

**CDM-EB77-AA-ADD.1**

## Annotated agenda

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# Addendum: CDM Executive Board seventy-seventh meeting

Version 01.0

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Place of meeting: Bonn, Germany



**United Nations**  
Framework Convention on  
Climate Change

<b>TABLE OF CONTENTS</b>	<b>Page</b>
<b>ADDENDUM TO THE ANNOTATED AGENDA.....</b>	<b>3</b>
<b>AGENDA ITEM 2. GOVERNANCE AND MANAGEMENT MATTERS .....</b>	<b>3</b>
Agenda item 2.5. Operation of panels and working groups.....	3
<b>AGENDA ITEM 4. REGULATORY MATTERS .....</b>	<b>3</b>
Agenda item 4.1. Standards/tools .....	3

## Addendum to the annotated agenda

### Agenda item 2. Governance and management matters

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

##### (a). Small-Scale Working Group

1. ► **Action:** The Executive Board of the clean development mechanism (CDM) may wish to consider the report of the 43<sup>rd</sup> meeting of the Small-Scale Working Group (SSC WG).

*Background:* The SSC WG held its 43<sup>rd</sup> meeting on 3–5 February 2014 in Bonn, Germany. The SSC WG dealt with case-specific issues, methodological clarifications, guidance and other issues, as specified below.

2. ► **Note:** Due to the date of the 43<sup>rd</sup> meeting of the SSC WG and the date of publication of the annotations on 3 February 2014, this addendum needed to be issued containing the annotations relating to the outcome of this meeting.

### Agenda item 4. Regulatory matters

#### Agenda item 4.1. Standards/tools

##### (c). Methodological standards for small-scale CDM project

3. ► **Action:** The Board may wish to consider the recommendation of the SSC WG to revise the default values for the fraction of non-renewable biomass (fNRB) for the host country of Cambodia, as contained in annex 4 to the report of the 43<sup>rd</sup> meeting of the SSC WG.

*Background:* The recommendation is based on the request to the secretariat to continue, in consultation with the SSC WG, to determine fNRB values for Parties with 10 or fewer registered CDM project activities as of 31 December 2010, and the Board's agreed approach to calculate such fNRB values for least developed countries, small island developing States, and Parties with 10 or fewer registered CDM project activities as of 31 December 2010, as specified in annex 22 to the report of the sixty-seventh meeting of the Board.

##### (i). New methodologies and tools (small-scale)

4. ► **Action:** The Board may wish to consider the recommendation of the SSC WG to reject the proposed new methodology: "SSC-NM093: Introduction of electric vehicles in passenger and freight transportation". The SSC WG agreed that the proposed methodological approach for quantifying emission reductions has many similarities to the approaches used in "AMS-III.C: Emission reductions by electric and hybrid vehicles" version13, but significantly differs with regard to the provision used to establish the comparability of baseline and project vehicles and procedure for estimation of the baseline specific fuel consumption. The SSC WG recommended that the project proponent may wish to propose a revision of AMS-III.C.

*Background:* The recommendation agreed by the SSC WG is contained in paragraph 16 of the report of the 43<sup>rd</sup> meeting of the SSC WG available on the UNFCCC CDM website at: <[http://cdm.unfccc.int/Panels/ssc\\_wg/index.html](http://cdm.unfccc.int/Panels/ssc_wg/index.html)>.

5. ► **Action:** The Board may wish to take note that the SSC WG considered the Board's request to further elaborate on the scope of the proposed work regarding the development of a methodological tool on the use of computer simulation in CDM methodologies:
  - (a) The SSC WG noted that there are about 26 project activities and five programmes of activities (PoAs) for building energy efficiency activities in the current pipeline with at least half of these proposing to apply computer simulation approaches; that energy efficiency is a priority resource for the CDM given the sustainable development characteristics of energy-efficient buildings; and that computer simulation, while complicated, can reduce the transaction cost of documenting emission reductions;
  - (b) The SSC WG suggested that public input be solicited on the interest in and the scope of a methodological tool for computer simulation. The SSC WG particularly suggested that input be solicited from both actual project developers and experts who are specialized in the use of building computer simulations. Such input could be solicited via a workshop specifically on energy efficiency in buildings and/or a call for public input;
  - (c) In terms of the scope of such a tool, the SSC WG expects that useful content would cover (i) sources of data used for simulation input, (ii) qualification requirements for people conducting the simulation, (iii) tests for indicating the reliability of any simulation, (iv) how to update the simulation for new data, and (v) suggestions for addressing missing or unavailable data.

*Background:* The recommendation agreed by the SSC WG is in response to a request made by the Board to the SSC WG at its seventy-sixth meeting to further elaborate the scope of the proposed work to develop a methodological tool on the use of computer simulation in CDM methodologies, primarily focusing on building sector methodologies. The recommendation is contained in paragraph 18 of the report of the 43<sup>rd</sup> meeting of the SSC WG available on the UNFCCC CDM website at: <[http://cdm.unfccc.int/Panels/ssc\\_wg/index.html](http://cdm.unfccc.int/Panels/ssc_wg/index.html)>.

## **(ii). Revisions of approved methodologies and tools (small-scale)**

6. ► **Action:** The Board may wish to consider the recommendation to approve the revisions to the following approved methodologies and tools as major revisions:
  - (a) "AMS-III.B: Switching fossil fuels". The methodology was last revised at sixty-sixth meeting of the Board. In response to the request by the Board at its seventy-sixth meeting, the draft revision as contained in annex 1 to the report of the 43<sup>rd</sup> meeting of the SSC WG:
    - (i) Removes the requirement that only coal can be used as a baseline fuel;
    - (ii) Includes all types of fossil fuels as listed under the 2006 Intergovernmental Panel on Climate Change (IPCC) guidelines for greenhouse gas inventories (volume 2, chapter 1, table 1.1) as eligible under this

methodology, except for the use of derived gases (from coal and coal products) listed under the IPCC table mentioned above;

- (iii) Limits the methodology to only fuel switching measures which require capital investments;
- (iv) Uses a revised methodology template;
- (b) "AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass". The methodology was last revised at the seventieth meeting of the Board and based on the mandate given in the 2013 workplan of the SSC WG to improve and simplify methodologies and tools. The draft revision is contained in annex 2 to the report of the 43<sup>rd</sup> meeting of the SSC WG. The revision is proposed taking into account other inputs received on calls for public inputs, among other things:
  - (i) To include simplified approaches to determine the thermal efficiency of project devices;
  - (ii) To include default values for baseline fuel wood consumption;
  - (iii) To introduce changes based on previous clarifications and revisions (SSC\_543, SSC\_671, SSC\_674, SSC\_684, and SSC\_695).

*Background:* Based on the procedures "Development, revision and clarification of baseline and monitoring methodologies and methodological tools" the SSC WG may propose that the Board revise an approved methodology. The recommendations agreed by the SSC WG are contained in paragraph 20 of the report of the 43<sup>rd</sup> meeting of the SSC WG available on the UNFCCC CDM website at [http://cdm.unfccc.int/Panels/ssc\\_wg/index.html](http://cdm.unfccc.int/Panels/ssc_wg/index.html).

### (iii). Guidelines (small-scale)

7. ► **Action:** The Board may wish to consider the proposal from the SSC WG to initiate the revision of type I methodologies such as "AMS-I.B: Mechanical energy for the user with or without electrical energy", "AMS-I.C: Thermal energy production with or without electricity", "AMS-I.I: Biogas/biomass thermal applications for households/small users" and "AMS-I.J: Solar water heating systems (SWH)" to further clarify the definition of the baseline scenario compatible with the current procedures for determining baseline scenarios for greenfield/capacity expansion project activities as provided in the "General guidelines for SSC CDM methodologies". While revising the methodologies, the SSC WG is proposing to also take into account:

- (a) Past clarifications issues pending revisions (for example SSC\_563, SSC\_597, SSC\_668, SSC\_676, SSC\_685);
- (b) Comments received through the public commenting system;
- (c) The ongoing work to include project emissions related to cultivation of biomass.

*Background:* The proposal is based on the SSC WG consideration of the revision of the "General guidelines for SSC CDM methodologies". The SSC WG noted an issue that small-scale methodology AMS-I.C refers to the current procedures for determining baseline scenarios for greenfield/capacity expansion project activities provided in the

“General guidelines for SSC CDM methodologies” (EB 69, annex 27, paragraph 22) and agreed to assess in detail whether the procedure provided in the guideline can be made applicable to the Type-I methodologies.

8. ► **Action:** The Board may wish to consider an information note, as contained in annex 3 to the report of the 43<sup>rd</sup> meeting of the SSC WG. The SSC WG among other things:
- (a) Recommended that the graduation of the positive list shall be assessed using appropriate criteria at the time of evaluation based on expert judgement instead of predefining any criteria related to specific technologies. The SSC WG recommends that the assessment is done at least once every three years;
  - (b) Recommended to retain the current positive list of technologies until early 2015;
  - (c) Recommended excluding compact fluorescent lamps (CFLs) from the current positive list;
  - (d) Is seeking for a mandate and further guidance from the Board to develop a procedure that will allow designated national authorities to submit country-specific technologies/measures based on the national market and cost data for inclusion in the positive list.

*Background:* This work is carried out in response to the request from the Board at its sixty-eighth meeting to analyse options (e.g. penetration rate, time horizon) to objectively determine the graduation of the current positive list of technologies (i.e. the point in time when they become mature and cost-competitive and shall be no longer defined automatically additional).

#### (iv). Clarifications (small-scale)

9. ► **Action:** The Board may wish to approve the recommended clarifications SSC\_696–SSC\_699 as provided in paragraphs 27 to 30 of the report of the 43<sup>rd</sup> meeting of the SSC WG.

Background: Information on the clarifications to methodologies is available on the UNFCCC CDM website at:

<<http://cdm.unfccc.int/methodologies/SSCmethodologies/clarifications>>.

10. ► **Action:** The Board may wish to provide guidance to the SSC WG on whether it can propose the simplification of debundling criteria for application to the brick sector through a provision in AMS III.Z exempting projects that are an aggregation of brick production units not larger than 5 per cent of the type III small-scale thresholds.

Background: In response to the submission SSC\_699, highlighting the difficulty of applying the “Guidelines on assessment of debundling for SSC project activities” for projects aggregating small dispersed brick production units, the SSC WG noted that the issue is pertinent to brick production where the production units are located close to the source of raw materials for brick production (e.g. areas where clay or areas where fly ash is available).

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### Document information

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