

	<p align="center">CDM: Proposed New Methodology Meth Panel summary recommendation to the Executive Board (version 01) <i>(To be used by the Meth Panel in addition to the full recommendation to the Board regarding a proposed new methodology (F-CDM-NMmp))</i></p>
Date and number of Meth Panel meeting:	04 - 08 September 2006
Related F-CDM-NM document ID number (electronically available to EB members)	F-CDM-NM108-rev: “Biodiesel production and switching fossil fuels from petro-diesel to biodiesel in transport sector - 30 TPD Biodiesel CDM Project in Andhra Pradesh, India”
Title of proposed new baseline methodology:	Production of bio-diesel for perennial non-edible oil crops for use as fuels.
Title of underlying project activity:	Biodiesel production and switching fossil fuels from petro-diesel to biodiesel in transport sector - 30 TPD Biodiesel CDM Project in Andhra Pradesh, India.
History of submission: (new section)	First submission (Round 10; 19 April 2005) Clarifications received in response to preliminary recommendations at Meth 16 Final recommendation at Meth 17 Second submission (Round 14; 11 January 2006) Clarifications received in response to preliminary recommendations at Meth 21 Final recommendations at Meth 22
1. One sentence describing the purpose of the methodology. (new section)	
>> This methodology is designed for project activities involving construction and operation of a plant for production of biodiesel from non-edible, perennial oil crops.	
2. Suggested applicability of methodology (former section A.I and B.I)	
>> This methodology is applicable for project activities using biodiesel generated from unharvested perennials such as oil-bearing seeds, to be blended with petrodiesel to be used for transport.	
3. Summary description of baseline methodology . Short statements on each on how the proposed methodology: (chooses the baseline scenario, demonstrates additionality, calculates baseline emissions, calculates project emissions, calculates leakage, calculates emission reductions) (former section B.I.)	
>> The baseline assumes that emissions occur from vehicles and stationary installations which would have combusted petrodiesel substituted by biodiesel, taking into account difference in efficiency between fuels based on their relative calorific value.	
4. Suggested “recommendation level” for the baseline and monitoring methodologies (A, B or C). (former section A.I and A.II.)	
>> C. Not to be approved.	

5. Major reasons for B/C choice from the proposed baseline methodology: (outline the major reasons for needing revision/rejection)

(former section A.I.)

>> The methodology has made a conscious effort to improve. As a result, it is generally very well developed, rigorous and transparent. Nevertheless, it lacks clarity in the following points:

- **Definitions:** The terms of “waste land”, “marginal land” or “severely degraded land” need to be specified, taking into account relevant definitions according to A/R CDM, so as to ensure that shifting of activities prior to project are deemed as minimal.
- **Surplus availability of seeds from pre-existing plants.** The applicability conditions require that for existing oil seed sources, the oil seeds must be available in surplus. This is appropriate but must be monitored during the crediting period.
- **Baseline scenario selection:** The relationship between answers to test questions, ranking of options, outcome of scenarios and its implication with respect to baseline emission need to be made clearer.
- **Leakage:** Components of leakage needs to be balanced.
- **Transport (use of biodiesel):** Emission reduction with respect to transport of biodiesel seems to be based on optimistic assumptions, and need to be improved.
- **Fertilizer applications:** The default emission factors seems to be derived from a “best estimate” calculation, which assumes rather average or lower than average values than the higher end of key parameters. Effect of leaching is not included, but its reasons need be stated (e.g. irrigation does not take place).

6. Any major issues arising from the assessment of the proposed monitoring methodology (if different to those already raised above).

(former section A.II.)

>> It is noted that the methodology has improved considerably to accommodate provisions to ensure that potential double counting with project activities using biodiesel or export do not occur by e.g. imposing a contractual obligation that export of biodiesel do not occur. However, the following points need to be considered.

Parameters with respect to estimation of project activity emissions such as weight of products should include QA/QC procedures consistent with other activities of the plant.

Monitoring methods should be specified for parameters "amount of biodiesel produced from ineligible crops" and "amount of biodiesel exported abroad"

The proposed procedure to make the required sample size (for the purpose of estimating N₂O emission from fertilizers) dependent on the CERs issues and the theoretical costs of sampling more farmers may be complicated. Project participants may consider approaches used in other (proposed) methodologies where the sample size can be chosen by Project Proponents but where the actual value is discounted by the margin of uncertainty.

7. Any other issues arising to be stated, if necessary (e.g. cross-cutting, general or precedent-setting issues raised by the proposed new baseline or monitoring methodology).

>> The methodology should take into account the treatment of double counting, currently under consideration by the Board.



Signature of Meth Panel Chair

Date: 13/09/2006

(Rajesh Kumar Sethi)



Signature of Meth Panel Vice-Chair

Date: 13/09/2006

(Jean-Jacques Becker)

Information to be completed by the secretariat

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