

	<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>
<i>Date and number of Meth Panel meeting:</i>	6 – 9 September 2005 Meth Panel 17
<i>Related F-CDM-NM document ID number (electronically available to EB members)</i>	F-CDM-NM0092 – rev: “Transalloys Manganese Alloy Smelter Upgrade and Energy Efficiency Project in South Africa”
<i>Title of proposed new baseline methodology:</i>	Baseline methodology for energy efficiency on electricity and fossil fuel consumption through technological improvements in metal production at metal ore reducing facilities
<i>Title of underlying project activity:</i>	Transalloys Manganese Alloy Smelter Upgrade and Energy Efficiency Project in South Africa
<i>History of submission: (new section)</i>	First submission (Round 9, 14 February 2005) No clarification received as response to preliminary recommendation at Meth 15. Final recommendation at Meth 15 Second submission (Round 11, 01 June 2005) Final recommendation at Meth 17
1. One sentence describing the purpose of the methodology. <i>(new section)</i>	
>> This methodology focuses on entities that are planning the introduction of new technologies in the metal production industry (where electricity is used to reduce metal oxides) that lead to the reduction of electricity and potentially fossil fuel consumption during the production processes.	
2. Suggested applicability of methodology <i>(former section A.I and B.I)</i>	
>> The methodology would be applicable to nearly all project types in metal industry and regions. Restrictions were made to avoid aluminium industry.	
3. Summary description of baseline methodology . Short statements on each on how the proposed methodology: <i>(chooses the baseline scenario, demonstrates additionality, calculates baseline emissions, calculates project emissions, calculates leakage, calculates emission reductions)</i> <i>(former section B.I.)</i>	
>> The methodology proposes the determination of the baseline scenario between 3 alternatives: <ul style="list-style-type: none"> • The proposed project activity without any revenues from the CDM; • All other plausible and credible alternatives to the project activity that provide a similar energy service to the project which are technically feasible to implement with comparable quality, properties and application areas; • Continuation of the current situation (no project activity or other alternatives undertaken). The project additionality is to be demonstrated using the “Tool for the demonstration and assessment of additionality.	

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.)
<p>>> The metal industry is too wide and diversified and each specific sector analysis should generate its own methodologies. It can be said that the proposed methodology could be easily adapted and generalized to any other industrial sector aiming energy efficiency savings leaving to the DOE the responsibility for deciding about the adequacy or not of the project.</p> <p>The methodology is missing:</p> <ul style="list-style-type: none"> • A clear description of situations in the manganese metal industry to which the methodology may be applied. The methodology should elaborate on how to apply the “Tool for the demonstration and assessment of additionality” to concrete circumstances of the metal industry and on which possible baseline scenarios might exist. • An elaboration of formulae to calculate baseline, project and leakage emissions, which take into account the specific circumstances (emission sources, gases etc.) of the different processes in the metal production industry. With that respect, the methodology must make sure that the same activity rate (production of goods) and the same quality of goods is considered both in the baseline and in the project case. • Assumptions and data sources to be used for specific project contexts and how it is ensured that these are adequate, reliable and conservative. • An evaluation of related uncertainties. The current consideration of uncertainties and the arbitrary postulation of acceptable data vintages are not acceptable. The assessment of low uncertainties to all data sources needs to be justified. • A description of how the methodology ensures transparency and conservativeness. The aspects provided in section G of the CDM-NMB are too general and should be specified with respect to specific project contexts. • Include a procedure to assess different baseline scenarios and choose between them.
6. Any major issues arising from the assessment of the proposed monitoring methodology (if different to those already raised above). (former section A.II.)
>> Main changes requested to the baseline methodology were not implemented; Lack of information regarding the sub sector specific data cannot have solution.
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 has not been described in an adequate manner. There are many vague areas. A key inadequacy is hinged around the fact that the baseline scenario determination component and project additionality assessment is missing.



Signature of Meth Panel Chair

Date: 14/09/2005

(Jean-Jacques Becker)


Signature of Meth Panel Vice-Chair

Date: 14/09/2005

*(José Miguez)***Information to be completed by the secretariat**

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