

## **Agenda item 4.1.**

Paragraph 28 of the annotated agenda, Annex 5

# Revision of the process for developing, revising and updating standardized baselines

**CDM EB 113**

Bonn, Germany, 8 to 11 March 2022



## Procedural background

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- Pursuant to CMP decisions, the Board has been improving a process to develop, revise, update and apply standardized baselines (SBs) to CDM project activities and PoAs:
  - **Procedure: Development, revision, clarification and update of standardized baselines (SB procedure)**
- At EB 112, the Board considered the revision of the process for updating SBs and requested the secretariat to prepare a concept note for consideration at EB 113, clearly describing:
  - The issues on the process currently observed by the secretariat;
  - Key principles that must be adhered to in assessing SBs, noting that the rigor in the assessment of SBs should be no less than for activity-specific requests;
  - Possible solutions to the issues based on these principles



## Purpose

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- To identify and address issues on the existing process for developing, revising and updating SBs currently observed by the secretariat as per the mandate.



### Requirements of assessment reports

- In accordance with the SB procedure, under the bottom-up process, the proponent DNA shall submit, in addition to proposed new/revise/update SB, an assessment report prepared by a DOE
- The assessment report shall cover:
  - a) The compliance of the QA/QC system with the QA/QC guideline
  - b) The compliance of the SB with one of the approaches defined in the SB procedure (incl. combination or deviation)
- However, a) above is not need:
  - Where no data collection or processing is required for the new SB
  - Where no new or additional data are required for the revision or the update



### Requirements of assessment reports (cont.)

- For under-represented countries (<10 registered CDM activities as at 31 Dec 2010), support to DNAs for the preparation of assessment reports is available for up to 3 new SBs:
  - Funding to the DNA to engage a DOE to prepare an assessment report; or
  - Waiving the submission of an assessment report > **the secretariat prepares the assessment report instead**
- For update of SBs, *“The Board may, upon request from the DNA(s), decide to request the secretariat to provide technical support to the DNA(s) for the preparation of the request without prejudice to the outcome of the subsequent request”*



### Statistics and analysis of assessment reports

- Total number of assessment reports: 42
  - Prepared by DOE: 9
  - Prepared by the secretariat: 33
- Provision on funding was never utilized by DNAs
- Many substantive issues were found in the DOEs' assessment reports by the secretariat and the MP > these issues were subsequently resolved after several rounds of communications between DNAs, the secretariat and MP members.
- The scope of assessment reports prepared by DOEs and the subsequent assessments conducted by the secretariat and MP members overlap.



### Statistics and analysis of assessment reports (cont.)

- The scope of the DOEs' assessment of SBs is limited to the credibility of the data used, mostly by desk-review
- Comparison of assessments

Assessment of SBs	Assessment of activities
DOE assessment report	DOE validation report
Secretariat assessment	Secretariat assessment
MP assessment (selected two MP members, then possibly entire MP)	
Board approval	Board approval

- The cases that were processed with a DOE assessment report and those without had comparable rigor in processing, and that all SBs approved by the Board adequately addressed the conservativeness and accuracy.



### **Proposed solutions**

1. Remove the requirement for the proponent DNA to submit an assessment report prepared by a DOE under the bottom-up process.
2. Consequently, also remove provisions relating to waiver of, funding for, and technical support for, the preparation of assessment reports by DOEs.
3. Further, integrate the elements of assessment reports (assessments on the QA/QC system and on the approach used to develop the SB) in the process of assessment of SB submissions by the secretariat and the MP.





- The proposed changes would:
  - Remove administrative or financial burden for DNAs
  - Address the inconsistency regarding the requirements of the preparation of an assessment report
  - Facilitate the development of new SBs, the revision of SBs and the update of SBs that are expiring to avoid validity gap.



## Budget and costs

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- The proposed changes would not have resource implications for the Board > even for the submissions with a DOE assessment report, the secretariat and the MP are assessing and verifying the elements in the assessment report



## Subsequent work and timelines

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- The secretariat will prepare a draft revised SB procedure to reflect the changes and present it to the Board at EB 114.



## Recommendations to the Board

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- The secretariat recommends that the Board consider the proposed solutions presented and provide guidance on the revision of the SB procedure

