

CDM-EB79-AA-A05

Concept note

Role and structure of the panels and working groups under the CDM Executive Board

Version 1.0



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TABLE OF CONTENTS	Page
1. PROCEDURAL BACKGROUND.....	4
2. PURPOSE	4
3. KEY ISSUES AND PROPOSED SOLUTIONS	4
3.1. Analysis of role and structure of the panel and working groups.....	5
3.1.1. Roles of the support structure of the CDM Executive Board.....	5
3.1.2. Considerations on demand for work	6
3.1.3. Scenarios for structure of panels and working groups	7
3.1.4. Summary of cost estimates/advantages and disadvantages of the scenarios.....	9
4. IMPACTS.....	10
5. SUBSEQUENT WORK AND TIMELINES.....	10
6. RECOMMENDATIONS TO THE BOARD	10
APPENDIX 1.DETAILED ANALYSIS OF THE ROLE AND STRUCTURE OF PANELS AND WORKING GROUPS	11
1. ROLE OF PANELS AND WORKING GROUPS	11
2. DIFFERENT FORMS OF PANEL/WORKING GROUP CONSULTATION AND CONSIDERATION	12
3. REQUIREMENTS ON EXPERTISE IN THE SUPPORT STRUCTURE OF THE BOARD.....	13
4. DEMAND FOR WORK OF PANELS AND WORKING GROUPS IN 2014/2015	13
4.1. Forecasts on submissions.....	14
4.2. Tasks of panels and working groups in current workplans.....	15
4.3. Development of workload and expected workload for panel and working groups in 2015.....	16
5. CURRENT STRUCTURE OF PANELS AND WORKING GROUPS	18
6. ADVANTAGES AND DISADVANTAGES OF THE SCENARIOS	19
6.1. Cost/benefits of the scenarios.....	19
6.2. Current structure: (BAU)	20
6.2.1. Benefits/advantages	20
6.2.2. Disadvantages	21

6.3.	Scenario 1: Merging of panels and working groups	21
6.3.1.	Benefits/advantages	21
6.3.2.	Disadvantages	21
6.4.	Scenario 2: Core panel	21
6.4.1.	Benefits/advantages	21
6.4.2.	Disadvantages	22
APPENDIX 2.	MEETING COST COMPARISON MATRIX	24

1. Procedural background

1. The Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM), at its seventy-first meeting, initiated discussion on the structure of the existing panels and working groups. The options considered, besides maintaining the current structure, were either to merge some of the panels and working groups or to have a single streamlined panel which draws upon a roster of experts with specific industry/sector expertise to conduct additional work as required.
2. The Board, at its seventy-first meeting, (in early 2013) agreed to reduce the number of members and meetings for its panels and working groups, as well as to adjust the number of meeting days in accordance with the workload (EB 71 report, para. 19). During the discussion at the meeting, the Board agreed to discuss the structure of panels and working groups further at a future meeting of the Board and requested the secretariat to develop and report on these options taking into account overall efficiency, cost savings, work quality and responsiveness. In the “CDM Executive Board workplan 2014” the Board provided a mandate to the secretariat to conduct a “Review of the roles of the panels and WGs” for EB 79 and a “Review of the terms of reference of the support structure of the CDM EB” for EB 82.

2. Purpose

3. The purpose of this document is to:
 - (a) Provide an overview on the role and responsibilities of the panels and working groups of the Board;
 - (b) Provide information on the expected workload and expected changes in the number of submissions (forecast) to the methodological bodies supporting the work of the Board (Methodologies Panel (Meth Panel), Small-Scale Working Group (SSC WG), Afforestation and Reforestation Working Group (A/R WG) and Carbon Dioxide Capture and Storage Working Group (CCS WG));
 - (c) Propose different options on how to take these developments into account when discussing the future support structure of the Board from 2015 onwards;
 - (d) Be the basis for the discussion on options for a future structure of the methodological bodies, with respect to numbers of panels and working groups, number of meetings, composition of members and new work approaches.

3. Key issues and proposed solutions

4. With respect to the recent situation of the CDM, which includes changed requirements and a shift of demand, a review of the support structure of the Board was undertaken. While in earlier years there was a clear emphasis on establishing a new methodological system, with many new methodologies being submitted, the focus of work is now on optimizing the existing standards.
5. As a step towards improvement of panel and working group operations, the goal is to optimize the Board’s support structure (panel and working groups), which should positively impact the discussion and approval of methodology-related products at the

meetings of the Board. This optimization includes the possibility of a restructuring of the methodological bodies. The final goal is to provide the best possible quality in service and products to CDM stakeholders, especially project proponents, bearing in mind the need to ensure the efficient use of resources.

6. The CDM Accreditation Panel (CDM-AP) is not included in these considerations because of the specific nature of its work, which makes merging or including it into a single streamlined panel not practical. The CDM-AP operates with five members, which is regarded the minimum size in order to fulfil the requirement of regional balance. The CDM-AP is not so directly affected by decreasing workload as the methodological panels and working groups.

3.1. Analysis of role and structure of the panel and working groups

7. Further details on the analysis of the role and structure of panels and working groups are contained in appendix 1.

3.1.1. Roles of the support structure of the CDM Executive Board

8. The roles of panels and working groups and the secretariat, as part of the CDM Executive Board's support structure, are defined in the "Terms of reference of the support structure of the CDM Executive Board" (ToR), version 04 (EB 73, annex 2) (see appendix 1, section 1).
9. Over the years, due to changes in work requirements, the roles and responsibilities of the panels and working groups, as well as the secretariat have evolved. In earlier years the tasks were clearly related to the establishment of a new methodological system, mainly based on submissions (bottom-up). Decreasing numbers of submissions and the maturity of methodologies have led to a situation where the work of panels and working groups is more related to improvements, simplification, and streamlining of existing methodologies, often based on top-down mandates given by the Board.
10. In relation work mandated by the Board, some overlaps of tasks have been noted in the ToR. For a number of top-down case types, it is not clearly defined which part of the support structure should be responsible for the work, i.e. should be making the final recommendations to the Board. Nevertheless, related procedures,¹ practical arrangements and finally the decision taken by the Board at its seventy-eighth meeting (EB 78, paragraph 10 on modalities of agreements on proposals between the secretariat and panels and working groups) are providing additional provisions on how the definition of roles in the ToR can be interpreted and applied (see further details in section 1 of appendix 1).
11. It can be concluded that the current version of the ToR, especially in combination with the above-mentioned procedures and provisions, provides sufficient definition of roles and allows for enough flexibility for the Board when providing mandates to the panels and working groups and the secretariat. The descriptions of roles in the ToR should be seen as providing a general understanding of what kind of task can be expected to be given to the panels, working groups and the secretariat. It is the prerogative of the Board

¹ Procedures "Development, revision and clarification of baseline and monitoring methodologies and methodological tools" (vers.01.1) and "Development, revision, clarification and update of standardized baselines"(vers.03.1).

to decide on a case-by-case basis which body of the support structure receives specific mandates.

3.1.2. Considerations on demand for work

12. For the consideration of possible options for panel and working group structures for 2015 and beyond, a review of parameters that are to be taken into account when deciding on the preferred future structure is presented. These parameters include:
 - (a) Form of the meeting (supplementation of physical meetings by electronic means);
 - (b) Demand for work (forecast of workload).
 - (c) Requirement on expertise;
13. Besides physical meetings, there is also the possibility of enhancing the use of electronic means, e.g. electronic decision-making, meeting preparation by e-mail, telephone and video conference. The use of these electronic means and even entirely electronic meetings are explicitly mentioned in the ToR of panels and working groups, as well as in the relevant methodological procedures and decisions of the Board (see appendix 1, section 2). The enhanced use of electronic means is an option that can be utilized under all possible structures for panel and working groups in the future. This means that even a relatively static structure could become more flexible and more responsive without increasing the number of physical meetings.
14. The demand for work of panels and working groups has undergone a drastic change since the end of 2012. This is not only due to the changed market situation but also to be seen in connection with a mature methodological system containing a large number of well-established methodologies for different project types. The changes in workload are mostly related to the decrease of bottom-up submissions in 2013 and 2014. For the Meth Panel an overall drop from 53 submissions (new methodologies, revision and clarification request, standardized baselines) to 30 submissions in 2013 was recorded (a decline by 25 per cent) and in 2014 a further decrease by approximately 17 per cent is estimated. The submissions to the SSC WG declined by 56 per cent from 2012 to 2013 (81 to 36 cases) and may in 2014 decline further to 33 or less submissions. This trend is expected to continue in 2015 (see also section 4 in appendix 1). On the other hand, the number of top-down cases is still relatively high (see Table 5 and Table 6 in appendix 1) which will need to be acknowledged when setting the number of meetings and number of members in panels and working groups for the coming years.
15. The requirements on expertise needed in the support structure of the Board can be divided into two main categories: CDM expertise and technical expertise (see section 3 in appendix 1). Both types of expertise are currently available to a certain extent in the secretariat in addition to the panels and working groups, which was not the case at the time the support structure was first established. Other, more specialized technical areas are possibly covered by employing experts from the roster of experts or external technical experts (e.g. consultants), as designated in the methodology procedure.² There are possible options for the structure, under which a redefinition of core expertise may

² "Development, revision and clarification of baseline and monitoring methodologies and methodological tools" version 1.0

be considered. Accordingly, in view of the expected decline in workload, two different scenarios for the optimal use of experts are detailed below.

3.1.3. Scenarios for structure of panels and working groups

3.1.3.1. Options for operations of panels/working groups in 2015

16. The number of meetings and members in the panels and working groups was last adjusted in 2013, already with a view to reacting to the expected decrease of bottom-up submissions. The change included the reduction of Meth Panel members from 16 to 10 and setting the number of all working groups (and the CDM-AP) at five members each. Furthermore the Board has decided to send the A/R WG and the CCS WG into “sleep mode”, meaning that these working groups would only meet on demand, for example when relevant submissions are received.
17. Currently (in 2014) the calendar contains four meetings each of the Meth Panel and SSC WG, and none for the A/R WG and CCS WG. The above-mentioned adjustments have had a significant impact on the total cost of panel and working group meetings. From a total meeting cost of approximately USD 1,081,000 in 2012, a reduction to approximately USD 452,000 in 2013 was achieved.³ The change to the structure of panels and working groups aims for a possible further reduction in meeting costs by adjusting the structure more efficiently to the expected future needs of this support structure. Nevertheless, other factors like responsiveness, flexibility and simplicity of work arrangements should equally be taken into account (see appendix 1, section 6).
18. Two different scenarios for possible structures have been developed and analysed for advantages and disadvantages. The scenarios have sub-scenarios, showing the cost implications of different numbers of meetings and members in the panels and working groups.

3.1.3.2. Current structure: Business as usual (BAU)

19. This BAU structure is the basis for the resource estimates. Panels and working groups are separate bodies and the number of meetings is adjusted on demand to reflect the expectation of submissions. For 2014, four meetings of the Meth Panel and the SSC WG are scheduled. An option for future years is the reduction of meetings, e.g. three meetings each for the Meth Panel and the SSC WG. This seems to be a feasible option with regard to expected workload, especially if the time in between meetings is used for enhanced work by electronic means.

3.1.3.3. Scenario 1: Merger options

20. As a response to the declining numbers of submissions anticipated it may be justified to consider a reduction of the number of meetings and the size of the support structure as a whole. One possible option in this direction is the merging of methodology-related panels and working groups with an overall reduction of the number of members. Under this option, the two methodological bodies of the Meth Panel and the SSC WG would be

³ In 2013, three rounds of Meth Panel and SSC WG meetings were conducted. If four meetings as anticipated at the beginning of the year had happened, the total cost would have been approximately USD 588,000.

merged and at the same time the number and the composition of members adjusted, possibly from 15 (10 Meth Panel plus 5 SSC WG) down to 10–13 members.

21. The A/R and CCS working groups could remain separate specialized bodies in “sleep mode”. This would be justifiable because these working groups have no scheduled meetings (meeting only on demand in the event of methodological submissions) and therefore need very little resources in terms of member payments, meeting-related costs and secretariat support. Furthermore, the A/R WG and the CCS WG have very specialized fields of work, which are not easily compatible with the skills and knowledge needed for the work of the Meth Panel and the SSC WG. Merging all four panels/working groups is not considered favourable as this would necessitate including experts with backgrounds in forestation and carbon capture and storage in the “normal” methodologies panel, which would increase the size of the panel and its expertise, would not be optimally utilized in every meeting.
22. In case the Board wishes to merge all four panels and working groups, an alternative to the “sleep mode” of the A/R WG and the CCS WG would be to reduce the panels to two members each (one each from Annex I and non-Annex I Parties) and to invite them, in consultation with the chair of the merged panel, if there is an agenda item pertaining to A/R or CCS. This would reduce the logistic requirements compared to arranging for the meeting of separate working groups.

3.1.3.4. Scenario 2: “Core-panel” (One combined panel with the support of case-specific technical experts)

23. While most of the commonly applied technical scopes can be covered by the secretariat and by a relatively small core of panel and working group members, it is not possible to cover the less common technical scopes by inclusion of members in the methodological bodies. Therefore having a small panel with an emphasis on members covering CDM expertise (e.g. having a very good understanding of how methodologies work, consistency of the methodological framework and project proponents’ knowledge) is evaluated as one of the options below.
24. The most radical change in the structure and operation of panels and working groups is built on the idea of maintaining a large pool of technical expertise, and to make use of this expertise in the most cost-efficient way. Under this scenario all panel and working groups (except for the CDM-AP) would be merged under the roof of one panel, e.g. a restructured Meth Panel with stronger emphasis on CDM expertise. This panel of five to seven core members would draw upon roster of experts with specific industry/sector expertise (see section 3 in appendix 1).
25. The advantage of this structure would be in having a panel with high CDM competency as well as covering all necessary fields of technical expertise in a cost effective way adjusted to the needs. The cost of meetings would be purely demand-based and could be greatly reduced, depending on the need for technical expertise.
26. It could be considered to invite experts/members to the meetings according to required competencies for the cases on the agenda (i.e. especially the experts for CCS and A/R methodologies) in consultation with the chair/vice-chair of the panel, keeping in mind the regional distribution requirements. Alternatively the technical experts could also provide input by electronic means. Members would be assigned in both cases according to technical needs, in consultation with the chair/vice-chair of the panel.

27. Two options should be considered regarding the technical experts:
- (a) Experts are selected by the Board in response to a call for experts and have the status of panel members; or
 - (b) Experts are drawn from the existing roster of experts, which would be restructured for this purpose. Currently there are a large number of unused experts on the roster; the membership would in future be limited to a fixed number of experts with certain required technical expertise.
28. Alternatively, also under this scenario, the A/R and CCS working groups could remain separate bodies because of the very specialized expertise needed and stay in “sleep mode”.

3.1.4. Summary of cost estimates/advantages and disadvantages of the scenarios

29. The costs of meetings is one important aspect for the comparison of different possible structures of panels and working groups in the future, while ensuring that quality of work is not compromised.
30. The workload (case assignments to members) is independent from the total number of members, meetings and structure and is considered the same under all scenarios. The cost comparison of different scenarios is therefore focused on the meeting costs. A comparison of different options can be found in appendix 2, “Cost comparison matrix”.
31. The current structure with four scheduled meetings of the Meth Panel and SSC WG (BAU) involves the highest cost, at approximately USD 588,000 per year, and is considered to be the benchmark for comparison to all other scenarios. The continued use of the existing structure (BAU scenario), but with only three scheduled meetings per group (Meth Panel and SSC WG) would reduce the cost of meetings to USD 441,000.
32. A broad range of costs (USD 462,000 to 553,000) is involved with the meetings under the different options of scenario 1 (merged groups). All options under this scenario have been calculated with at least four physical meetings of the new panel. The reason for this is the estimation of work based on the caseload of meetings in 2013 and 2014, which would need to be covered by fewer members (10–13) than under the current structure.
33. Scenario 2, the “core panel”, involves the lowest cost of this range (USD 391,000), due to the overall reduction in the number of members deployed.
34. The cost of meetings is less determined by the structure of the methodological bodies but more by the final number of meetings and members. Some of the identified advantages and disadvantages of the current structure and the two scenarios can be summarized as follows: the current structure (BAU) has an established structure with relatively simple work arrangements and a large number of technical experts. On the other hand, this is the most expensive solution unless numbers of meetings are cut. Under scenario 1 (merging groups), the harmonization of large- and small-scale methodologies could benefit from having all expertise in one panel. In total the number of involved experts would decrease, thereby some expertise and experience may be lost. Finally, under scenario 2, the planning and coordination of work would become more complex, but the panel would be most flexible in number of meetings (without greatly increasing costs) and the harmonization benefits are similar to scenario 1. While

the overall expertise is high, by having a group of technical experts invited on demand, the small number of members in the meetings who can contribute to the discussion based on their experience may be a disadvantage of this structure.

35. Further advantages and disadvantages of the different scenarios can be found in appendix 1, section 6.

4. Impacts

36. Depending on the outcome of the consideration by the Board, the future structure of the panels and working groups will have impacts on the cost, flexibility, efficiency, work quality, and responsiveness of the work of panels and working groups.
37. A revision of the “Terms of reference of the support structure of the CDM Executive Board” version 04.0 may be required.
38. Depending on the outcome, adjustments may be required in the procedure “Development, revision and clarification of baseline and monitoring methodologies and methodological tools” to be able to enhance the use of electronic means in between physical meetings.

5. Subsequent work and timelines

39. In line with the workplan of the Board for 2014, the review of the ToR will take into account the decision of the Board on the preferred future structure of methodological bodies. If necessary, the draft revised ToR will be presented to the Board at its eighty-second meeting. Thereafter, the selection process of new members will be initiated in accordance with the decision of the Board on the future structure of the panels and working groups.

6. Recommendations to the Board

40. The secretariat recommends that the Board choose Scenario 1 (merging the Meth Panel and the SSC WG) for the future operation of panels and working groups and to keep the A/R WG and the CCS WG as separate bodies and in “sleep mode” under this scenario.
41. Following the decision by the Board, the Board may wish to mandate the secretariat to prepare a draft implementation plan and present it to the Board for approval at a future meeting.

Appendix 1. Detailed analysis of the role and structure of panels and working groups

1. Role of panels and working groups

1. The panels and working groups are part of the support structure of the CDM Executive Board (the Board). The role of panels and working groups is defined in the “Terms of reference of the support structure of the CDM Executive Board” (ToR), version 04 (CDM-EB61-A01-PROC).

Box 1. Role of panels and working groups

Terms of reference of the support structure of the CDM Executive Board, version 04

[...]

4. Methodological bodies perform the following key functions in support of the Board:

- (a) Considering draft recommendations regarding the establishment, revision or withdrawal of methodological standards, guidelines and clarifications for CDM project activities;
- (b) Considering draft recommendations for methodological requirements for CDM project activities;
- (c) Providing advice and recommendations to the Board regarding the need and priority areas for methodological guidance.

5. The Accreditation Panel performs the following key functions in support of the Board:

- (a) Considering the results of assessments of operational entities regarding their compliance with accreditation requirements;
- (b) Providing advice and recommendations to the Board on accreditation requirements for operational entities;
- (c) Providing advice and recommendations to the Board on the improvement of the accreditation process.

[...]

2. In recent years, the roles and tasks undertaken by the panels and working groups and the secretariat have evolved. For the methodological bodies, the tasks have become more diverse compared to previous years, with increased work relating to specific Board requests and top-down products (e.g. tools, methodologies, guidelines), undertaken in addition to the regular technical assessments of declining bottom-up submissions. The current ToR contain provisions that are not specific on the responsibility of the preparation of draft recommendations or whether they are considered to be products of the panels or working groups (see box 1 above). The ToR of the support structure of the Board mentions that the secretariat provides technical support to the Board, as well as its support structure, and further states that the secretariat provides recommendations, while not specifying whether draft recommendations are provided to the panels and working groups or directly provided to the Board for approval. As a result of this there has been a degree of unclarity of roles, especially for top-down methodological products. This unclarity has been resolved by the processes provided in the procedure

- “Development, revision and clarification of baseline and monitoring methodologies and methodological tools”. The same applies for standardized baselines through the procedure “Development, revision, clarification and update of standardized baselines”.
3. The current practice is that products listed in the Board’s workplan are recommended to the Board as follows:
 - (a) Recommendations on cases are made by panels or working groups (with support from the secretariat) and presented to the Board through the relevant panel/working group report;
 - (b) Recommendations on policy documents are made by the secretariat (generally with input from the panels or working groups) through an annex to the annotated agenda of the relevant Board meeting.
 4. At the seventy-eighth meeting of the Board, principles and modalities for recommendations, where the Board explicitly requests proposals agreed by the secretariat and the Methodologies Panel (Meth Panel), were agreed for three workplan products. The Board further requested the secretariat to incorporate these modalities for agreement on proposals between the secretariat and panels and working groups in the next draft revision of the ToR (EB 78 report, para. 10). This could serve as a model for future work when the Board anticipates that different approaches are possible and sees the need of having options presented including detailed information on the rationale of the options.

2. Different forms of panel/working group consultation and consideration

5. The functioning of panel and working group meetings is explained in the “Terms of reference of the support structure of the CDM Executive Board”, version 04.

Box 2. Functioning of panel and working group meetings

Terms of reference of the support structure of the CDM Executive Board”, version 04.

[...]

11. The meetings of a panel or working group may be held either with their members being physically present or by electronic means. The dates and mode (i.e. physical or electronic meeting) of the meetings shall be determined by the secretariat in consultation with the chair of the panel or working group, bearing in mind needs arising from its mandates and available resources.

[...]

6. The focus of enhanced use of electronic means is increased meeting efficiency through “in-between” meeting work, electronic decisions, etc., in order to be able to focus on complex decisions in the physical meetings.
7. In connection with both scenarios, the final decision on number of meetings under each scenario, especially with regard to the implications on cost and responsiveness, it should be kept in mind that an increased use of electronic means for decision-making and/or preparations for physical meetings may be a means to mitigate some of the

disadvantages mentioned under the scenarios above. Disadvantages of simple and not very flexible structures can potentially be mitigated relatively easily, e.g. a structure that involves a larger number of members can be more cost-effective by reducing the number of meetings, while remaining responsive by having electronic decision-making on cases in between meetings.

3. Requirements on expertise in the support structure of the Board

8. Looking at a possible future structure of panels and working groups it needs to be considered how the requirements on different types of expertise can be best met. To fulfil the tasks derived from the ToR, the support structure of the Board needs different types of expertise, which can be categorized under two groups in the table below:

Table 1: Types of expertise needed in the methodological panels and working groups

CDM expertise	Technical expertise
"Big picture" (understanding of the CDM regulatory framework as a whole)	Best practice outside
How methodologies work	Industrial experience
How conservativeness applies	In-depth expertise
Consistency	One-off needs (specialised technical knowledge)
Balance between large-scale and small-scale needs	Local knowledge
Project proponents knowledge	

4. Demand for work of panels and working groups in 2014/2015

9. The support structure of the Board has been adapted over the years to meet the expected demand, especially with regard to expectations and real numbers of submissions. The numbers of bottom-up submissions (mainly new methodologies, requests for revision and requests for clarifications showed an increasing trend during the first commitment period of the Kyoto Protocol, but since the beginning of 2013, the numbers have decreased considerably. This development is expected to continue, i.e. submissions will continue to decline in 2014 and may stay at a low level in 2015 and beyond. Reasons for this development are:
- (a) The restrictions limiting the use of certified emission reductions (CERs) in the European Union Emissions Trading System (EU ETS) to CERs from projects registered in the first commitment period and from projects in least developed countries only from 2013 onwards (generally low demand);
 - (b) The current price of CERs is below 1 euro and there is much uncertainty about prices in the future;

- (c) The majority of existing and most commonly used methodologies have been developed to a stage that little or no further improvements are required;
 - (d) Slow tapping of new scopes and technologies in currently underdeveloped sectors.
10. Other types of submissions, for example standardized baselines, microscale additionality, requests for post-registration changes are increasing comparatively, but are also estimated to remain at a low level and with little impact on the workload of the panels and working groups.

4.1. Forecasts on submissions

11. The secretariat prepared a forecast of expected methodological submissions that involve the panel and working groups for 2014. The bases for the estimation were the case numbers of 2012 and 2013. According to the forecast, submissions of proposed new methodologies as well as clarifications will decline by approximately 50 per cent in 2014. Requests for revision are expected to remain at the level of 2013, since for this type of submission a decline was very visible in 2013 already and further decline is not foreseen. The submissions of proposed standardized baselines rose slightly in 2013 and are expected to grow further (see Table 2 and Table 3 below).
12. It is noticeable that the numbers of submissions have sharply declined after 2012. There seems to be a more or less stable plateau of a few submissions for both the Meth Panel and the SSC WG. Based on the submissions received so far in the first four months of 2014, the expectations are that the submissions may stay below the numbers of submissions in 2013. This development in respect to the number of submissions is expected to continue for 2015, i.e. the number of submissions will continue to slowly decrease and stay at a low level comparable to 2014 in 2015.

Table 2: Forecast of submissions for work planned for the Meth Panel in 2014 and actual submissions by the end of April 2014

Meth Panel	2011	2012		2013		2014		
	No. of cases	No. of cases	Change (year by year)	No. of cases	Change (year by year)	No. of cases	Change (year by year)	Status 04/14
Proposed new methodologies	14	8	-43%	8	-	4	-50%	1
Requests for revision	26	17	-35%	4	-76%	4	0%	1
Requests for clarification	29	24	-17%	13	-46%	7	-46%	1
Proposed standardized baselines	0	4	-	5	+25%	10	+50%	3
Total	69	53	-23%	30	-25%	25	-17%	6

Table 3: Forecast of submissions for work planned for small-scale methodologies in 2014 and actual submissions by the end of April 2014

SSC WG	2011	2012		2013		2014		
	No of cases	No of cases	Change (year by year)	No of cases	Change (year by year)	No of cases	Change (year by year)	Status 04/14
Proposed new methodologies	11	12	+9%	6	-50%	3	-50%	1
Requests for revision	27	21	-22%	5	-76%	5	0%	4
Requests for clarification	66	48	-27%	25	-48%	12	-52%	5
Total	104	81	-22%	36	-56%	33	-8%	10

13. The A/R WG received only a few submissions in the past years and no significant increase of submissions is foreseen for 2014/2015.
14. A survey was launched by the secretariat in 2012, on the intentions of market participants to submit new methodologies for carbon dioxide capture and storage projects. The results indicated that several potential project participants were planning submissions of new CCS methodologies (six in 2013 and three in 2014). Furthermore, some participants responded that they were planning to seek registration of CCS projects from 2013 to 2017. Altogether 13 potential projects were indicated. Nevertheless, there were no submissions of CCS methodologies in 2013 and to date no submission has been received in 2014.

4.2. Tasks of panels and working groups in current workplans

15. According to the 2014 CDM management plan (MAP) there are several projects that require panel and working group involvement (see Table 4).

Table 4: Indicated involvements of panel and working groups in MAP projects

Project	Product
Further development and implementation of standardized baselines (MAP project no. 110)	<ul style="list-style-type: none"> Revised guidelines for the establishment of sector specific standardized baselines (SB guidelines); Revised guidelines for quality assurance and quality control of data used in the establishment of standardized baselines (QA/QC guidelines); Development of two standards with a methodological framework for two specific project types; Further work on standardized baselines including country-specific thresholds on baseline and additionality; Development of standard for coverage of data and validity of SBs; Development of a methodological tool for standardized baselines on transport sector.

Project	Product
Simplification and streamlining of methodologies, tools, and standards (MAP project no. 223)	<ul style="list-style-type: none"> • Simplification and streamlining of approved methodologies, tools; • Batched issuance requests for a monitoring period of a programme of activities (PoA); • Revision of the PoA standard; • Analysis on lessons learned from developing standardized approaches for additionality demonstration.
Simplification of the validation process for specific project activities (MAP project no. 224)	<ul style="list-style-type: none"> • Simplification of the validation process.
New project in the same physical geographical location at which a project whose crediting period has expired existed (MAP project no. 225)	<ul style="list-style-type: none"> • Guidance for the new projects in the same physical geographical location at which a project whose crediting period has expired existed; • Revision of the project standard (PS) and the validation and verification standard (VVS).
Development of best practice guidance for monitoring of A/R projects (MAP project no. 219)	<ul style="list-style-type: none"> • Field manual for measurement of forest carbon pools for monitoring of A/R project activities.
Design and implementation of CCS standards and procedures (MAP project no. 160)	<ul style="list-style-type: none"> • Draft package of documents due to introduction of provisions related to carbon dioxide capture and storage project activities.

16. The products from MAP project 223 “Simplification and streamlining of methodologies, tools, and standards” were further specified at the seventy-eighth meeting of the Board, incorporating 18 items to be considered by the Meth Panel and SSC WG (EB 78 report, annex 8).
17. Some products from MAP projects 110 and 223 are complex. As the mandate was recently given by the Board (EB 78, annex 8), some of the products from these projects are expected to partly spill over to the workplan for 2015 or additional work may be needed under these work streams.

4.3. Development of workload and expected workload for panel and working groups in 2015

18. The development of total cases (bottom-up and top-down) considered at the meetings of the Meth Panel and SSC WG in 2013 and 2014 show that there is no clear indication of declining cases for the Meth Panel, while the total number of cases for the SSC WG has clearly declined since the end of 2013 (see Table 5 and Table 6 respectively). At meetings at the beginning of the year there is generally more consultation on top-down items mandated by the Board to the secretariat. These numbers of “cases considered at meetings” are different from the total number of submissions and mandates because, depending on the technical complexity and required work effort, some cases are considered over several consecutive meetings.

Table 5: Cases considered at Meth Panel meetings in 2013 and 2014

	2013			2014	
	MP 59	MP 60	MP 61	MP 62	MP 63
Proposed new methodologies	4	6	5	4	2
Revision request	3	2		2	1
Request for clarification	7	3	1	8	1
Others (deviations, post registration changes, proposed standardized baselines)	2	-	5	-	1
Total submission cases	16	12	11	14	6
Total top-down cases (new methodologies, revisions and consultations upon Board requests and workplan products (MAP projects))	32	30	17	22	37
Total cases	48	42	28	36	43

(a) Note: Some top-down cases are related to the revision of several methodologies, which, depending of the complexity and work effort, at the time of recommendation are considered as separate cases).

Table 6: Cases considered at SSC WG meetings in 2013 and 2014

	2013			2014	
	SSC WG 40	SSC WG 41	SSC WG 42	SSC WG 43	SSC WG 44
Proposed new methodologies	5	7	4	3	3
Revision request	3	2	1		4
Request for clarification	10	8	4	4	5
Others (deviations, post-registration changes, proposed standardized baselines, DNA submissions)		1	5	4	1
Total submission cases	18	18	14	11	13
Total top-down (new methodologies, revisions and consultations upon Board requests and workplan products (MAP projects))	24	18	9	12	14
Total cases	46	36	23	23	27

(b) Note: Some top-down cases are related to the revision of several methodologies, which, depending on the complexity and work effort, at the time of recommendation are considered as separate cases).

19. It is foreseeable that the workload for panels and working groups in 2014 will be similar to 2013 and is likely to decrease slightly in 2015 and beyond, bearing in mind that the numbers in the cases considered at the meetings (Table 5 and Table 6) show changes in the numbers of new cases with a time lag, because some cases are considered over consecutive meetings. The expected workload for 2015 includes bottom-up submissions, on-going work on methodologies and new top-down work based on additional requests from the Board in the course of 2014. The current number of meetings and days per meeting allow an adequate caseload at both the Meth Panel and the SSC WG meetings. If a reduction of total meeting days (by reducing the frequency of meetings or merging

panels/working groups) is decided on, additional measures to cover the workload should be taken (e.g. enhanced electronic means for meeting preparations).

5. Current structure of panels and working groups

20. At its seventy-first meeting, the Board agreed to reduce the number of members and meetings for its panels and working groups for 2013 (and beyond), as well as to adjust the number of meeting days in accordance with workload. The number of members and scheduled meetings per panel and working group for the years 2013 and 2014 are shown in the table below.

Table 7: Numbers of members and meetings in 2013 and 2014

2014	Number of members			Scheduled number of meetings		
	2013		2014	2013		2014
	start*	end		planned	actual	
Meth Panel	15 (16)	10	10	4	3	4
SSC WG	6 (7)	5	5	4	3	4
A/R WG	6	5	5	0	1	-**
CCS WG	6	5	5	0	0	-**
CDM-AP	7	5	5	4	4	4

* One resigning member in each of the Meth Panel and SSC WG was not immediately replaced.

** Up to two meetings, where triggered through the receipt of relevant submissions.

21. In 2013 four meetings of the Meth Panel and SSC WG were scheduled, and later it was decided to move the last meeting of the year to the beginning of 2014 (end of January/beginning of February), leaving three meetings actually conducted in 2013. The reasons for this were the relatively low number of submissions and the short time between the meeting in October and the one scheduled for December. For 2014, four meetings are scheduled, but with a better distribution over the year. In order not to have excessively long intervals between meetings, which would result in longer timelines and waiting times for the project proponents (PPs), a reasonable number of meetings is proposed for 2015 (Meth Panel: 4, CDM-AP: 4, SSC WG: 4, A/R WG and CCS WG: sleeping).
22. To enhance the flexibility of the work of panels and working groups and to keep the waiting time for the PPs as short as possible, means for electronic meetings and decision-making would have to be further developed as a separate project. Under this option, in striving to balance the cost with benefits, the number of meetings could also be re-evaluated, at the end of 2014.
23. When deciding on the size of panels and working groups, the composition of members of panels and working groups needs to take into account: (a) balancing expertise; (b) regional balance; and (c) gender balance, which requires a minimum number of members (see box 3 below).

Box 3. Composition of panel and working groups (according to the ToR)**2.4. Functional guidelines for panels and working groups****2.4.1. Membership**

23. [...]

The Board shall select members fully taking into account regional balance as well as the benefits of continuity in membership and the benefits of access to new skills and experience.
[...]

24. The experience with the reduced number of members and meetings in the year 2013 and the start of 2014 has shown that these adjustments had positive effects on the work of the panels and working groups. The number of cases per meeting and assignments per member were well balanced, i.e. the caseload per meeting and member was appropriate. At the same time the given flexibility to vary the number of meetings and meeting days in accordance with workload allowed adjusting the meeting duration and cancelling the planned December 2013 meetings of the Meth Panel and SSC WG (each had only three meetings in 2013).

6. Advantages and disadvantages of the scenarios**6.1. Cost/benefits of the scenarios**

25. For comparison with previous years, the cost of panel and working group meetings and case assignments for the years 2012 and 2013 is shown in Table 8. The total cost for panel and working group meetings (Meth Panel, SSC WG, A/R WG and CCS WG) in 2012 added up to approximately USD 1,081,000, which includes members' travel, attendance fees and daily subsistence allowance (DSA). Payments for case assignments depend on the workload of panels and working groups; for the year of 2012 a total of approximately USD 273,000 was paid on assignments.

Table 8: Cost of panels/working groups 2012/2013 (in USD)

	Meetings		Case assignments		Total	
year	2012	2013	2012	2013	2012	2013
Meth Panel	687,316	251,009	137,620	60,200	824,936	311,209
SSC WG	264,109	167,867	123,760	56,560	387,869	224,427
A/R WG	129,289	33,096	11,200	4,480	140,489	37,576
CCS WG	-	-	-	5,600	-	5,600
Total	1,080,713	451,972	272,580	126,840	1,353,293	578,812

26. The workload (case assignments to members) is independent from the total number of members, meetings and structure and would be more or less the same under all scenarios. Therefore a cost comparison of different scenarios can concentrate on the

meeting costs. A comparison of different options can be found in appendix 2, “Cost comparison matrix”.

27. The comparison of cost shows that this “business as usual” scenario (keeping the current number of members and four meetings per year) would cost approximately USD 588,000 and in the following is considered the benchmark for comparison of all other scenarios. A reduction to three meetings per year could bring the cost down to USD 441,000. For both cases it is assumed that the A/R WG and the CCS WG would not meet. The estimates are on the conservative side; additional saving can be expected as the cost of case assignments has been assumed to be the same as for 2013. In reality it is likely to go down in 2015 and beyond.
28. Some savings can be achieved with scenario 1, which represents a complete change of structure of the panel and working groups, by partly merging them (e.g. Meth Panel, SSC WG and A/R WG). The possible savings under the merging scenarios depend on the size of the panel, i.e. the total number of members. The range of the cost with estimated numbers of members between 13 and 10 is approximately USD 553,000 to 462,000. A merged panel of 12 members, meeting four times per year, for five days each time, would cost around USD 477,000. Having only three rounds of meetings is not included as an option for 2015, due to the estimated workload, but may be an option in the future.
29. The cost under scenario 2, a merging of panels and working groups with a dynamic, demand-dependent composition of members in the meetings, is calculated to be approximately USD 391,000, considering that around eight members (five “core” plus three “technical”) are expected to cover the diversity of cases in one meeting. There is a cost-saving potential under scenario 2, but the implications on complexity of work planning and meeting arrangements would be great.

6.2. Current structure: (BAU)

6.2.1. Benefits/advantages

30. The benefits of keeping the current structure of panels and working groups can be summarized as follows:
 - (a) Little needed rearrangements and the use of an established structure which has proven to be able to deliver good results;
 - (b) Due to the high number of members under this structure the technical expertise is high;
 - (c) The separate A/R WG and CCS WG will only meet on demand but the structure is maintained, therefore fully functional with specialized members; on demand five experts are available to be assigned to cases or provide feedback electronically;
 - (d) Due to the clear distinction between work streams of large-scale and small-scale methodologies, the work arrangements are relatively simple.

6.2.2. Disadvantages

31. The disadvantages of keeping the current structure of panels and working groups can be summarized as follows:
- (a) The larger number of members and separate meetings of the Meth Panel and SSC WG makes this option the most expensive (see appendix 2);
 - (b) Looking at the top-down work of 2013 and items in the MAP 2014, there is parallel work of the Meth Panel and SSC WG, which could benefit from harmonization if conducted in one combined body. Examples are the work on programme of activities provisions in methodologies, inclusion of provisions for new methodological tools, requirements for accounting for leakage emissions from use of biomass residues/biomass from cultivation, and workplan projects in 2013. Keeping the panels and working groups (Meth Panel and SSC WG) separate is a loss of opportunity to further harmonize the methodological framework.

6.3. Scenario 1: Merging of panels and working groups

6.3.1. Benefits/advantages

32. The benefits of merging panels and working groups can be summarized as follows:
- (a) Merging the Meth Panel and the SSC WG could contribute to further harmonizing the methodological framework;
 - (b) On-going parallel work could be streamlined and conducted more efficiently.

6.3.2. Disadvantages

33. The disadvantages of merging panels and working groups can be summarized as follows:
- (a) If member numbers are reduced under this scenario, some technical expertise may be lost in the new panel, i.e. reduced coverage of technical areas;
 - (b) From experience after the last change of member numbers in 2013, it has become evident that work with a smaller number of members (10 in the Meth Panel instead of 15) is more effective and practical.

6.4. Scenario 2: Core panel

6.4.1. Benefits/advantages

34. The benefits of merging panels and working groups can be summarized as follows:
- (a) If reducing to a small core of members (e.g. five), the frequency of meetings could be higher without leading to higher costs compared to the current structure (increased responsiveness);

- (b) The overall technical knowledge coverage could be broad if “technical members” are invited as demand dictates;
- (c) The harmonization benefits of this scenario are similar to the merging scenario.

6.4.2. Disadvantages

35. The disadvantages of the core panel scenario can be summarized as follows:

- (a) Higher complexity of planning, i.e. if this scenario should produce the planned benefits of limiting the number of members per meeting, cases must be planned to a high level of detail. In the worst case, responsiveness is reduced or the average number of members remains high;
- (b) One benefit of a higher number of members in the meeting is that members not directly involved in the case can still give comments, based on their experience and may add value to the discussion. This would be limited under this structure with a small number of members in the meeting.

Table 9: Summary of scenario advantages/disadvantages (overall efficiency, cost savings, work quality and responsiveness) compared to the BAU

		Scenario 1	Scenario 2
	Maintain structure	Merge panel and working groups (completely or partly)	“Core panel”
	BAU	Static composition	Core panel with technical experts support
Overall cost (meetings and case assignment)	- Highest cost	(+) Saving potential depending on no. of members and meetings	+ High saving potential, expenditures on demand
Simplicity of the work arrangements	o Simple arrangement, but relatively high effort due to high overall number of meetings	+ Reduced logistical and administrative arrangements	- High complexity of work arrangements
Flexibility	o Not very flexible, but meetings can be easily reduced on demand	o Not very flexible, but meetings can be easily reduced on demand	+ High flexibility (plus meetings on demand possible option)
Expertise in the groups	+ High due to high number of members	- Reduced due to reduced number of members	+ Keep expertise available in a “pool” of members, but less members in meeting
Efficiency with regard to timelines and responses	o good with planned 4 meetings but could be negatively affected when less meetings are scheduled	+ Tentatively higher meeting frequency then the BAU scenario	+ Tentatively higher meeting frequency then the BAU scenario
Further positive aspects	Known structure, has been functioning well	Streamlining and harmonization of large-scale and small-scale work streams	
Disadvantages	Keeping large-scale and small-scale work streams separated	Loss of expertise if panel/group is too small	Keep case-specific expertise high, but not as many members have the chance to contribute in meetings
Summary	Good, proven solution, but most costly	Easy changes, with little cost benefits but harmonization potential	Most cost-effective, but complex with little other benefits

36. The comparison does not include consideration of electronic decisions and virtual meetings, especially with regard to cost and efficiency. The impact on quality and simplicity should be more or less the same under all scenarios.

Appendix 2. Meeting cost comparison matrix

Scenarios		Panel/Working group	Meetings	Duration	Persons	Travel, DSA, attendance		Operating costs (hospitality, prints etc)	Meeting costs/panel/ WG	Total meeting costs/scenario	Savings
					Members	Members	Chair/vice-chair				
Option	BAU (2013 scenario)	MP	4	4	10	259,680	88,896	12,864	361,440	587,680	
		SSC WG	4	4	5	129,840	88,896	7,504	226,240		
		A/R WG	0	3	5	0	0	0	0		
	BAU adjusted: MP and SSC WG with same members, 3 meetings á 4 days	MP	3	4	10	194,760	66,672	9,648	271,080	440,760	146,920
		SSC WG	3	4	5	97,380	66,672	5,628	169,680		
		A/R WG	0	3	5	0	0	0	0		
1a)	Merger: MP and SSC WG with 12 members, 4 meetings á 5 days	MP/SSC WG	4	5	12	360,960	97,120	18,760	476,840	476,840	110,840
		A/R WG	0	3	5	0	0	0	0		
1b)	Merger: MP and SSC WG with 12 members, 5 meetings á 4 days	MP/SSC WG	5	4	12	389,520	111,120	18,760	519,400	519,400	68,280
		A/R WG	0	3	5	0	0	0	0		
1c)	Merger: MP and SSC WG with 13 members, 5 meetings á 4 days	MP/SSC WG	5	4	13	421,980	111,120	20,100	553,200	553,200	34,480
		A/R WG	0	3	5	0	0	0	0		
1d)	Merger: MP and SSC WG with 13 members, 4 meetings á 5 days	MP/SSC WG	4	5	13	391,040	97,120	20,100	508,260	508,260	79,420
		A/R WG	0	3	5	0	0	0	0		
1e)	Merger: MP and SSC WG with 10 members, 4 meetings á 5 days	MP/SSC WG	4	5	10	300,800	97,120	16,080	462,240	462,240	125,440
2	Core panel with support of roster experts	MP/SSC WG/A/R WG/CCS WG	4	5	8	240,640	97,120	13,400	391,360	391,360	196,320

All costs in USD

(Please note that the comparison does not include cost for case assignments, which are expected to be comparable under all scenarios)

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