



**Approved baseline and monitoring methodology /
methodological tool clarification response form
(Version 02.0)**

INFORMATION TO BE COMPLETED BY THE SECRETARIAT OR PANEL/ WG

Date and number of Panel / WG meeting:	19–22 August 2014/MP 64
Title/Subject of the request for clarification:	Clarification on the application of combined tool and on classification of cargo transported
Reference number of the request for clarification:	AM_CLA_0261
Exact reference (number, title and version) of the methodology or methodological tool to which the request for clarification applies:	AM0090 “Modal shift in transportation of cargo from road transportation to water or rail transportation --- Version 1.1.0”
Fast track or Regular track:	<input type="checkbox"/> Fast track <input checked="" type="checkbox"/> Regular track

Summary of the request for clarification

Original text from PP:

Background of project activity:

SCL has two cement plants in Rajasthan at Beawar and Ras. The project activity is to invest in rail infrastructure to transport cement and clinker from the Ras facility by rail instead of the conventional road based transport. The Beawar plant is connected to rail head, however Ras plant is not connected to the rail head to transport the cargo through rail. So SCL has established the siding at Ras plant which is connecting with the main railway line linking with Bangurgram railway station. The investment by SCL in establishing siding line at Ras facility which facilitate the transportation of cement & clinker from Ras (Origin) to Bangurgram station (Destination) through railway instead of road way transportation.

- 1) The methodology refers to 'Combined tool to identify the baseline scenario and demonstrate additionality'.

However, the Combined Tool Version 05.0.0, EB70-A09, Footnote 2 says '*Identified measures do not cover industrial gases, transport and afforestation/reforestation projects*'.

Does this mean applicability of combined tool is restricted for use in conjunction with AM 0090?

If so,

(1) Can PP use Additionality Tool with AM 0090 in place of Combined Tool? In this case, how to use other steps referred in the methodology like investment analysis from the combined tool?

Or

(2) the referred footnote in the combined tool does not apply to particular methodology AM 0090.

- 2) Applicability of the Combined Tool, Para 05 reads "*This tool is only applicable to methodologies for which the potential alternative scenarios to the proposed project activity available to project participants cannot be implemented in parallel to the proposed project activity*".

In case of this project activity, Roadways is identified as one of potential alternative scenario and can be implemented in parallel to project activity. Roadway is also a potential baseline scenario.

How the conditions given in the tool be applied in the case of project activity, since one of the alternative scenario to project activity can be implemented in parallel to the project activity?

- 3) The methodology requires '*Both in the baseline and project activity, only one type of cargo is transported*'. In the case of project activity, the final product is cement and a byproduct (or pre-cursor to the final product) clinker both are transported from single origin point to single destination. The

clinker is transported to other plants where it is further processed to make cement. Thus, in this case, can we take cement and clinker as single cargo type?

Clarification by the secretariat or Panel / WG

The Methodologies Panel (Meth Panel) of the Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM) would like to thank the author for the submission.

Clarification 1: Applicability of the “Combined tool to identify the baseline scenario and demonstrate additionality” (Combined tool) to AM0090

The Meth Panel agreed to clarify that the Combined tool is applicable to AM0090 except its Step 0 and Step 4a.

The Combined tool, includes the concept of Measure(s); however, transport projects (as well as industrial gas and afforestation/reforestation projects) are not yet included in the framework of Measure(s). There are two steps of the combined tool that refer to guidelines that only apply to project types included in the framework of Measure(s), namely Step 0 that refers to the “Guidelines on additionality of first-of-its-kind project activities” and Step 4a that refers to the “Guidelines on common practice”. Hence, transport projects (as well as industrial gas and afforestation/reforestation projects) cannot apply these specific steps.

Since transport projects are not covered by the definition of the measure(s), the project proponents wishing to demonstrate that a project activity is the first-of-its-kind (equivalent of Step 0) shall propose an approach for demonstrating this. Similarly, for common practice analysis, Step 4b of ‘Step 4: Common practice analysis’ shall be used for transportation projects, since this is the procedure for project types not covered by the definition of measures in the Combined tool.

Clarification 2: Application of paragraph 5 of the combined tool to the project activity

The Meth Panel agreed to clarify that the guidance provided in AM0090 on ‘Selection of the baseline scenario and demonstration of additionality’ shall be followed to define alternative scenarios to the proposed CDM activity; AM0090 provides a list of likely scenarios, including M1, Road transportation. Alternative scenarios shall be defined that are mutually exclusive, e.g. one scenario may be to develop new rail infrastructure to satisfy transportation demand for 100 per cent of the cargo by rail, whereas another scenario may be to transport 100 per cent of the cargo by road. This methodology is only applicable if the result of the selection of most plausible baseline scenario is 100 per cent of the cargo being transported by road. Therefore in this context the applicability condition under paragraph 5 of the Combined tool applies.

Clarification 3: Considering cement and clinker as single cargo type

The Meth Panel agreed to clarify that according to Table 2 of the methodology AM0090, other crude and manufactured minerals and building materials belong to one cargo type category and have the same emission factor per tonne-km. Since both clinker and cement belong to this cargo type, clinker and cement can be categorised as a single type of cargo.

The Meth Panel agreed to reflect this clarification at the next opportunity of revising the “Combined tool to identify the baseline scenario and demonstrate additionality”.

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Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
02.0	18 July 2013	Revised to remove the row “Date and signature of the chair and vice chair of Panel/WG (in case of clarification by Panel/WG)”
01.0	4 July 2013	Initial publication. This document supersedes and replaces the following documents: <ul style="list-style-type: none">• Recommendation Form for Small Scale Methodologies (F-CDM-SSCwg) (Version 01.1)• Recommendation Form for Small Scale A/R Methodologies and Procedures (F-CDM-SSC-AR) (Version 01.1)
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