of a notification by the CDM-AP on the negative outcome of performance assessment of the entity CDM-E-0031 “Perry Johnson Registrars Carbon Emissions Services” (PJRCES).

57. The Board took note of a notification by the CDM-AP on the positive outcome of additional focused desk review assessment of the entity CDM-E-0052 “Carbon Check (Pty) Ltd” (Carbon Check).

58. The Board took note of the voluntary withdrawal of accreditation of the entity CDM-E-0008 “KPMG AZSA Sustainability Co., Ltd.” (KPMG-AZSA).

59. The Board considered an appeal report produced by an independent appeal panel, which was established at the sixty-sixth meeting of the Board to address an appeal submitted by a DOE against a suspension recommendation of the CDM-AP. The appeal panel concluded that the appeal is not justified on the basis of the assessment of documentation relevant to the scope of the appeal. The Board, in accordance with paragraph 116 of the “Procedures for accrediting operational entities by the Executive Board of the clean development mechanism” (CDM accreditation procedure), considered the recommendation of the CDM-AP, the appeal panel’s report and the hearing of the DOE. The Board decided to maintain the accreditation of the DOE. The Board also required the DOE to address all open non-conformities within a specified deadline. In addition, the Board agreed that an additional performance assessment is to be undertaken.

60. The Board considered an appeal submitted by another DOE against the recommendation of the CDM-AP. The Board, in accordance with the CDM accreditation procedure, decided to establish a three-member appeal panel for the appeal. The Board requested the appeal panel to prepare a report for the consideration of the Board at its next meeting. The Board agreed that the members of the appeal panel shall be compensated, in accordance with United Nations rules and regulations, for three days of work.

Agenda sub-item 3.2. Programme of activities

61. The Board noted that 17 CDM programmes of activities have been registered by 11 May 2012.¹

62. In accordance with paragraph 33 of annex 4 to the report of the sixty-fourth meeting of the Board, the Board considered one request for permission to resubmit a previously rejected request for issuance and agreed to permit the resubmission of “CUIDEMOS Mexico (Campana De Uso Inteligente De Energia Mexico) - Smart Use of Energy Mexico” (2535), submitted by the DOE (SGS) for the monitoring period 1 December 2009–30 November 2010.

Agenda sub-item 3.3. Registration

63. The Board noted that 4,097 CDM project activities have been registered by 11 May 2012.²

64. In accordance with the “Procedures for review of requests for registration”, adopted by the Board at its fifty-fifth meeting, the Board considered four requests for registration for which assessments of the secretariat and the RIT contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.



65. The Board agreed to register the project activities:
- (a) “1.6 MW Bundled Rice Husk Based Cogeneration Plant by M/s Milkfood Limited in Patiala (Punjab) & Moradabad (U.P) Districts” (5219), submitted by the DOE (TÜV NORD);
 - (b) “10 MW Biomass based power Plant at Pollachi, Coimbatore district, Tamil Nadu” (5313), submitted by the DOE (DNV);
 - (c) “Fil-Am Foods Inc. (FFI) Methane Recovery and Electricity Generation Project” (5356), submitted by the DOE (DNV).
66. The Board could not register the proposed project activity “Maesod Wastewater Treatment and Biogas Utilisation Project” (5291), submitted by the DOE (RINA).
67. The Board could not register the proposed project activity “Recovery and Utilization of Associated Gas to Optimize Power Generation at PETROAMAZONAS Block 15 Facilities” (4722) submitted by the DOE (DNV), as the project participants and the DOE failed to substantiate the additionality of the project activity, in particular suitability of input values to the investment analysis in accordance with paragraph 111 (a) of the “Clean development mechanism validation and verification manual”.

Agenda sub-item 3.4. Issuance

68. The Board noted that 927,829,927 certified emission reductions (CERs) have been issued as at 11 May 2012.³
69. In accordance with the “Procedures for review of requests for issuance”, adopted by the Board at its fifty-fifth meeting, the Board considered five requests for issuance for which assessments of the secretariat and the RIT contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.
70. The Board agreed to approve the request for issuance of the following project activities:
- (a) “Biomass thermal energy plant – Hartalega Sdn.Bhd, Malaysia” (1186) submitted by the DOE (SQS) for the monitoring period 21 December 2007–31 December 2010;
 - (b) “6 MW Biomass residue based cogeneration unit by MPML at Village Heti (Surla), District Nagpur in Maharashtra, India” (1568) submitted by the DOE (TÜV NORD) for the monitoring period 1 April 2009–31 March 2010;
 - (c) “China Fujian Putian LNG Generation Project” (1859) submitted by the DOE (BVCH) for the monitoring period 28 March 2010–27 September 2010;
 - (d) “Methane Capture and On-site Power Generation Project at Sungai Kerang Palm Oil Mill in Sitiawan, Perak, Malaysia” (2185) submitted by the DOE (SIRIM) for the monitoring period 1 June 2009–31 December 2009;
 - (e) “Amayo 40 MW Wind Power Project - Nicaragua” (2315) submitted by the DOE (TÜV NORD) for the monitoring period 1 October 2009–31 August 2010.
71. In accordance with paragraph 9(c) of annex 33 to the report of the fifty-fourth meeting of the Board, the Board considered one request for permission to resubmit previously withdrawn requests for issuance and agreed to permit the resubmission of “Gansu Min County Qingshui Hydropower Station Project” (2739), submitted by the DOE (BVCH) for the monitoring period 2 March 2010–29 January 2011.



72. In accordance with the “Procedures for notifying and requesting approval of changes from the project activity as described in the registered PDD” adopted by the Board at its forty-eighth meeting, the Board considered three requests for approval of changes from the registered project design document (PDD) and agreed to accept the changes and allow subsequent requests for issuance for the following project activities:

- (a) “La Higuera Hydroelectric Project, Chile” (0248) submitted by the DOE (SGS);
- (b) “BRT Bogotá, Colombia: TransMilenio Phase II to IV” (0672) submitted by the DOE (SGS);
- (c) “Power capacity expansion project at Dwarikesh” (1257) submitted by the DOE (SGS).

73. In accordance with the “Procedures for revising monitoring plans in accordance with paragraph 57 of the Modalities and procedures of the CDM”, adopted by the Board at its forty-ninth meeting, the Board considered one request by a DOE for revision of the monitoring plan and approved the revision of the monitoring plan of project activity “Liaoning Kangping Furaoshan Wind Power Project” (2864) submitted by the DOE (DNV).

Agenda item 4. Regulatory matters

Agenda item 4.1. Standards/tools

(a) Standards related to the CDM accreditation process

74. The Board adopted the revised CDM accreditation standard, as contained in [annex 5](#) to this report, with the following transitional arrangements relating to the implementation of this new version 04.0 and the transition from last version (03.0):

- (a) From 12 May 2012 until 11 June 2012, the DOEs shall comply with version 03.0 of the CDM accreditation standard;
- (b) The version 04.0 of the CDM accreditation standard enters into force on 12 June 2012;
- (c) Accreditation assessments conducted in accordance with the CDM accreditation procedure that start before 12 June 2012 are to be conducted against version 3.0 of the CDM accreditation standard;
- (d) Accreditation assessments conducted in accordance with the CDM accreditation procedure that start on or after 12 June 2012 are to be conducted against version 04.0 of the CDM accreditation standard;
- (e) Applications for accreditation for the new sectoral scope 16, in accordance with section B.10 of the CDM accreditation procedure, may be submitted from 12 May 2012.

(b) Standards for CDM project activities and programme of activities

75. The Board adopted “Best practices examples focusing on sample size and reliability calculations”, as contained in [annex 6](#) to this report, taking into account the public comments received on the draft document. The Board also requested the secretariat and the joint task force of the SSC WG and the Meth Panel to continue the work to further improve the guidelines (e.g. further examples to illustrate pragmatic ways to meet the reliability requirements, best practices examples for DOE validation/verification for sampling and surveys) and to explore options to simplify the requirements in the sampling standard.



76. On the basis of a concept note on guidance for consideration of cross effects for the application of multiple CDM methodologies for a PoA, the Board requested the secretariat to develop guidelines on cross effects for its future consideration, taking into account the following inputs provided by the Board:

- (a) Confine to potential cross effects impacting baselines when combinations of small-scale methodologies are applied in the context of a PoA;
- (b) Any potential cross effects owing to a combination of technologies under a single methodology shall be addressed during the methodology approval process. It is appropriate that project proponents seek clarification from the Meth Panel with regard to any identified cross effects in the context of application of combination of large-scale methodologies or combination of large- and small-scale methodologies. The Board also noted that cross effects on account of a price effect of a CDM measure (e.g. modal shift in public transportation) may have to be addressed during the methodology approval process when considering a combination of technologies that are eligible under a single methodology;
- (c) A sequential determination of a baseline for the methodologies applied may be appropriate for some cases but will not be a solution for all cases; other measures would be required;
- (d) Consider addressing both the negative and positive impacts of cross effects;
- (e) Explore an alternative terminology for cross effects, e.g. cross measure double counting.

(c) Methodological standards for large-scale CDM project activities

New methodologies and tools

77. The Board approved the following new methodologies:

- (a) AM0104 “Interconnection of electricity grids in countries with economic merit order dispatch”, based on the proposed new methodology NM0353 “Grid connection of previously isolated electricity systems in countries with merit order dispatch”. The approved methodology is contained in annex 7 to this report;
- (b) ACM0021 “Reduction of emissions from charcoal production by improved kiln design and/or abatement of methane”, based on the proposed new methodology NM0341 “Mitigation of methane emissions from charcoal production by recovering and burning carbonization gases” and the approved methodology AM0041 “Mitigation of Methane Emissions in the Wood Carbonization Activity for Charcoal Production”. The approved methodology is contained in annex 8 to this report.

78. The Board noted that the approved consolidated methodology ACM0021 “Reduction of emissions from charcoal production by improved kiln design and/or abatement of methane” fully incorporates the approved methodology AM0041 “Mitigation of Methane Emissions in the Wood Carbonization Activity for Charcoal Production”, and agreed to withdraw the methodology AM0041. The DOEs may upload, not later than 11 January 2013 (24:00 GMT), the PDDs for registration of project activities applying the withdrawn methodology AM0041.



79. The Board requested the Meth Panel to further work on the draft new methodology “Energy efficiency in data centres through dynamic power management” based on the proposed new methodology NM0350 in order to consider:

- (a) The temporal pattern in which electricity consumption is reduced due to the project activity and the type of power plants that are impacted during these times, in order to ensure that saving in electricity usage is calculated conservatively;
- (b) The approach used for the market penetration survey of the dynamic power management technology, including the appropriateness of the geographical boundary and the practicability of the approach;
- (c) The appropriateness of the approach for demonstrating additionality, taking into account the profitability of the project type.

The Board requested the Meth Panel to provide a new draft of the methodology for its future consideration.

Revisions and amendments of approved methodologies and tools

80. The Board agreed on the response prepared by the Meth Panel to the request for revision to accept request AM_REV_0231 concerning the approved methodology ACM0001 “Flaring or use of landfill gas”.

81. The Board revised/amended the following approved methodologies and tools:

- (a) AM0030 “PFC emission reductions from anode effect mitigation at primary aluminium smelting facilities”. as contained in annex 9 to this report. The revision, prepared in response to the task of improving approved methodologies and tools, as contained in the 2012 workplan of the Meth Panel, inter alia:
 - (i) Incorporates an emissions benchmark for the baseline emissions calculation and the demonstration of additionality;
 - (ii) Ensures internal consistency;
- (b) AM0074 “Methodology for new grid connected power plants using permeate gas previously flared and/or vented”, as contained in annex 10 to this report. The revision, prepared in response to the request for revision AM_REV_0223 and to the request contained in paragraph 88 of the report of the sixty-sixth meeting of the Board, inter alia:
 - (i) Includes provisions to calculate the eligible emission reductions to the amount of permeate gas utilized at historic levels;
 - (ii) Provides additional clarity on how to account for the price of waste gas;
- (c) AM0103 “Renewable energy power generation in isolated grids”, as contained in annex 11 to this report. The revision, prepared in response to the request contained in paragraph 81(c) of the report of the sixty-sixth meeting of the Board:
 - (i) Provides simplified procedures that are applicable to both LDCs and SIDS;
 - (ii) Includes an additional option to calculate baseline emissions using a weighted average emission factor;



(d) ACM0001 “Flaring or use of landfill gas”, as contained in [annex 12](#) to this report. The revision, prepared in response to the request for revision AM_REV_0231, the request contained in paragraph 90 of the report of the sixty-sixth meeting of the Board, and the task of implementing PoA standards and procedures as contained in the 2012 workplan of the Meth Panel, inter alia:

- (i) Broadens the applicability of the methodology by allowing the use of landfill gas (LFG) in glass melting furnaces;
- (ii) Provides more clarity on how to monitor possible changes in the management of the landfill;

(e) ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources”, as contained in [annex 13](#) to this report. The revision, prepared in response to the task of improving approved methodologies and tools, as contained in the 2012 workplan of the Meth Panel, the request contained in paragraph 90 of the report of the sixty-sixth meeting of the Board, and the task of implementing PoA standards and procedures as contained in the 2012 workplan of the Meth Panel:

- (i) Provides more clarity on how the quantity of net electricity generation supplied by the project plant/unit to the grid shall be monitored;
- (ii) Introduces provisions for the use of this methodology in a project activity under a PoA;

(f) ACM0005 “Increasing the blend in cement production”, as contained in [annex 14](#) to this report. The amendment, prepared in response to the request contained in paragraph 89 of the report of the sixty-sixth meeting of the Board:

- (i) Includes, as an option, conservative default values for the calcium oxide (CaO) concentration in the raw material;
- (ii) Includes a provision for the demonstration that an abundant surplus of the additives is available in an area with a radius of at least 200 km from where the additives are sourced;

(g) ACM0007 “Conversion from single cycle to combined cycle power generation”, as contained in [annex 15](#) to this report. The revision, prepared in response to the task of improving approved methodologies and tools, as contained in the 2012 workplan of the Meth Panel:

- (i) Improves the clarity of the language;
- (ii) Corrects the equation for the calculation of upstream leakage emissions.

82. For all revised methodologies and tools that were approved by the Board at this meeting, the DOEs may upload not later than 11 January 2013 (24:00 GMT) for registration the PDDs of project activities in which the previous version of an approved methodology or an approved tool has been applied, in accordance with paragraph 36 of the “Procedure for the submission and consideration of requests for revision of approved baseline and monitoring methodologies and tools for large-scale CDM project activities”.

83. Project participants may note that the amendment of an approved methodology or an approved tool has no effect on the global stakeholder consultations of PDDs and registration of project activities applying the previous version of the amended methodology or tool, in accordance with paragraph 35 of the “Procedure for the submission and consideration of requests for revision of approved baseline and



monitoring methodologies and tools for large-scale CDM project activities”.

84. The Board considered the revision of the methodology ACM0013 “Consolidated baseline and monitoring methodology for new grid connected fossil fuel fired power plants using a less GHG intensive technology” and inputs received from the call for public inputs on the draft revised methodology. The Board also took note of an information note prepared by the Meth Panel, which summarizes the issues identified in methodology ACM0013 “Consolidated baseline and monitoring methodology for new grid connected fossil fuel fired power plants using a less GHG intensive technology”. The Board requested the Meth Panel to prepare a new revision to the methodology and a more detailed information note, for consideration by the Board at its sixty-eight meeting, taking into account:

- (a) The comments received from the call for the public inputs;
- (b) The comments by the Board members during the consideration of the methodology.

(d) Methodological standards for small-scale CDM project activities

New methodologies

85. The Board approved the following new SSC methodologies:

- (a) AMS-III.BA “Recovery and recycling of materials from E-waste”, as contained in annex 16 to this report;
- (b) AMS-III.BB “Electrification of communities through grid extension or construction of new mini-grids”, as contained in annex 17 to this report.

86. With reference to the draft methodology SSC-III.BA recommended by the SSC WG at its thirty-sixth meeting, the Board agreed that flexible provisions should be introduced to demonstrate compliance with requirements pertaining to baseline and project recycling rates of E-waste, to allow the project proponent to claim emission reductions from recycling of noble metals and copper. Therefore, the approved version referred to in paragraph 85 above includes additional options to comply with the required recycling rates. In addition, with reference to draft methodology SSC-III.BB recommended by the SSC WG at the same meeting, the Board agreed that the requirements in the draft methodology to make use of efficient lighting equipment, while indicating a good practice, had no relevance for the emission reduction estimations. Therefore, the Board agreed to exclude this redundant requirement in the approved version referred to in paragraph 85 above.

87. The Board took note that the proposed new SSC methodologies SSC-NM075 “Supply of steam to the recipient facility through steam optimization at the other facility” and SSC-NM076 “Use of Low-GHG cement substitutes to displace traditional cement production” were deemed not suitable for recommendation to the Board by the SSC WG.

88. The Board took note that, due to the proximity of the next SSC WG meeting, the call for public inputs planned for standardised factors in agricultural sector methodology related to methane emission in rice fields and standardized factors in methodology for energy generation in isolated systems related to household biogas generation will be, on an exceptional basis, open for only two weeks.

Revisions to approved methodologies

89. The Board agreed to the following revised approved small-scale methodologies:

- (a) AMS-I.A “Electricity generation by the user”, as contained in [annex 18](#) to this report. The revision, prepared in response to the submission SSC_605, clarifies that in cases where existing fossil fuel captive electricity generation is displaced by the project activity, the emission factor of the captive electricity generation shall be determined using scenario B of the “Tool to calculate baseline, project and/or leakage emissions from electricity consumption”;
- (b) AMS-II.K “Installation of co-generation or tri-generation systems supplying energy to commercial buildings”, as contained in [annex 19](#) to this report. The revision, prepared in response to the submission SSC_608, enables the use of chillers with refrigerants having a global warming potential (GWP) when project emissions due to physical leakage of refrigerants are conservatively accounted for;
- (c) AMS-III.F “Avoidance of methane emissions through composting”, as contained in [annex 20](#) to this report. The revision, prepared in response to the submission SSC_614, takes into account the issue related to suppressed demand as specified in the “Guidelines on the consideration of suppressed demand in CDM methodologies”. In addition, the method to account for the methane oxidation effect in the upper layer of the landfill as indicated in the latest version of the tool “Emissions from solid waste disposal sites” is now included;
- (d) AMS-III.Z “Fuel Switch, process improvement and energy efficiency in brick manufacture”, as contained in [annex 21](#) to this report. The revision, prepared in response to the submission SSC_618, expands the applicability of the methodology to a complete switch from fossil fuel to renewable biomass. Further, the revision provides guidance for determining the baseline emissions for greenfield and capacity addition project activities.

90. The revised versions of the SSC methodologies referred to in the paragraph above will come into effect on 25 May 2012 (24:00 GMT) in accordance with the “Procedure for the revision of approved SSC methodologies”.

91. The Board agreed to launch four calls for public inputs open from **14 May 2012** until **11 June 2012**, on the draft revisions of the methodologies:

- (a) AMS-III.D “Methane recovery in animal manure management systems”, as contained in annex 11 of the report of the thirty-sixth meeting of the SSC WG, including simplified requirements for project activities that utilize recovered methane for power generation, for example the estimation of the amount of methane captured based on the monitored electricity generation;
- (b) AMS-III.G “Landfill methane recovery”, as contained in annex 13 of the report of the thirty-sixth meeting of the SSC WG, including an oxidation factor and a landfill gas collection efficiency factor consistent with the requirements of ACM0001 “Flaring or use of landfill gas”;
- (c) AMS-III.Q “Waste Energy Recovery (gas/heat/pressure) project”, as contained in annexes 7 and 8 of the report of the thirty-sixth meeting of the SSC WG;
- (d) AMS-III.R “Methane recovery in agricultural activities at household/small farm level”, as contained in annex 12 of the report of the thirty-sixth meeting of the SSC WG, now incorporating the Intergovernmental Panel on Climate Change (IPCC) Tier 1 approach (in addition to the presently prescribed IPCC Tier 2 approach).



The Board requested the SSC WG to take into account the inputs received from these calls when preparing the final drafts of the revised methodologies to be recommended to the Board at a future meeting.

92. The Board considered an information note on default values of fraction of non-renewable biomass (fNRB) for 58 LDCs and SIDS, as contained in [annex 22](#) to this report. The Board agreed to approve the approach to calculate the fNRB values for LDCs, SIDS and Parties with 10 or less registered CDM project activities as of 31 December 2010 and the values as indicated in the information note.

93. The Board also noted that the following DNAs have already indicated their acceptance to the proposed default values of fNRB: the Republic of Angola, the Republic of Chad, the Federal Democratic Republic of Ethiopia, the Republic of The Gambia, the Commonwealth of Jamaica, the Republic of Liberia, the Republic of Senegal, the Republic of Uganda, the Kingdom of Bahrain. The Board further noted that when acceptance is received from DNAs, the default values can be applied in small-scale CDM project activities and PoAs in the respective host countries. To facilitate the process, the Board requested the secretariat to continue to consult with DNAs and maintain on the UNFCCC CDM website a list of countries whose DNAs have indicated their acceptance of the proposed fNRB values. The Board further requested the secretariat, in consultation with the SSC WG, to continue to determine fNRB factors for Parties with 10 or less registered CDM project activities as of 31 December 2010 and recommend to the Board default values for application in these countries.

Guidelines

94. On the basis of the concept note on the extension of the simplified modalities for the demonstration of additionality of small-scale CDM project activities, the Board requested the secretariat to recommend a positive list of off-grid renewable electricity generation technologies and other isolated units/technologies of very small size in distributed location for automatic additionality. The positive list shall be part of a draft revision of the guidelines on demonstration of additionality of SSC project activities for consideration by the Board at its sixty-eighth meeting. The secretariat shall take into account the comments provided by the Board, in particular:

- (a) Provide options and implications of extending the positive list to include isolated units of very small size in distributed location under the conditions that the end-users are households or communities or SMEs and the capacity of each unit is X% (e.g. 5%, 1.0%, 0.5%, 0.1%) of small-scale CDM thresholds. Include an analysis of options to simplify validation of these type of project activities.
- (b) Include sensitivity analysis for the up-front cost of off-grid renewable energy technologies and comparable diesel generator technologies with the consideration of associated uncertainties;
- (c) Provide an analysis of options to expand the list of technologies under the positive list to include emerging technologies, such as grid-connected small-scale vertical axis wind turbines;
- (d) Provide an analysis of CDM impact on high upfront cost of off-grid technologies;
- (e) Allow options for including energy efficiency activities in the positive list.



95. On the basis of the concept note on the expansion of the “Guidelines for demonstrating additionality of micro-scale project activities”, especially to the definition of the “special underdeveloped zones”, and taking into account the summary of public inputs received in response to a call opened at the sixty-sixth meeting of the Board, the Board requested the secretariat to propose options and implications for consideration by the Board at its next meeting, taking into account the guidance and inputs provided by the Board, in particular:

- (a) Definition of special underdeveloped zones shall include both qualitative and quantitative criteria and provide flexibility to the project proponents to apply the guidelines considering that there is an acute paucity of data at the subnational level for many of the indicators;
- (b) USD 2 per day income is the preferred poverty indicator rather than the USD 1 per day indicated in the SSC WG recommendation.

(e) Methodological standards for afforestation and reforestation CDM project activities

Revisions to approved methodologies and tools

96. The Board approved the revision/amendment to the following tools:

- (a) Methodological tool “Estimation of carbon stocks and change in carbon stocks in dead wood and litter in A/R CDM project activities”, as contained in [annex 23](#) to this report. The revision incorporates the use of the tools “Demonstrating appropriateness of allometric equations for estimation of aboveground tree biomass in A/R CDM project activities” (EB 65, annex 28) and “Demonstrating appropriateness of volume equations for estimation of aboveground tree biomass in A/R CDM project activities” (EB 65, annex 29);
- (b) Methodological tool “Demonstrating appropriateness of volume equations for estimation of aboveground tree biomass in A/R CDM project activities”, as contained in [annex 24](#) to this report. The amendment enhances the clarity of the text by replacing “volume equation” with “volume table or volume equation”.

Guidelines

97. The Board agreed to withdraw the “Guidelines on conservative choice and application of default data in estimation of the net anthropogenic GHG removals by sinks”. Due to recent improvements in A/R methodologies and tools, these guidelines are no longer required.

98. The Board considered the draft “Guidelines for establishment of standardized baselines for afforestation and reforestation project activities under the clean development mechanism” and requested the secretariat to prepare a revised draft, taking into account the feedback from the A/R WG and inputs received from the call for the public inputs to be launched, for future consideration by the Board. Due to the proximity of the next A/R WG meeting, the call for public inputs will be open on an exceptional basis for three weeks to facilitate the further development of guidelines.

Agenda item 4.2. Procedures

(a) Procedures related to project cycle

99. The Board adopted the “Guidelines for completing the proposed new carbon capture and storage baseline and monitoring methodology form” and the “Guidelines for completing the project design document form for carbon capture and storage CDM project activities”, as contained in [annex 25](#) and [annex 26](#) respectively to this report.



100. The Board adopted the “Procedure for submission and consideration of a proposed new baseline and monitoring methodology for carbon capture and storage CDM project activities”, as contained in [annex 27](#) of this report.

101. The Board revised the following guidelines to include an instruction to coordinating/managing entities (CMEs) to describe how a proposed PoA contributes to sustainable development:

- (a) “Guidelines for completing the programme design document form for CDM project programmes of activities”, as contained in [annex 28](#) to this report;
- (b) “Guidelines for completing the programme design document form for afforestation and reforestation CDM programmes of activities”, as contained in [annex 29](#) to this report;
- (c) “Guidelines for completing the programme design document form for small-scale CDM programmes of activities”, as contained in [annex 30](#) to this report;
- (d) “Guidelines for completing the programme design document form for small-scale afforestation and reforestation CDM programmes of activities”, as contained in [annex 31](#) to this report.

102. The Board considered the scope of a consultation with DOEs in relation to insurance and liability management issues arising from the draft “Procedure to address significant deficiencies in past validation, verification or certification reports” considered at its sixty-fifth meeting, and agreed to the workplan for 2012, which includes a DOE consultation. The Board approved the terms of reference for the consultation, as contained in [annex 32](#) to this report, and nominated the following members/alternate to attend it:

- (a) Mr. Martin Hession (Vice-Chair of the Board);
- (b) Mr. Kazunari Kainou;
- (c) Mr. Peer Stiansen.

Agenda item 4.3. Policy issues

103. On the basis of the concept note on competence requirements for applicant entities (AEs) and DOEs, the Board agreed to extend the transitional measure contained in the CDM accreditation standard (annex D, paragraph 5) from 17 March 2012 to 17 June 2013 in Phase I of the revision of this standard.

104. The Board considered an analysis and a proposal for voluntary measures to highlight the sustainable development co-benefits of CDM project activities and PoAs. The Board requested the secretariat to develop a voluntary tool for consideration by the Board at its next meeting, with, among other things, the following features:

- (a) A checklist approach based on best practices and drawing on a wide selection of possible sources;
- (b) Flexibility to include the voluntary tool in existing CDM documents and workflows;
- (c) A project participant or CME may make an initial declaration using the voluntary tool;
- (d) A project participant or CME may choose to update, change or withdraw the initial declaration if circumstances change at any time prior to or after registration of the CDM project activity or PoA.

The Board also agreed to revise the guidelines for completing PoA-DDs as referred to in paragraph 101 above.



105. On the basis of two concept notes on the treatment of suppressed demand in approved large- and small-scale methodologies, the Board agreed on the following list of approved methodologies as priorities for the work to explore the application of the “Guidelines on the consideration of suppressed demand in CDM methodologies”:

- (a) AM0025 “Avoided emissions from organic waste through alternative waste treatment processes”;
- (b) AM0046 “Distribution of efficient light bulbs to households”;
- (c) AM0086 “Installation of zero energy water purifier for safe drinking water application”;
- (d) AM0094 “Distribution of biomass based stove and/or heater for household or institutional use”;
- (e) ACM0014 “Mitigation of greenhouse gas emissions from treatment of industrial wastewater”;
- (f) ACM0016 “Mass rapid transit projects”;
- (g) AMS-I.A “Electricity generation by the user”;
- (h) AMS-I.E “Switch from non-renewable biomass for thermal applications by the user”;
- (i) AMS-II.E “Energy efficiency and fuel switching measures for buildings”;
- (j) AMS-III.AR “Substituting fossil fuel based lighting with LED/CFL lighting systems”.

106. On the basis of a concept note on the development of guidelines on the application of materiality and level of assurance in verifications, the Board requested the secretariat to take into account comments received by DOEs when developing the guidelines to implement the concept of materiality for consideration by the Board at its next meeting.

107. The Board noted that some methodologies allow project participants to select only a 10-year crediting period, while paragraph 49 of the “Modalities and procedures for a clean development mechanism” (decision 3/CMP.1, annex) allow project participants to select a crediting period from two alternative approaches. Therefore, the Board requested the Meth Panel to consider this issue in relevant methodologies, with the view to enable project participants to select the crediting period from the two approaches and to address, if needed, any methodological issues related to the renewal of the crediting period by recommending to the Board a revision of the methodological tool “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”. The Board also requested the Meth Panel to prepare an information note on this issue for consideration by the Board.

Agenda item 5. Relations with forums and other stakeholders

Agenda sub-item 5.1. Designated National Authorities

108. The Board took note that the following DNA-related activities have been held since the last meeting of the Board:

- (a) The Global DNA Training held on 20–21 March 2012 and the 13th Global DNA Forum held 22–23 March 2012 both in Bonn, Germany;
- (b) The Regional African DNA Training on microscale additionality, suppressed demand and standardised baselines held on 15–16 April 2012 in Addis Ababa, Ethiopia, in conjunction with a



workshop on energy access in Africa on 17 April in collaboration with the World Bank;

- (c) The Africa Carbon Forum held on 18–20 April 2012, in Addis Ababa, Ethiopia.

Agenda sub-item 5.2. Designated Operational Entities

109. The Board took note that a conference call was held with DOEs on 24 April 2012 and that a web-based conference was conducted by the secretariat was held on 8 May 2012 on the post-registration changes interface. The Board was also informed that three calibration workshops will be held in the coming two weeks in China, India and Brazil.

Agenda sub-item 5.3. Communications and activities with stakeholders

110. The Board took note that the first Sustainable Development Mechanism Joint Workshop took place in Bonn, Germany, on 24–25 March 2012.

111. The Board considered an update on the preparation of the CDM round tables planned by the secretariat this year and agreed to launch a call for public inputs on additional issues and topics to be discussed there. The Board took note that, due to the proximity of the first round table where the received inputs will be discussed, on an exceptional basis, the call for inputs will be open for only two weeks. The call will then be open from **14 May 2012** until **28 May 2012**.

Agenda sub-item 5.4. Interaction with registered observers

112. The Board met with registered observers for an informal interaction on the last day of the meeting. The observers to the meeting highlighted the following issues:

- (a) Welcomed the implementation of the “CDM project cycle procedure” as of 1 May 2012, especially the provisions for direct communication with stakeholders on case specific issues;
- (b) Encouraged the secretariat to communicate with stakeholders if any of their inputs requires clarification;
- (c) Raised concern that the option agreed by the Board on reporting the sustainable development co-benefits of CDM project activities is not ambitious and highlighted the need for monitoring and verification of the reported co-benefits;
- (d) Requested clarifications on those countries eligible for the loan scheme, on the funds available and on the procedures for its operations;
- (e) Requested clarifications on the process surrounding the CDM Policy Dialogue and the secretariat role.

113. The Board thanked the observers for their comments and questions and provided clarifications on the issues raised.

114. The Board further agreed to continue to meet with the same type of arrangement and to reconsider the issue when necessary. Observers to the sixty-eighth meeting of the Board shall have registered with the secretariat by **25 June 2012**. In order to ensure proper security and logistical arrangements, the Board emphasized that this deadline will be strictly enforced by the secretariat.

Agenda item 6. Other matters

115. The Board agreed on the provisional agenda for its sixty-eighth meeting, to be held in Bonn, Germany, on 16–20 July 2012, as contained in annex 33 to this report.



Agenda item 7. Conclusion of the meeting

116. The Chair summarized the main conclusions.

117. The Chair closed the meeting.

118. 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 Board.

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***Annexes to the report******Performance management***

Annex 1 - CDM Executive Board work programme 2012 (version 01.0)

Matters related to the Board and its support structure

Annex 2 - Terms of reference for the Registration and Issuance Team (version 08.0)

Annex 3 - Terms of reference of the support structure of the CDM Executive Board (version 02.0)

Annex 4 - CDM Executive Board decision and documentation framework (version 04.0)

Standards related to the CDM accreditation process

Annex 5 - CDM accreditation standard for operational entities (version 04.0)

Standards for CDM project activities and programme of activities

Annex 6 - Best practices examples focusing on sample size and reliability calculations (version 01.0)

Methodological standards for large-scale CDM project activities

Annex 7 - AM0104 “Interconnection of electricity grids in countries with economic merit order dispatch” (version 01.0.0)

Annex 8 - ACM0021 “Reduction of emissions from charcoal production by improved kiln design and/or abatement of methane” (version 01.0.0)

Annex 9 - AM0030 “PFC emission reductions from anode effect mitigation at primary aluminium smelting facilities” (version 04.0.0)

Annex 10 - AM0074 “Methodology for new grid connected power plants using permeate gas previously flared and/or vented” (version 03.0.0)

Annex 11 - AM0103 “Renewable energy power generation in isolated grids” (version 02.0.0)

Annex 12 - ACM0001 “Flaring or use of landfill gas” (version 13.0.0)

Annex 13 - ACM0002 “Consolidated baseline methodology for grid-connected electricity generation from renewable sources” (version 13.0.0)

Annex 14 - ACM0005 “Increasing the blend in cement production” (version 07.1.0)

Annex 15 - ACM0007 “Conversion from single cycle to combined cycle power generation” (version 06.0.0)

Methodological standards for small-scale CDM project activities

Annex 16 - AMS-III.BA “Recovery and recycling of materials from E-waste” (version 01.0)

Annex 17 - AMS-III.BB “Electrification of communities through grid extension or construction of new mini-grids” (version 01.0)

Annex 18 - AMS-I.A “Electricity generation by the user” (version 15.0)



Annex 19 - AMS-II.K “Installation of co-generation or tri-generation systems supplying energy to commercial buildings” (version 02.0)

Annex 20 - AMS-III.F “Avoidance of methane emissions through composting” (version 11.0)

Annex 21 - AMS-III.Z “Fuel Switch, process improvement and energy efficiency in brick manufacture” (version 04.0)

Annex 22 - Information note: Default values of fraction of non renewable biomass for least developed countries and small island developing States (version 01.0)

Methodological standards for afforestation and reforestation CDM project activities

Annex 23 - Methodological tool “Estimation of carbon stocks and change in carbon stocks in dead wood and litter in A/R CDM project activities” (version 02.0.0)

Annex 24 - Methodological tool “Demonstrating appropriateness of volume equations for estimation of aboveground tree biomass in A/R CDM project activities” (version 01.0.1)

Procedures related to project cycle

Annex 25 - Guidelines for completing the proposed new carbon capture and storage baseline and monitoring methodology form (version 01.0)

Annex 26 - Guidelines for completing the project design document form for carbon capture and storage CDM project activities (version 01.0)

Annex 27 - Procedure for the submission and consideration of a proposed new baseline and monitoring methodology for carbon capture and storage CDM project activities (version 01.0)

Annex 28 - Guidelines for completing the programme design document form for CDM project programmes of activities (version 02.0)

Annex 29 - Guidelines for completing the programme design document form for afforestation and reforestation CDM programmes of activities (version 02.0)

Annex 30 - Guidelines for completing the programme design document form for small-scale CDM programmes of activities (version 02.0)

Annex 31 - Guidelines for completing the programme design document form for small-scale afforestation and reforestation CDM programmes of activities (version 02.0)

Annex 32 - Terms of reference for the consultation with designated operational entities on insurability and other approaches to risk under the draft procedure for addressing significant deficiencies in past validation, verification and certification reports (version 01.0)

Other matters

Annex 33 - Provisional agenda for the sixty-eighth meeting of the CDM Executive Board (version 01.0)

*List of documents undergone editorial changes since the last meeting****Regulatory Documents***

- EB66 meeting report (version 01.1)
- ACM0006 - Editorial amendment to modify equations where the amount of electricity generated in the baseline is higher than the amount of energy generated in the project activity (version 12.0.1)
- Project #4289 - “Utilisation of the thermal energy of clinker cooler waste gas and pre-heater flue gas for power generation at a cement plant in Madhya Pradesh” (version 01.1)
- Guidelines for completing the project design document form for afforestation and reforestation CDM project activities (version 01.1)
- Project #0933 - Final ruling regarding the request for issuance of CERs of Jinan Landfill Gas to Energy Project (Date of rejection: 28 September 2011) (version 01.2)

Forms

- F-CDM-RtB-DOE - Form for communication on policy issues initiated by AEs/DOEs (version 01.1)
- F-CDM-RtB-DNA - Form for communication on policy issues initiated by DNAs (version 01.1)

Accreditation

- F-CDM-A - Application for accreditation (version 04.1)
- F-CDM-SCC - Self completeness check (version 02.1)
- F-CDM-DR - Report form - desk review (version 02.1)
- F-CDM-OR - Report form - onsite assessment (version 02.1)
- F-CDM-PAval - Report on performance assessment validation (version 01.1)
- F-CDM-PAver - Report on performance assessment verification (version 01.1)
- F-CDM-NC - Non conformity (NC), corrective action and clearance report (version 04.1)
- F-CDM-MA - On-site assessment. Opening meeting/Closing meeting (version 02.1)
- F-CDM-MAR - Attendance register for “opening” and “closing” meetings (version 01.1)
- F-CDM-FR - Final assessment report (version 03.1)
- F-CDM-CD (DOE) - Complaints and disputes form for DOEs (version 01.1)
- F-CDM-CD (non-DOE) - Complaints and disputes form for stakeholders other than DOEs (version 01.1)
- F-CDM-CA - Confidentiality and non-disclosure agreement for personnel taking part in an assessment (CDM-AP members, CDM-AT member) (version 01.1)
- F-CDM-FPM - Fee agreement panel member (version 01.1)



- F-CDM-FAT - Fee agreement for assessment team members (version 01.1)
- F-CDM-EVAt - CDM Assessment Team monitoring report (version 03.1)
- F-CDM-W - Workplan for CDM-AT (version 02.2)

Large-scale methodologies

- CDM-NM - Proposed new baseline and monitoring methodologies form (version 03.2)
- F-CDM-NMSUMmp - CDM: Meth Panel summary recommendation to the Executive Board (version 01.1)
- F-CDM-NM - CDM: Proposed new methodology form (version 01.1)
- F-CDM-NMas - CDM: Assessment form (version 05.1)
- F-CDM-NMex_Lead - CDM: Expert form - lead review (version 04.1)
- F-CDM-NMex_Second - CDM: Expert form - second review (version 04.1)
- F-CDM-Nmex_Sect - CDM: Proposed new methodology expert form - second review (Sectoral/industry expert) (version 01.1)
- F-CDM-Nmpu - CDM: Public comment form (version 05.1)
- F-CDM-AM-Rev - CDM: Submission of requests for revisions of approved methodologies to the Meth Panel (version 01.1)
- F-CDM-AM-Subm - CDM: Submission of queries from DOEs to the Meth Panel regarding the application of approved methodologies (version 01.1)

Small-scale methodologies

- F-CDM-PRTpu - CDM: Proposed specific renewable technologies/measures public comment form (version 01.1)
- F-CDM-PRT-REC - CDM: Proposed specific renewable technologies/measures recommendation form (version 01.1)
- F-CDM-PRT - CDM: Proposed specific renewable technologies/measures submission form (version 01.1)
- F-CDM-SSC-Nmex - CDM: Expert form - SSC review (version 01.1)
- F-CDM-SSC-Nmpu - CDM: SSC Public comment form (version 01.1)
- F-CDM-SSC-NM - CDM: Proposed new small-scale methodologies form (version 01.1)
- F-CDM-SSC-Subm - Form for submissions on small-scale methodologies and procedures (version 03.1)
- F-CDM-SSCwg - Recommendation form for CDM small-scale methodologies (version 01.1)

Validation and registration

- F-CDM-MOC - Modalities of communication statement (version 02.1)

- F-CDM-DEV-METH - Deviation from approved methodology request form (version 01.1)
- F-CDM-PC - Prior consideration of the CDM form (version 02.0)
- F- CDM-REN - Renewal of crediting period request form (version 02.0)
- F-CDM-SSC-BUN - CDM small-scale project activities bundling form (version 03.0)
- F-CDM-INC - Component project activity inclusion form (version 02.0)
- F-CDM-RA - CDM registry holding account opening request form (version 01.3)
- F-CDM-REG - CDM project activity registration request form (version 03.0)
- F-CDM-RW - CDM: Registration request withdrawal form (version 02.0)
- F-CDM-PoA-REG - CDM Programme of activities registration request form (version 02.0)
- F-CDM-RR - CDM project activity/programme of activities registration request review form (version 02.1)

Monitoring and issuance

- F-CDM-MR - Monitoring report form (version 02.0)
- F-CDM-IR - CDM project activity/programme of activities issuance request review form (version 01.1)
- F-CDM-ISS - CDM project activity issuance request form (version 02.0)
- F-CDM-IW - Issuance request withdrawal form (version 02.0)

Project design document

- F-CDM-PDD - Project design document form for CDM project activities (version 04.1)
- F-CDM-AR-PDD - Project design document form for afforestation and reforestation CDM project activities (version 06.0)
- F-CDM-SSC-PDD - Project design document form for small-scale CDM project activities (version 04.1)
- F-CDM-SSC-AR-PDD - Project design document form for small-scale afforestation reforestation CDM project activities (version 03.0)
- F-CDM-PoA-DD - Programme design document form for CDM programmes of activities (version 02.0)
- F-CDM-AR-PoA-DD - Programme design document form for afforestation and reforestation CDM programmes of activities (version 02.0)
- F-CDM-SSC-PoA-DD - Programme design document form for small-scale CDM programmes of activities (version 02.0)
- F-CDM-SSC-AR-PoA-DD - Programme design document form for small-scale afforestation and reforestation CDM programmes of activities (version 02.0)
- F-CDM-CPA-DD - Component project activity design document form (version 02.0)



- F-CDM-AR-CPA-DD - Component project activity design document form for afforestation and reforestation component project activities (version 02.1)
- F-CDM-SSC-CPA-DD - Component project activity design document form for small-scale component project activities (version 02.0)
- F-CDM-SSC-AR-CPA-DD - Component project activity design document form for small-scale afforestation and reforestation component project activities (version 02.0)

New forms

- F-CDM-CPAR - Component project activity inclusion review form (version 01.0)
- F-CDM-PRC - Post-registration changes request form (version 01.0)
- F-CDM-PoA-ISS - CDM programme of activities issuance request form (version 01.0)
- F-CDM-RENr - Renewal of crediting period request review form (version 01.0)

New Documents

Checklists - registration

- CDM Project activity request for registration: completeness check checklist (version 01.0)
- CDM Project activity request for registration: information and reporting check checklist (version 01.0)
- CDM Programme of activities request for registration: completeness check checklist (version 01.0)
- CDM Programme of activities request for registration: information and reporting check checklist (version 01.0)
- Post registration: completeness check checklist (version 01.0)

Checklists - issuance

- Post registration and issuance: completeness check checklist (version 01.0)
- Post registration changes and request for issuance: information and reporting check checklist (version 01.0)
- Programme of activities request for issuance: completeness check checklist (version 01.0)
- Programme of activities request for issuance: information and reporting check checklist (version 01.0)
- Request for renewal of crediting period: completeness check checklist (version 01.0)
- Request for renewal of crediting period: information and reporting check checklist (version 01.0)

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Endnotes

1. The status of requests for registration of programmes of activities can be viewed on the UNFCCC CDM website at <https://cdm.unfccc.int/ProgrammeOfActivities/>.
2. The status of requests for registration of project activities can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/Projects/>.
3. The status of requests for issuance of CERs can be viewed on the UNFCCC CDM website at <http://cdm.unfccc.int/Issuance/>.