



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

Date: 29 September 2011
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EXECUTIVE BOARD OF THE CLEAN DEVELOPMENT MECHANISM

SIXTY-THIRD MEETING

Report

Date of meeting: 25–29 September 2011

Location: Quito, Ecuador

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. Pedro Martins Barata ¹	Mr. Lex de Jonge ¹
Mr. Maosheng Duan ¹	Ms. June Hughes ¹
Mr. Philip M. Gwage ¹	Mr. Paulo Manso ¹
Ms. Diana Harutyunyan ¹	Ms. Danijela Bozanic ¹
Mr. Martin Hession ²	Mr. Thomas Bernheim ²
Mr. Victor Kabengele ²	Ms. Fatou Gaye ²
Mr. Shafqat Kakakhel ²	Mr. Hussein Badarin ²
Mr. Kazunari Kainou ²	Mr. Peer Stiansen ²
Mr. Clifford Mahlung ¹	Mr. Asterio Takesy ¹
Mr. Daniel Ortega Pacheco ²	Mr. Raúl Castañeda ²

¹ Term: Two years (term of service ends immediately before the first meeting in 2012)

² Term: Two years (term of service ends immediately before the first meeting in 2013)

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 sub-item 1.1.: Quorum**

1. Mr. Martin Hession, 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. The Board noted that the secretariat was informed that Mr. Philip M. Gwage, Mr. Shafqat Kakakhel, Ms. Danijela Bozanic, Mr. Thomas Bernheim, Mr. Hussein Badarin, and Mr. Raúl Castañeda were unable to attend the meeting. Members have provided proper justification.

Agenda sub-item 1.2.: Adoption of the agenda

2. The Chair presented the proposed agenda of the meeting with the new structure. The Board adopted the agenda of the meeting.

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

3. The Board considered 12 external inputs to the annotated agenda of the sixty-third meeting of the Board received from the call for public inputs in accordance with the "Modalities and procedures for direct communications with stakeholders". The Board thanked the stakeholders for the inputs, which were considered a useful contribution to the Board's deliberations.

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

4. 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>>.

5. The Board took note of the resignation of Mr. José Miguel Leiva, from Guatemala, as an alternate member of the Board, who resigned on 20 July 2011. The Chair informed that the new nomination from the Group of Latin American and Caribbean States (GRULAC) was received by the secretariat nominating Mr. Raúl Castañeda, from Guatemala, to fill the vacant seat. The nomination was accepted by the Board in accordance with rule 8 of the Rules of procedure of the Board and the decision by the Board at its fifty-sixth meeting to accept nominations for vacant seats received from respective constituencies automatically.

6. The Board took note of the resignation of Mr. Akihiro Kuroki, from Japan, as a member of the Board, who resigned on 21 September 2011. The Chair informed that the new nomination from the Annex I Group was received by the secretariat nominating Mr. Kazunari Kainou, from Japan, to fill the vacant seat. The nomination was accepted by the Board in accordance with rule 8 of the Rules of procedure of the Board and the decision by the Board at its fifty-sixth meeting to accept nominations for vacant seats received from respective constituencies automatically. The Board welcomed Mr. Kazunari Kainou to his first meeting of the Board.

7. On behalf of the Board, the Chair expressed deep appreciation to Mr. José Miguel Leiva and Mr. Akihiro Kuroki for their dedication and support to the Board.

**Agenda sub-item 2.2.: Strategic planning/direction**

8. The Board held an annual strategy retreat back-to-back with this sixty-third meeting of the Board. The retreat focused on how, within the guidance provided by the CMP, to position the CDM vis-à-vis evolving needs of Parties and CDM stakeholders and what actions should be taken. The retreat reinforced the need to focus on the Board's strategic goals and how they can be achieved, and the need to provide essential input into the preparation of its business and management plans. The Board agreed at the retreat on the following key priority actions:

- (a) Refresh and communicate the Board's vision for the CDM and its mission;
- (b) Enhance the effectiveness of its planning and implementation, with clear monitoring of the implementation and adjustments being made if necessary;
- (c) Further simplify the standards and procedures for the CDM, including through conducting an analysis of the value added by their elements and an examination of whether less complex approaches may be applied to achieve the same result;
- (d) Launch a policy dialogue to review past CDM experience and help ensure the readiness and positioning of the CDM to meet the challenges of the post-2012 period;
- (e) Make recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), at its eight session, on the review of the CDM modalities and procedures, which is to occur by the end of one year after the first commitment period (2013), in accordance with decision 3/CMP.1, on the basis of inter alia the results of the stakeholder dialogue;
- (f) Ensure greater involvement of stakeholders in design of standards and procedures and collaboration with other offset and crediting programmes;
- (g) Ensure capacity to manage the expected increase in case submissions towards the end of the first commitment period.

9. The Board requested the secretariat to incorporate the outcomes of the retreat in the draft annual report to the CMP for the consideration of the Board at its next meeting. The Board further requested the secretariat to prepare an outline plan of the policy dialogue for the consideration of the Board at the same meeting.

Agenda sub-item 2.3.: Matters related to the Board and its support structure

10. Following the request by the CMP, through its decision 3/CMP.6, to assess, as necessary, the decision-making processes contained in the "Rules of procedure of the Executive Board of the clean development mechanism", the Board analyzed its decision-making process and agreed not to recommend to the CMP to change the rules of procedure. The analysis demonstrated that, in the majority of past instances of matters being put to vote, the Board took a decision at the same meeting. The Board highlighted that the voting process is only one part of the decision-making process and is not necessarily the last step that leads to a decision by the Board. However, the Board underlined the need to consider measures to accelerate the process of building consensus on decisions and make better use of the available voting rules. The Board agreed to continue to review its decision-making processes at future meeting.

11. The Board discussed issues related to its annual report to the CMP at its seventh session, and requested the secretariat to include the inputs received in the draft report, including the inputs received during the retreat, for the consideration of the Board at its sixty-fourth meeting.

12. The Board agreed to extend the term for the Registration and Issuance Team (RIT) for one (1) year until 30 September 2012.

Agenda sub-item 2.4.: Management plan

13. The Board took note of the assessment of compliance with indicative timelines set by the Board in different processes and requested the secretariat to continue to report on all processes.

14. The Board took note of the report on the status of resources and status of the secretariat's recruitment as reflected in annex 3 of the annotated agenda of the sixty-third meeting of the Board. It was noted that the total income generated up to 15 August 2011 amounted to USD 81,543,520, which includes the carry-over from 2010 of USD 38,045,707. The Board further noted that figures for fees for the period from 1 January to 15 August 2011 were also provided, indicating an income of USD 14,719,154 from registration fees and USD 28,552,107 from shares of proceeds. The Board also noted the data contained in the same annex regarding the current status of recruitment.

Agenda sub-item 2.5.: Panels and working groups

15. The Board considered the workplans of its panels and working groups and agreed to revise the workplan of the CDM Accreditation Panel (CDM-AP) 2011 to include the work on the improvement of the accreditation standard, as contained in annex 1 to this report.

CDM Accreditation Panel

16. The Board took note of the progress report of the fifty-sixth meeting of the CDM-AP, and an oral report by the secretariat. 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.

17. The Board requested the CDM-AP to initiate work on the improvement of consistency of the competence-related sections of the CDM accreditation standard, as referred to in paragraph 15 above. The Board also requested the CDM-AP, in carrying out this task, to define the exact scope and the timeline of the work and inform them to the Board at a future meeting.

18. The Board encouraged the CDM-AP to closely collaborate with the Joint Implementation Accreditation Panel (JI-AP) on policy issues, such as the alignment of the accreditation procedures, standards and practices, taking into account specificities of each of the CDM and JI processes. The collaboration may include joint sessions of both accreditation panels.

19. The Board requested the CDM-AP to report on the implementation of its workplan for 2011, including a report on the assessments conducted in 2011, at a future meeting of the Board.

20. The Board noted that the fifty-seventh meeting of the CDM-AP will be held on 11–14 October 2011 in Bonn, Germany.

Methodologies Panel

21. The Board took note of the progress report of the fifty-first meeting of the Methodologies Panel (Meth Panel), and an oral report by its Vice-Chair, Mr. Lex de Jonge, on the work of the Meth Panel. The report contained information relating to the work of the Meth Panel, submissions of methodologies and recommendations to the Board.

22. The Board took note of an information note on the proposed methodology NM0292 "Highly efficient power plant fuelled with blast furnace gas at TKCSA, in Rio de Janeiro, Brazil", contained in annex 18 of the report of the fifty-first meeting of the Meth Panel, which provides the outcome of the

request contained in paragraph 15 of the report of the sixty-second meeting of the Board. The information note concerns the rationale for the threshold value used in the common practice analysis of the proposed methodology.

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

- (a) NM0338 “Methodology for GHG emission reductions using advanced electric arc furnace integrated with high-efficiency shaft-type scrap preheater”;
- (b) NM0344 “Introduction of a New Natural Gas Based Gas Turbine Cogeneration in Existing CHP Facilities Connected to the Electricity Grid”;
- (c) NM0345 “Methodology for conversion of a Combined Cycle Power Plant to an Integrated Solar Combined Cycle (ISCC)”.

24. The Board took note that the Meth Panel could not conclude its consideration of the requests for revision AM_REV_0213, AM_REV_0217, AM_REV_0218, and AM_REV_0219. The Meth Panel will continue the consideration of these requests at a future meeting.

25. The Board took note that the Meth Panel was not able to conclude its analysis on the issues related to the methodology ACM0013 “Consolidated baseline and monitoring methodology for new grid connected fossil fuel fired power plants using a less GHG intensive technology”, undertaken in response to the request contained in paragraph 19 of the report of the sixty-second meeting of the Board. The Board also noted that the Meth Panel intends to finalize its analysis and the related report at its next meeting.

26. The Board took note of the call for public inputs launched by the Chair of the Meth Panel on the draft revisions of the following methodology and tool:

- (a) ACM0016 “Baseline Methodology for Mass Rapid Transit Projects”; and
- (b) “Tool to determine methane emissions avoided from disposal of waste at a solid waste disposal site”.

The draft revisions are prepared in response to the task of improving approved methodologies and tools as contained in the 2011 workplan of the Meth Panel. The Board also noted that the Meth Panel intends to finalize the draft methodology and tool at its next meeting.

27. The Board took note that the Meth Panel will continue its work to improve the methodology AM0031 “Baseline methodology for bus rapid transit projects”, undertaken in response to the task of improving approved methodologies and tools, as contained in the 2011 workplan of the Meth Panel. The Board also noted that the Meth Panel intends to provide a draft revision of the methodology for consideration by the Board at a future meeting.

28. The Board took note that, in response to the Board's request concerning the use of an ex ante dispatch analysis to estimate the operating margin, the Meth Panel concluded its analysis that the use of ex ante dispatch analysis is not suitable when compared with other methods of estimating the operating margin. The Board also took note of the information note contained in annex 20 to the report of the fifty-first meeting of the Meth Panel, which outlines the analysis and substantiates the panel's conclusion.

29. The Board took note that, in response to the task of developing standardized baselines as contained in the 2011 workplan of the Meth Panel, the Meth Panel identified the following approved methodologies and tools as possible candidates for the development of standardized baselines derived from approved methodologies:

- (a) AM0070 “Manufacturing of energy efficient domestic refrigerators”;
- (b) AM0091 “Energy efficiency technologies and fuel switching in new buildings”;
- (c) AM0057 “Avoided emissions from biomass wastes through use as feed stock in pulp and paper, cardboard, fibreboard or bio-oil production”;
- (d) “Tool to calculate the emission factor for an electricity system”.

30. The Board took note that, in response to the task for developing tables of calculation for approved methodologies contained in the 2011 workplan of the Meth Panel, the tables for three tools have been reviewed and finalized in consultation with the Meth Panel, as referred to in paragraph 30 of the fifty-first meeting report of the Meth Panel.

31. The Board took note that, in response to the request contained in paragraph 35 of the report of the sixty-second meeting of the Board, the Meth Panel considered and provided feedback on the draft work programme to implement and further improve the “Guidelines for the establishment of sector specific standardized baselines”.

32. The Board took note that, in response to the request contained in paragraph 33 of the report of the sixty-second meeting of the Board, the Meth Panel considered and provided feedback on a draft work programme to implement and further improve the “Guidelines on the consideration of suppressed demand in CDM methodologies”.

33. The Board noted that the fifty-second meeting of the Meth Panel will be held on 3–7 October 2011 in Bonn, Germany.

Small-Scale Working Group

34. The Board took note of the progress report of the thirty-third meeting of the Small-Scale Working Group (SSC WG) and an oral report by its Chair, Ms. Fatou Gaye, on the work of the group. The report summarized information relating to the work of the SSC WG, submissions of methodologies and recommendations to the Board.

35. The Board took note that the SSC WG continued its consideration of new top-down methodologies as follows:

- (a) Top-down methodology for efficient agricultural pumping and irrigation activities with focus on one-to-one replacement of existing inefficient pumps, with an aim to present a draft new methodology for consideration by the Board at its sixty-sixth meeting;
- (b) Top-down methodology for energy efficiency measures in buildings using computer simulation, taking into account different approaches presented by external experts, with the aim to present a draft new methodology for consideration by the Board at its sixty-fifth meeting.

36. The Board took note that the proposed new SSC methodology SSC NM066 “Switch from non-renewable biomass for feedstock applications by the user” was deemed not suitable for recommendation to the Board by the SSC WG.

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

- (a) SSC-NM067 “Methane oxidation layer (MOL) for solid waste disposal sites”;
- (b) SSC-NM068 “Rural electrification by extension of existing low carbon intensive electricity distribution network”;
- (c) SSC-NM069 “Super-Efficient Major Domestic Appliances”.

38. The Board took note of the responses provided by the SSC WG on the requests for clarification SSC_543, SSC_545, SSC_559 and the responses to the requests for revisions SSC_542 and SSC_544, as provided by the SSC WG and referred to in the report of the thirty-third meeting of the SSC WG.

39. The Board took note that the SSC WG could not conclude its work on revision of AMS-II.C “Demand-side energy efficiency activities for specific technologies”, AMS-III.AR “Substituting fossil fuel based lighting with LED lighting systems”, AMS-III.Q “Waste energy recovery (gas/heat/pressure) projects”, and AMS-III.W “Methane capture and destruction in non-hydrocarbon mining activities”, and will continue to consider them at its next meeting.

40. The Board noted that the thirty-fourth meeting of the SSC WG will be held on 11–14 October 2011 in Banjul, The Gambia.

Afforestation and Reforestation Working Group

41. The Board took note of the progress report of the thirty-third meeting of the Afforestation and Reforestation Working Group (A/R WG) and an oral report by its Chair, Ms. Diana Harutyunyan, on the work of the group. The report summarized information relating to the work of the panel, submissions of methodologies and recommendations to the Board.

42. The Board took note that the A/R WG could not conclude its consideration of the draft “Tool for demonstration of applicability of allometric equations and volume equations in A/R CDM project activities”. The A/R WG will continue the consideration of this draft tool at its next meeting.

43. The Board took note that the A/R WG will also continue its consideration of the following issues:

- (a) Accounting for emissions resulting from forest fires in A/R CDM project activities;
- (b) Developing guidelines on standardized baselines to be applied in A/R CDM project activities;
- (c) Alternative approaches used for demonstrating additionality in SSC A/R CDM projects;
- (d) Consideration of simplified approaches to eligibility of land and determination of project boundary for A/R CDM activities.

44. The Board took note that the A/R WG could not conclude its consideration of an amendment of the approved methodology AR-AM0005 “Afforestation and reforestation project activities implemented for industrial and/or commercial uses”. The A/R WG will continue the consideration of the methodology at its next meeting.

45. The Board took note that the A/R WG could not conclude its consideration of the request for clarification AR_AM_CLA_0016. The A/R WG will continue the consideration of this request at its next meeting.



46. The Board noted that the thirty-fourth meeting of the A/R WG will be held on 10–12 October 2011 in Bonn, Germany.

Agenda item 3. Rulings (case-specific matters)

Agenda sub-item 3.1.: Accreditation

47. The Board took note of a notification by the CDM-AP on the positive outcome of regular on-site surveillance assessments of the following entities:

- (a) CDM-E-0016 “ERM Certification and Verification Services Limited” (ERM CVS), non-central site (Shanghai, China);
- (b) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV Nord), non-central site (Mumbai, India);
- (c) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV Nord), non-central site (Hong Kong, China);
- (d) CDM-E-0027 “Swiss Association for Quality and Management Systems” (SQS), central office (Zollikofen, Switzerland);
- (e) CDM-E-0028 “Ernst & Young Shin Nihon” (E&YSNSI), central office (Tokyo, Japan);
- (f) CDM-E-0038 “SIRIM QAS INTERNATIONAL SDN.BHD” (SIRIM), central office (Shah Alam, Malaysia);
- (g) CDM-E-0045 “Ernst & Young Associés (France)” (EYG), central office (Neuilly-Sur-Seine, France).

48. The Board took note of a notification by the CDM-AP on the positive outcome of performance assessments of the following entities:

- (a) CDM-E-0001 “Japan Quality Assurance Organisation” (JQA);
- (b) CDM-E-0003 “DNV Climate Change Services AS” (DNV);
- (c) CDM-E-0006 “Deloitte Tohmatsu Evaluation and Certification Organization” (Deloitte-TECO);
- (d) CDM-E-0010 “SGS United Kingdom Limited” (SGS);
- (e) CDM-E-0013 “TÜV Rheinland Japan Ltd.” (TÜV Rheinland);
- (f) CDM-E-0022 “TÜV NORD CERT GmbH” (TÜV Nord);
- (g) CDM-E-0023 “Lloyd’s Register Quality Assurance Ltd.” (LRQA);
- (h) CDM-E-0024 “Colombian Institute for Technical Standards and Certification” (ICONTEC);
- (i) CDM-E-0027 “Swiss Association for Quality and Management Systems” (SQS);
- (j) CDM-E-0032 “LGAI Technological Center, S.A.” (Applus);
- (k) CDM-E-0044 “China Quality Certification Center” (CQC).



49. The Board took note of a notification by the CDM-AP on the negative outcome of a performance assessment of the following entity:

- (a) CDM-E-0009 "Bureau Veritas Certification Holding SAS" (BVCH).

50. The Board considered the recommendation of the CDM-AP and approved the change of location of central offices and the transfer of the accreditation to a new legal entity of the following entities:

- (a) CDM-E-0009 BVCH from "Bureau Veritas Certification Holding SAS" (branch in London, United Kingdom) to "Bureau Veritas Certification Holding SAS" (head office in Neuilly-sur-Seine, France);
- (b) CDM-E-0013 TÜV Rheinland from "TÜV Rheinland Japan Ltd." (Yokohama, Japan) to "TÜV Rheinland (China) Ltd." (Beijing, China).

51. The Board took note of the notification by the CDM-AP on the spot-check initiated, based on the results of the designated operational entity (DOE) performance monitoring, of the following entity:

- (a) CDM-E-0023 "Lloyd's Register Quality Assurance Ltd" (LRQA).

52. The Board agreed, via electronic decision, to extend the accreditation of CDM-E-0007 "Japan Consulting Institute" (JCI) from 2 August 2011 to 2 February 2012, in accordance with paragraph 142 of the CDM accreditation procedure.

Agenda sub-item 3.2.: Programme of activities

53. The Board noted that 12 CDM programmes of activities have been registered by 29 September 2011. The status of requests for registration of programmes of activities can be viewed on the UNFCCC CDM website at <<https://cdm.unfccc.int/ProgrammeOfActivities/>>.

Agenda sub-item 3.3.: Registration

54. The Board noted that 3,472 CDM project activities have been registered by 29 September 2011. The status of requests for registration of project activities can be viewed on the UNFCCC CDM website at <<http://cdm.unfccc.int/Projects/>>.

55. In accordance with the "Procedures for review of requests for registration", adopted by the Board at its fifty-fifth meeting, the Board considered 21 requests for registration for which assessments of the secretariat and the Registration and Issuance Team (RIT) contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.

56. The Board agreed to register the project activities:

- (a) "Korea Hydro & Nuclear Power Co. (KHNP) Cheongpyeong Hydro Power Plant Unit 4 Project" (3268);
- (b) "Rio Amoyá Run-of-River Hydro Project" (3461);
- (c) "Hebei Shengyuan Xuandong Coal Mine Methane Utilization Project" (3503);
- (d) "Waste Heat Recovery and Utilisation for Power Generation Project of Xuancheng Conch Cement Company Limited" (3522);
- (e) "BRT Lines 1-5 EDOMEX, Mexico" (3869);



- (f) "Fuel switch from fossil fuel to biomass residues for cogeneration in integrated pulp and paper unit of ITC PSPD at Bhadrachalam" (3890);
- (g) "Waste Heat Recovery and Power Generation Project in Jilin Yatai Group Mingcheng Cement Co., Ltd." (3994);
- (h) "10 MW biomass power plant at Sangli by Sinewave Power" (4063);
- (i) "Pure-low Temperature Waste Heat Recovery for Power Generation (9 MW) in Changsha Pingtang Cement Co., Ltd." (4169);
- (j) "Methane Recovery and Utilization Project of Dai Viet Co. Ltd, Vietnam" (4291);
- (k) "Pure-low Temperature Waste Heat Recovery for Power Generation (12 MW) in Hunan Cement Co., Ltd. of Zhaoshan Xinxing Group (ZSHN)" (4420);
- (l) "Quang Ngai APFCO Tapioca starch wastewater biogas extraction and utilization project, QuangNgai Province, Socialist Republic of Viet Nam" (4514);
- (m) "19.8 MW grid connected Wind farm project by K.P.R Mill Private Limited, Tamil Nadu, India at Villages: Keelaveeranam, Kuruchampatti, Vadi, Ayansurandi, Rajagopalaperi, District: Tirunelveli, Tamilnadu by M/s K. P. R. Mill Private Limited" (4540);
- (n) "Dak Pone Hydropower Project" (4550);
- (o) "Monterrey I LFG to Energy Project" (4598);
- (p) "Greenhouse Gas Emission Reductions Through Super Critical Technology - Jharkhand Integrated Power Ltd." (4629);
- (q) "Changchun City Landfill Gas Power Generation Project" (4668).

57. In accordance with paragraphs 17 and 18(b) of the above-mentioned procedures, the Board could not register the following project activities:

- (a) "Cabo Negro Wind Farm Project, Phase 1" (4103);
- (b) "Utilisation of the thermal energy content of the waste gas of clinker cooler and pre-heater for power generation at a cement plant in Rajasthan" (4226);
- (c) "Carroll's Foods do Brasil & LOGICarbon – GHG Emission Reductions from Swine Manure Management System, Diamantino, MT, Brazil" (4293);
- (d) "Biomass based co-generation project" (4407).

58. In accordance with the procedures for review, as referred to in paragraph 41 of the CDM modalities and procedures, the Board considered one (1) request for renewal of a crediting period which was placed "Under review" at the fifty-sixth meeting of the Board.

59. With regard to the request for renewal of crediting period for project activity "HFC Decomposition Project in Ulsan" (0003) submitted by the DOE (DNV), the Board was not able to reach an agreement and decided to continue its deliberations on the request at its sixty-fourth meeting.

Agenda sub-item 3.4.: Issuance

60. The Board noted that 744,174,126 certified emission reductions (CERs) have been issued as of 29 September 2011 and that the secretariat, in its capacity as the CDM registry administrator, continues to process requests for opening of holding accounts and for forwarding of CERs. The status of requests for issuance of CERs can be viewed on the UNFCCC CDM website at <<http://cdm.unfccc.int/Issuance>>.

61. In accordance with the “Procedures for review of requests for issuance”, adopted by the Board at its fifty-fifth meeting, the Board considered two (2) requests for issuance for which assessments of the secretariat and the Registration and Issuance Team (RIT) contained different proposed decisions or the same proposed decision which received an objection from a member of the Board.

62. The Board agreed to approve the request for issuance and to instruct the CDM registry administrator to issue CERs for “Hangyeong second phase SS-wind power Project” (1000), monitoring period 24 December 2007–31 October 2010, for 71,350 CERs submitted by the DOE (KSA).

63. The Board could not approve the request for issuance for “Bundled wind power project in Chitradurga (Karnataka in India) managed by Enercon (India) Ltd.” (0276), monitoring period 1 July 2007–31 December 2009, for 112,719 CERs submitted by the DOE (BVC).

64. In accordance with paragraph 96 of the report of the twenty-eighth meeting and paragraph 86 of the thirty-first meeting of the Executive Board, the Board considered the request for permission to resubmit 11 previously rejected requests for issuance and agreed to permit the following resubmissions:

(a) “AWMS GHG Mitigation Project BR05-B-07, Mato Grosso, Minas Gerais and Goiás, Brazil” (0337), submitted by the DOE (DNV) for the monitoring period 1 September 2009–28 February 2010;

(b) “AWMS GHG Mitigation Project BR05-B-04, Paraná, Santa Catarina, and Rio Grande do Sul, Brazil” (0411), submitted by the DOE (DNV) for the monitoring period 1 December 2009–31 May 2010;

(c) AWMS GHG Mitigation Project BR05-B-05, Minas Gerais and São Paulo, Brazil” (0412), submitted by the DOE (DNV) for the monitoring period 1 April 2009–31 October 2009;

(d) “Aquarius Hydroelectric Project” (0627), submitted by the DOE (TÜV Nord) for the monitoring period 1 January 2008–31 December 2009;

(e) Rialma Companhia Energética I S/A. - Santa Edwiges I Small Hydro Power Plant - Small Scale CDM Project” (0830), submitted by the DOE (BVC) for the monitoring period 1 January 2009–31 December 2009;

(f) “Shenzhen Xiaping Landfill Gas Collection and Utilization Project” (0887), submitted by the DOE (DNV) for the monitoring period 1 February 2009–30 September 2009;

(g) “MEN-Tangerang 13.6MW Natural Gas Co-generation Project” (1313), submitted by the DOE (TÜV Nord) for the monitoring period 1 September 2008–31 August 2009.

(h) “AWMS Methane Recovery Project BR07-S-34, Bahia, Espirito Santo, Minas Gerais, and Sao Paulo, Brazil” (1534), submitted by the DOE (DNV) for the monitoring period 10 April 2008–31 May 2010;

(i) “Methane Recovery in Wastewater Treatment, Project AIN07-W-04, Sumatera Utara, Indonesia” (2130), submitted by the DOE (SIRIM QAS) for the monitoring period 16 January 2009–28 February 2010;

(j) “Datong River Zhuchaxia Hydropower Station” (2845), submitted by the DOE (LRQA) for the monitoring period 18 December 2009–29 May 2010;

(k) “Bailongjiang Shuiboxia Hydropower Station” (2866), submitted by the DOE (LRQA) for the monitoring period 21 December 2009–29 May 2010.

65. In accordance with paragraph 9(c) of annex 33 to the report of the fifty-fourth meeting of the Board, the Board considered the request for permission to resubmit three (3) previously withdrawn requests for issuance and agreed to permit the following resubmissions:

(a) “Nueva Aldea Biomass Power Plant Phase 2” (0346), submitted by the DOE (SGS) for the monitoring period 1 October 2008–31 December 2009;

(b) “Optimal utilization of clinker: Substitution of Clinker by Slag in Portland Slag Cement at OCL, Rajgangpur, Sundargarh, Orissa” (0579), submitted by the DOE (SGS) for the monitoring period 1 April 2001–31 March 2007;

(c) “Paramount Integrated Corporation Methane Recovery and Electricity Generation” (0605), submitted by the DOE (SQS) for the monitoring period 1 November 2006–30 June 2009.

66. 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 two (2) submissions by DOEs with regard to notification of changes or request for approval of changes from the registered project design document (PDD).

67. With regard to the notification of changes of project activity for “Durban Landfill-gas-to-electricity project - Mariannhill and La Mercy Landfills” (0545) submitted by the DOE (DNV), the Board requested the Meth Panel to provide technical inputs on the acceptability of the alternative approach proposed by the project participant (PP) for the monitoring and determination of the parameters “Amount of landfill gas collected from the project wells”, “Combustion efficiency” and “Heat rate of the generator” for consideration by the Board at its sixty-fifth meeting.

68. With regard to the request for approval of changes of project activity for “ARAPUtanga Centrais ELétricas S. A. - ARAPUCCEL - Small Hydroelectric Power Plants Project” (0530) submitted by the DOE (TÜV Nord), the Board agreed to accept the changes and allow subsequent requests for issuance.

Agenda item 4. Regulatory matters

Agenda sub-item 4.1.: Standards/tools

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

69. The Board adopted the “Standard for demonstration of additionality of GHG emission reductions achieved by a programme of activities”, as contained in [annex 2](#) to this report. The Board also requested the secretariat to update the CDM glossary by adding the definition of CME.

70. The Board adopted the “Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under a PoA”, as contained in [annex 3](#) to this report.

71. The Board adopted the “Standard for application of multiple CDM methodologies for a programme of activities”, as contained in [annex 4](#) to this report. The Board requested the secretariat, in collaboration with a task force comprised of members from the Meth Panel and SSC WG, to develop further guidance regarding cross effects in the context of application of combinations of technologies/measures and methodologies for consideration of the Board at a future meeting.

72. The Board requested the secretariat to consolidate the three standards, referred to in paragraphs 69, 70 and 71 above, into one PoA standard.

73. The Board further requested the secretariat to prepare a work programme for the implementation of the consolidated PoA standard for consideration by the Board not later than at its sixty-fifth meeting. This work programme should define the date at which the adopted PoA related standards referred to in paragraph 69, 70 and 71 become effective.

74. The Board also requested the Meth Panel to review the large-scale methodologies and assess whether additional requirements are needed within these methodologies, in the context of their use under PoA, for consideration of the Board at a future meeting.

75. The Board considered the draft standard for sampling and surveys for CDM project activities and programme of activities and requested the secretariat to account for the inputs received at this meeting while re-structuring the draft document including a separate section regarding sampling for DOE validation. The new section should be developed in consultation with DOEs and PPs. The call for inputs from DOEs and PPs will be open from **7 October 2011** to **17 October 2011**. The Board further noted that the secretariat may organize a teleconference to collect feedback from stakeholders, including representatives from DOEs and PPs. The Board will consider the new draft with the inputs received at its sixty-fifth meeting.

76. The Board considered an information note related to the following three documents:

- (a) Draft CDM project standard;
- (b) Draft CDM validation and verification standard;
- (c) Draft CDM project cycle procedure.

This note provided an overview for the discussion of these three documents.

77. The Board considered the draft CDM project standard (PS). This document consolidates existing requirements applicable to PPs contained in various CDM documents as well as some new requirements for which the Board provided guidance at its previous meetings (e.g. post-registration changes). The Board noted the stakeholders' comments and requested the secretariat to revise the draft taking into account those comments that help improve the clarity as well as by improving the consistency of the document, for consideration by the Board at its sixty-fifth meeting. The Board agreed that stakeholders' comments that propose new requirements or modify existing requirements shall be noted for future consideration by the Board. The Board also requested the secretariat to prepare a table showing the source of each requirement in the draft and an implementation plan for the PS for consideration by the Board at its sixty-fourth meeting.

78. The Board considered the draft CDM validation and verification standard (VVS). This document consolidates existing requirements applicable to DOEs contained in various CDM documents as well as some new requirements for which the Board provided guidance at its previous meetings (e.g. post-registration changes). The Board noted the stakeholders' comments and requested the secretariat to revise the draft taking into account those comments that help improve the clarity as well as by improving the consistency of the document, for consideration by the Board at its sixty-fifth meeting. The Board agreed that stakeholders' comments that propose new requirements or modify existing requirements shall be noted for future consideration by the Board. The Board also requested the secretariat to prepare a table showing the source of each requirement in the draft and an implementation plan for the VVS for consideration by the Board at its sixty-fourth meeting.

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

79. The Board approved the following new methodologies:

- (a) AM0095 “Waste gas based combined cycle power plant in a Greenfield iron and steel plant”, based on the proposed new methodology NM0292 “Highly efficient power plant fuelled with blast furnace gas at TKCSA, in Rio de Janeiro, Brazil”. The approved methodology is contained in annex 5 to this report;
- (b) AM0096 “CF₄ emission reduction from installation of an abatement system in a semiconductor manufacturing facility”, based on the proposed new methodology NM0332 “PFCs emission reduction from installation of an abatement device in a semiconductor manufacturing facility”. The approved methodology is contained in annex 6 to this report;
- (c) AM0097 “Installation of high voltage direct current power transmission line”, based on the proposed new methodology NM0334 “Installation of high efficient technology for power transmission”. The approved methodology is contained in annex 7 to this report;
- (d) AM0098 “Utilization of ammonia-plant off gas for steam generation”, based on the proposed new methodology NM0346 “Utilization of ammonia-plant off gas for heat generation”. The approved methodology is contained in annex 8 to this report;
- (e) ACM0020 “Co-firing of biomass residues for heat generation and/or electricity generation in grid connected power plants”, based on the proposed new methodology NM0347 “Biomass residue co-firing at an existing or a new boiler(s)” and the approved methodology AM0085 “Co-firing of biomass residues for electricity generation in grid connected power plants”. The approved methodology is contained in annex 9 to this report.

80. The Board noted that the approved consolidated methodology ACM0020 “Co-firing of biomass residues for heat generation and/or electricity generation in grid connected power plants” fully incorporates the approved methodology AM0085 “Co-firing of biomass residues for electricity generation in grid connected power plants”, and agreed to withdraw the methodology AM0085. The DOEs may upload not later than 29 May 2012 (24:00 GMT) the PDDs for registration of project activities applying the withdrawn methodology AM0085.

81. The Board agreed not to approve the following proposed new methodologies:

- (a) NM0343 “Methodology for RHF-based energy efficient iron-making technology”;
- (b) NM0349 “Avoidance of N₂O formation by switching over to the catalytic oxidation with oxygen from oxidation with nitric acid in manufacturing of substituted benzoic acids at GIDC, Ankleshwar, India”.

82. The Board approved the methodological “Tool for project and leakage emissions from road transportation of freight”, as contained in annex 10 to this report. The Board requested the Meth Panel to revise relevant approved methodologies to apply this tool to promote consistency among these methodologies.

83. The Board took note that the Meth Panel developed a first draft of the following methodology and tool:

- (a) Draft methodology “Renewable energy power generation in isolated grids”; and
- (b) Draft tool “Project and leakage emissions from composting”.

The Board also agreed to launch a call for public input on the drafts, starting on **30 September 2011** and ending on **10 October 2011**. The Meth Panel shall take these inputs into consideration when preparing the final drafts of the methodology and the tool to be considered by the Board at a future meeting.

84. The Board considered the draft proposals on the use of the first-of-its-kind approach and the assessment of common practice, and the summary note of the public inputs received from the call for inputs on guidelines for first-of-its-kind and common practice. Following the consideration, the Board adopted the "Guidelines on additionality of First-of-its-kind project activities" and the "Guidelines on Common Practice", as contained in [annex 11](#) and [annex 12](#), respectively, to this report.

Revisions to approved methodologies and tools

85. The Board continued considering the draft revised methodology AM0001 "Incineration of HFC 23 waste streams" and requested the Meth Panel to analyse the consequences of possible approaches where PPs may select one of the two following options:

- (a) Use of a w factor of 1% applicable to HCFC-22 production lines that are eligible for CDM crediting; or
- (b) Use of higher w factor (e.g. 1.2%) applicable to HCFC-22 production lines that are eligible for CDM crediting if HFC-23 emissions of non-CDM production lines are incinerated.

A description of elements that should be considered by the Meth Panel is contained in [annex 13](#) to this report. The analysis and the draft revision of the methodology, based on the outcomes of the analysis, should be available for consideration of the Board at its sixty-fifth meeting.

86. The Board also requested the secretariat to prepare a legal opinion on consequences of requesting PPs to select one of the two above-mentioned options. The opinion should be available for consideration of the Board at its sixty-fifth meeting.

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

- (a) AM0023 "Leak detection and repair in gas production, processing, transmission, storage and distribution systems and in refinery facilities". The revision, inter alia, expands the applicability of the methodology to refinery gas and other natural gas operations and also changes the title of the methodology from "Leak reduction from natural gas pipeline compressor or gate stations". The revised methodology is contained in [annex 14](#) to this report;
- (b) AM0034 "Catalytic reduction of N₂O inside the ammonia burner of nitric acid plants". The editorial amendment provides clearer text on how the baseline should be analyzed as well as the project data. The editorially amended methodology is contained in [annex 15](#) to this report;
- (c) ACM0006 "Consolidated methodology for electricity and heat generation from biomass residues". The amendment follows request for revision AM_REV_0212 and broadens the applicability of the methodology to situations where mechanical energy is produced using process heat generated from biomass, and increases the maximal share of the co-fired fossil fuels in the total fuel fired. The amended methodology is contained in [annex 16](#) to this report;
- (d) ACM0017 "Production of biodiesel for use as fuel". The amendment, inter alia, simplifies the determination of the quantity of biodiesel eligible for crediting in year y. The amended methodology is contained in [annex 17](#) to this report;
- (e) ACM0018 "Consolidated methodology for electricity generation from biomass residues in power-only plants". The amendment increases the maximum share of the co-fired fossil fuels in

the total fuel fired. The amended methodology is contained in [annex 18](#) to this report;

(f) “Tool to calculate the emission factor for an electricity system”. The editorial amendment corrects equations in the tool and provides other editorial improvements. The editorially amended tool is contained in [annex 19](#) to this report.

88. The PPs may apply the approved amended/revised methodologies and tools in project activities seeking validation after the date on which the approved revised version is published on the UNFCCC CDM website.

89. For all revised methodologies and tools that were approved by the Board at this meeting, the DOEs may upload not later than 29 May 2012 (24:00 GMT) for registration the project design documents (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”.

90. The PPs 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”.

91. The Board agreed on the revision of the “Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period”, recommended by the Meth Panel in response to the requests contained in paragraph 30 of report of the fifty-sixth meeting of the Board and paragraph 43 of the report of the sixtieth meeting of the Board, as contained in [annex 20](#) to this report. The revision addresses cases when the end of the technical lifetime of the baseline equipment occurs before the end of the crediting period.

92. The Board requested the secretariat to work further on the “Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period” and prepare a draft revised version of the tool for consideration by the Board at its sixty-fifth meeting, taking into account the views expressed by the Board members.

93. The Board also agreed that, with regard to the “Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period”, the Meth Panel shall continue to revise the methodologies identified as not complying with the Board ruling on the reassessment of baseline emissions, by removing reference to the reassessment of the baseline scenario, prioritizing those methodologies that are used by CDM project activities currently requesting the renewal of the crediting period.

94. The Board agreed on the responses prepared by the Meth Panel to the requests for revision as follows:

(a) To accept request AM_REV_0212 concerning the amendment to the approved consolidated methodology ACM0006, with a view to include mechanical and other forms of power in the methodology as detailed in paragraph 84 c above;

(b) Not to accept request AM_REV_0214 concerning the revision to the approved methodology AM0029, with a view to expand its applicability to power plants using secondary fuels beside natural gas and to situations where natural gas is insufficiently available - Option 1;

- (c) Not to accept request AM_REV_0215 concerning the revision to the approved methodology AM0029, with a view to expand its applicability to power plants using secondary fuels beside natural gas and to situations where natural gas is insufficiently available - Option 2;
- (d) Not to accept request AM_REV_0216 concerning the revision to the approved methodology AM0036, with a view to broaden its scope to include the use of biomass from newly developed dedicated plantations in addition to biomass residues; and
- (e) Not to accept request AM_REV_0220 concerning the revision to the approved consolidated methodology ACM0017, with a view to, inter alia, exclude biodiesel end-users from project boundary.

Responses to requests for clarification

95. The Board took note of the responses provided by the Meth Panel to the requests for clarification AM_CLA_0210, AM_CLA_0211, AM_CLA_0212, AM_CLA_0213, AM_CLA_0214, and AM_CLA_0215, as contained in paragraph 27 of the report of the fifty-first meeting of the Meth Panel.

96. The Board took note that the Meth Panel could not conclude its consideration of the request for clarification AM_CLA_0216 on the use of ACM0012 "Consolidated baseline methodology for GHG emission reductions from waste energy recovery projects" under a PoA, and invited the Board to provide guidance on the issues identified in relation to the request for clarification. The Board noted that the "Standard for application of multiple CDM methodologies for a programme of activity", as referred to in paragraph 71 above, provides guidance as requested by the Meth Panel. The Board requested the secretariat to take into account the issues identified by the Meth Panel, as presented in the information note contained in annex 19 of the report of the fifty-first meeting of the Meth Panel, in the development of the draft standard related to sampling in the context of PoA, as referred to in paragraph 75 above.

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

New methodologies

97. The Board agreed to launch two calls for public inputs starting on **30 September 2011** and ending on **30 October 2011** for the following top-down developed draft small-scale methodologies:

- (a) SSC-II.N "Demand-side energy efficiency activities for installation of energy efficient lighting and/or controls in buildings", as contained in annex 1 of the report of the thirty-third meeting of the SSC WG. The call for inputs will be for issues related to, among other things, applicability to Greenfield projects and level of complexity, as specified in annex 2 of the report of the thirty-third meeting of the SSC WG;
- (b) SSC-I.K "Solar cookers for households", as contained in annex 3 of the report of the thirty-third meeting of the SSC WG. The draft methodology is applicable for box, parabolic and panel cookers and input is sought on, among other things, the approach for determining reduction in fossil fuel consumption that is attributable to the introduction of solar cookers.

The Board further requested the SSC WG to consider the public inputs and make recommendations on the methodologies at its thirty-fifth meeting.

Revisions to approved methodologies and tools

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

- (a) AMS-III.G “Landfill methane recovery”, as contained in [annex 21](#) to this report. The revision expands the methodology to cover among others, more types of gainful use of landfill gas;
- (b) AMS-III.D “Methane recovery in animal manure management systems”, as contained in [annex 22](#) to this report. The revision includes specified monitoring requirements contained in a monitoring table.

99. The revised versions of the SSC methodologies referred to in the paragraph above will come into effect on 13 October 2011 (24:00 GMT) in accordance with the procedure for the revision of approved SSC methodologies.

100. The Board approved the combination of AMS-I.A with AMS-I.D and/or AMS-I.F for application in a PoA.

Guidelines

101. The Board considered the information note, as contained in annex 6 of the report of the thirty-third meeting of the SSC WG, with an analysis and recommendations prepared in response to the requests in paragraphs 48 and 49 of the report of the sixty-second meeting of the Board, and agreed to the revised “Guidelines for demonstration of additionality of microscale project activities”, as contained in [annex 23](#) to this report. The revised guidelines incorporate the guidance provided by the Board at its sixty-second meeting and additional guidance described below.

102. The Board also agreed to establish a positive list of renewable electricity generation technologies that are automatically defined as additional, without further documentation of barriers, in all non-Annex I countries, as included in the "Attachment A of appendix B of the Simplified modalities and procedures for small-scale CDM project activities" contained in [annex 24](#). The list initially consists of the following technologies of installed capacity of 15 MW or less:

- (a) Grid-connected solar technologies (photovoltaic and solar thermal electricity generation);
- (b) Grid-connected off-shore wind technologies;
- (c) Grid-connected marine technologies (wave, tidal).

The Board further requested the SSC WG to continue to analyse options and implications of including off-grid electricity generation technologies and distributed energy generation activities in the positive list referred above and make a recommendation at a future meeting.

103. With regard to the criteria 2(d) of the "Guidelines for the demonstration of additionality of microscale project activities", the Board agreed that for any renewable electricity generation technology, not in the positive list referred to above, to be considered automatically additional, the applicable threshold shall be a maximum of 3 per cent, determined as the ratio of installed capacity of the specific grid-connected renewable energy technology in the total grid-connected installed capacity in the host country.

104. The Board further requested the SSC WG, based on the experience gained and on the analysis of implications, to make a recommendation on the appropriateness of the threshold for type I, II and III activities to the above referred guidelines at a future meeting of the group.

105. The Board took note of the technical assessment by the SSC WG on the two submissions from designated national authorities (DNAs) pertaining to criteria 2 (d) of the “Guidelines for the demonstration of additionality of microscale project activities”, as contained in annex 7 of the report of the thirty-third meeting of the SSC WG. With the additional guidance provided above in relation to the microscale guidelines and specifically on the definition of the applicable threshold, the Board requested the secretariat to present the pending procedures for operationalization of these guidelines, also taking into account the technical assessment of DNA submissions made by the SSC WG, for the Board's consideration at the latest at its sixty-fifth meeting.

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

106. The Board agreed not to approve the proposed new A/R methodology ARNM0039 “Carbon Fix A/R baseline and monitoring methodology for multiple baseline land uses and leakage settings”.

Revisions to approved methodologies and tools

107. The Board approved the revision/amendment to the approved methodology AR-ACM0002 “Afforestation or reforestation of degraded land without displacement of pre-project activities”, as contained in [annex 25](#) to this report. The amendment corrects the reference to the tool “Estimation of GHG emissions due to clearing, burning and decay of existing vegetation attributable to a CDM A/R project activity” by inserting the revised title of the tool as “Estimation of non-CO₂ GHG emissions resulting from burning of biomass attributable to an A/R CDM project activity”. The amendment also aligns sections of the methodology with those of the revised tool.

108. The Board agreed to withdraw the approved methodology AR-AM0006 “Afforestation/Reforestation with Trees Supported by Shrubs on Degraded Land” with effective date 29 May 2012, as all range of projects to which it was applicable is fully covered by the latest version of the approved consolidated methodology “AR-ACM0001: Afforestation and reforestation of degraded land”.

Responses to requests for clarification

109. The Board took note of the responses provided by the A/R WG on the requests for clarification AR_AM_CLA_0015 and SSC_AR_007, and referred to in the report of the thirty-third meeting of the A/R WG.

Guidelines

110. The Board approved the “Guidelines on the application of specified versions of A/R CDM methodologies in verification of registered A/R CDM project activities”, as contained in [annex 26](#) to this report. The guidelines allow a registered A/R CDM project activity to apply, at the time of verification, the improvements in its methodology that were approved after the date of the registration of the project activity.

111. The Board approved the “Guidelines on accounting of changes in A/R CDM project activities from the description in registered project design documents”, as contained in [annex 27](#) to this report. The guidelines list the types of changes from a project activity which are identified as minor in nature, and therefore are to be addressed through the verification stage by the DOE, without submitting a notification or a request for approval.

Agenda sub-item 4.2.: Procedures***(a) Procedures related to project cycle***

112. The Board considered the draft CDM project cycle procedure (PCP). This document consolidates administrative steps in the entire CDM project cycle found in various existing CDM documents and also contains some new or modified administrative steps, for which the Board provided guidance at its previous meetings (e.g. post-registration changes), or proposed based on the secretariat's experience in supporting the process. The Board agreed on various elements of the draft and requested the secretariat to revise the draft taking into account the stakeholders' comments that help improve the clarity as well as by improving the consistency of the document, for consideration by the Board at its sixty-fifth meeting. The Board agreed that stakeholders' comments that propose new requirements or modify existing requirements shall be noted for future consideration by the Board. The Board also requested the secretariat to prepare a table showing the source of each provision in the draft and an implementation plan for the PCP for consideration by the Board at its sixty-fourth meeting.

(b) Procedures related to methodologies

113. The Board agreed to launch a call for public inputs in relation to standardized approaches for baseline emission calculations under SSC CDM methodologies for displacement of non-renewable biomass, and in particular how to quantify the fraction of non-renewable biomass and what default parameters for baseline fuel wood consumption are appropriate, as contained in annex 8 of the report of the thirty-third meeting of the SSC WG. The call for public inputs will be open from **30 September 2011** to **30 October 2011**. The inputs shall be considered by the SCC WG at its thirty-fifth meeting.

114. The Board took note that the SSC WG will continue its work on standardized baselines for transport (AMS-III.AA), methane emissions in rice fields (AMS-III.AU), and biogas digesters (AMS-I.I and AMS-I.E).

115. The Board adopted "Procedure for submission and consideration of standardized baselines", as contained in annex 28 to this report. The Board requested the secretariat to prepare an implementation plan for the procedure for consideration by the Board at its sixty-fifth meeting at the latest. As the use of standardized baseline is voluntary, the Board stressed that the level of stringency of the standardized baselines should be sufficient to ensure a high level of environmental integrity. The Board also requested the secretariat to take into account this principle while developing the work programme to implement the "Guidelines for the establishment of sector specific standardized baselines" as requested by the Board at its sixty-second meeting.

116. Following the adoption of the revised "Tool to assess the validity of the original/current baseline and to update the renewal of a crediting period" as referred to in paragraph 91 above, the Board agreed to separate the tool from the "Procedure for renewal of the crediting period of a registered CDM project activity", and adopted the revised procedure with editorial changes, as contained in annex 29 to this report.

117. The Board requested the secretariat to provide information on the existing practices regarding the process of launching a call for inputs on a proposed new methodology or revised methodology at its sixty-fourth meeting. This information will be used by the Board in defining the process of launching a call for input on a proposed top-down methodology.

Agenda sub-item 4.3.: Policy issues***(a) Related to methodologies***

118. The Board approved the work programme on suppressed demand, as contained in annex 30 to this report. The Board also requested the secretariat to open a call for inputs to receive proposals from PPs and stakeholders on how to further improve and clarify the guidelines as well as to revise methodologies to integrate the aspects of suppressed demand. The call for public inputs will be open from **30 September 2011** to **30 October 2011**. The summary of the inputs shall be considered by the Meth Panel and the working groups at their future meetings.

(b) Related to registration

119. The Board requested the secretariat that, while preparing the analysis on how the validation by DOEs on the adequacy of the stakeholder consultation process has been done and proposing options for improvements, taking into account the inputs received from the call launched by the Board, in accordance with the mandate given by the Board at its sixty-second meeting, it should take into account the following issues:

- (a) Timing for the global stakeholder consultation with reference to the submission for registration and potential risks for specifying a certain period;
- (b) DOEs treatment with significant concerns regarding to the validation process and how they could be improved;
- (c) Reconsideration of timing for dealing with significant concerns raised by Board members in the validation process;
- (d) Practice in communication with stakeholders and concerns with the process of submission of the letters.

(c) Related to issuance

120. The Board considered an information note on addressing significant deficiencies in previous validation, verification and/or certification reports. The Board requested the secretariat to prepare a draft procedure based on the guidance given by the Board at this meeting and, as a result of such a procedure, to also draft a recommendation for the CMP at its seventh session, to amend the relevant paragraphs in the CDM modalities and procedures for consideration by the Board at its sixty-fourth meeting.

121. The Board agreed that the issue of time limit for re-submissions of rejected requests for issuance is to be addressed in the PCP referred to in paragraph 112 above.

Agenda item 5. Relations with forums and other stakeholders**Agenda sub-item 5.1.: Designated National Authorities**

122. The Board took note of the Asia Pacific DNA Forum meeting that took place on 5–6 September 2011 in Nepal.

Agenda sub-item 5.2.: Designated Operational Entities

123. The Board took note of the report by the chair of the CDM DOE/AE Coordination Forum, Mr. Werner Betzenbichler.

124. The chair of the DOE/AE Coordination Forum elaborated the input received from entities for the consideration of the Board, and sought guidance from the Board on the following:

- (a) Treatment of prior consideration when a project has started a validation twice;
- (b) Interaction with the CDM-AP, in particular accreditation costs and timelines and the need to revise accreditation standards and procedures;
- (c) Inputs to the annotated agenda of this sixty-third meeting:
 - (i) Date and timing for receiving comments to the agenda;
 - (ii) New standards and procedures;
 - (iii) First-of-its-kind and common practice;
 - (iv) Significant deficiencies.

125. The chair of the forum also welcomed the stakeholder consultation workshop for the draft standards and procedures and the possibility to give inputs in the preparation of the documents during the workshops. He also welcomed the first opportunity given to stakeholders on commenting on the annotated agenda and the Board's agreement at the retreat to launch a policy dialogue.

126. Mr. Betzenbichler also stated that the amount of time for the call for inputs to the annotated agenda was not sufficient, especially due to the quantity of documents to be considered at this meeting and also the importance of them. The chair of the forum elaborated on the specific inputs to all of the standards, procedures, policy issues and once more expressed the importance of them and recommended some improvements and revisions to the documents. He also requested consistency over all the documents. The chair also recommended new rounds of stakeholders consultations for the documents that will need further elaboration.

127. The Board noted that the secretariat will answer the individual DOE submissions and reminded the chair of the forum that it was not necessary to bring such submissions to the attention of the Board at each meeting as a result of the new communication procedures. In addition, members responded to some of the questions raised by the chair of the DOE/AE Forum.

128. The Chair of the Board thanked Mr. Betzenbichler for his inputs and encouraged the forum to continue to raise issues related to the implementation of its guidance.

Agenda sub-item 5.3.: Communications and activities with stakeholders

129. The Board took note of the workshops and events that have taken place since the last meeting:

- (a) Integrated Workshop on Project Standard, Validation and Verification Standard, Project Cycle Procedure and Programme of Activities Standards, on 24–26 August 2011. More details and documents on the workshop may be found under:
<<http://cdm.unfccc.int/stakeholder/index.html>>;
- (b) Stakeholder Consultation Workshop on Standardized Baseline under the CDM, on 5–6 September 2011. Relevant documentation is published on the DNA extranet;
- (c) Workshop on Enhancing the Regional Distribution of CDM Projects in Asia and the Pacific, 5–6 September 2011.

**Agenda sub-item 5.4.: Interaction with registered observers**

130. The Board met with registered observers for an informal interaction on the last day of the meeting and agreed to continue with such meetings in the afternoon of the last day of its future meetings, unless otherwise indicated. These meetings are available on webcast.

131. The observers to the meeting highlighted the following issues:

- (a) Work of the Board on the new standards and procedures and the implementation of these documents;
- (b) The role of the Board in the carbon market;
- (c) Timelines of request for issuances;
- (d) Work on sustainable benefits and co-benefits under CDM and reporting to CMP.

Agenda item 6. Other matters

132. The Board agreed on the provisional agenda for its sixty-fourth meeting, to be held in Bonn, Germany on 24–26 October 2011, as contained in [annex 31](#) to this report. As agreed at its last meeting, the sixty-fourth meeting will be focused on the finalization of its report to the CMP and its recommendations and therefore will not consider inputs by its panels and working groups or case-specific rulings, except those deferred from this meeting.

133. The Chair summarized the main conclusions.

Agenda item 7. Conclusion of the meeting

134. The Chair closed the meeting thanking the Government of Ecuador for hosting the meeting in Quito and for providing the excellent meeting facilities and services.

135. 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

Panels and working groups

Annex 1 - Workplan of the CDM Accreditation Panel 2011 (version 02.0)

Methodological standards for large-scale CDM project activities

Annex 2 - Standard for demonstration of additionality of GHG emission reductions achieved by a programme of activities (version 01.0)

Annex 3 - Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under a PoA (version 01.0)

Annex 4 - Standard for application of multiple CDM methodologies for a programme of activities (version 01.0)

Annex 5 - AM0095 "Waste gas based combined cycle power plant in a Greenfield iron and steel plant" (version 01.0.0)

Annex 6 - AM0096 "CF₄ emission reduction from installation of an abatement system in a semiconductor manufacturing facility" (version 01.0.0)

Annex 7 - AM0097 "Installation of high voltage direct current power transmission line" (version 01.0.0)

Annex 8 - AM0098 "Utilization of ammonia-plant off gas for steam generation" (version 01.0.0)

Annex 9 - ACM0020 "Co-firing of biomass residues for heat generation and/or electricity generation in grid connected power plants" (version 01.0.0)

Annex 10 - Tool for project and leakage emissions from road transportation of freight (version 01.0.0)

Annex 11 - Guidelines on additionality of First-of-its-kind project activities (version 01.0)

Annex 12 - Guidelines on Common Practice (version 01.0)

Annex 13 - Request to the Meth Panel related to the draft revised methodology AM0001 "Incineration of HFC 23 waste streams" (version 01.0)

Annex 14 - AM0023 "Leak detection and repair in gas production, processing, transmission, storage and distribution systems and in refinery facilities" (version 04.0.0)

Annex 15 - AM0034 "Catalytic reduction of N₂O inside the ammonia burner of nitric acid plants" (version 05.1.1)

Annex 16 - ACM0006 "Consolidated methodology for electricity and heat generation from biomass residues" (version 11.2.0)

Annex 17 - ACM0017 "Production of biodiesel for use as fuel" (version 02.1.0)

Annex 18 - ACM0018 "Consolidated methodology for electricity generation from biomass residues in power-only plants" (version 01.3.0)

Annex 19 - Tool to calculate the emission factor for an electricity system (version 02.2.1)



Annex 20 - Tool to assess the validity of the original/current baseline and to update the baseline at the renewal of a crediting period (version 02.0.0)

Methodological standards for small-scale CDM project activities

Annex 21 - AMS-III.G “Landfill methane recovery” (version 07)

Annex 22 - AMS-III.D “Methane recovery in animal manure management systems” (version 18)

Annex 23 - Guidelines for demonstrating additionality of microscale project activities" (version 03)

Annex 24 - Attachment A of appendix B of the "Simplified modalities and procedures for small-scale CDM project activities" (version 08)

Methodological standards for afforestation and reforestation CDM project activities

Annex 25 - AR-ACM0002 “Afforestation or reforestation of degraded land without displacement of pre-project activities” (version 01.1.0)

Annex 26 - Guidelines on application of specified versions of A/R CDM methodologies in verification of registered A/R CDM project activities (version 01.0)

Annex 27 - Guidelines on accounting of specified types of changes in A/R CDM project activities from the description in registered project design documents (version 01.0)

Procedures

Annex 28 - Procedure for submission and consideration of standardized baselines (version 01.0)

Annex 29 - Procedure for renewal of the crediting period of a registered CDM project activity (version 06.0)

Policy issues

Annex 30 - Work programme on suppressed demand (version 01.0)

Other matters

Annex 31 - Provisional agenda for the sixty-fourth meeting of the CDM Executive Board

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

- Tool for the demonstration and assessment of additionality (version 05.2.1)
- Combined tool to identify the baseline scenario and demonstrate additionality (version 03.0.1)
- F-CDM-MOC - Editorial revision to include disclaimer in annex 2, section 4
- F-CDM-RtB - Adoption in line with procedures on Modalities of communication with stakeholders (EB 62 report, annex 15)
- F-CDM-RtB-DOE - Adoption in line with procedures on Modalities of communication with stakeholders (EB 62 report, annex 15)
- F-CDM-RtB-DNA - Adoption in line with procedures on Modalities of communication with stakeholders (EB 62 report, annex 15)
- F-CDM-EVAt (version 03.0) - Revision includes a title change and a change to categorize monitoring criteria into personnel attributes and assessment skills