



Framework Convention on Climate Change

Distr.: Limited
4 December 2010

Original: English

Subsidiary Body for Scientific and Technological Advice

Thirty-third session

Cancun, 30 November to 4 December 2010

Agenda item 7 (b)

Methodological issues under the Kyoto Protocol

Standardized baselines under the clean development mechanism

Standardized baselines under the clean development mechanism

Draft conclusions proposed by the Chair

1. The Subsidiary Body for Scientific and Technological Advice (SBSTA) took note of the views submitted by Parties and relevant organizations,¹ the technical paper prepared by the secretariat² and the views expressed by Parties during the session on the issues listed in document FCCC/SBSTA/2010/6, paragraph 94.
2. The SBSTA recommends that the elements contained in the annex be incorporated in the draft decision on further guidance relating to the clean development mechanism to be considered by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

¹ FCCC/SBSTA/2010/MISC.13 and Add.1.

² FCCC/TP/2010/4.

Annex

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decision 2/CMP.5,

Noting that standardization is being used in some approved baseline and monitoring methodologies under the clean development mechanism,

Recognizing that baseline and monitoring methodologies using standardized baselines can be developed, proposed by project participants and approved by the Executive Board of the clean development mechanism under the modalities and procedures adopted by decisions 3/CMP.1 and 5/CMP.1,

Recalling that standardized baselines under the clean development mechanism should be broadly applicable, provide a high level of environmental integrity and take into account specific national, subnational or international circumstances, as appropriate,

Noting that the use of standardized baselines could reduce transaction costs, enhance transparency, objectivity and predictability, facilitate access to the clean development mechanism, particularly with regard to underrepresented project types and regions, and scale up the abatement of greenhouse gas emissions, while ensuring environmental integrity,

Also noting the issues identified by the Subsidiary Body for Scientific and Technological Advice at its thirty-second session,³

1. *Defines* “standardized baseline” as a baseline established for a Party or a group of Parties to facilitate the calculation of emission reduction and removals and/or the determination of additionality for clean development mechanism project activities, while providing assistance for assuring environmental integrity;
2. *Decides* that Parties, project participants, as well as international industry organizations or admitted observer organizations through Host Country’s designated national authority, may submit proposals for standardized baselines applicable to new or existing methodologies, for consideration by the Executive Board;
3. *Requests* the Executive Board to develop standardized baselines, as appropriate, in consultation with relevant designated national authorities, prioritizing methodologies that are applicable to least developed countries, small island developing states, Parties with 10 or less registered clean development mechanism project activities as of December 31 2010 and underrepresented project activity types or regions, inter alia, for energy generation in isolate systems, transport and agriculture, taking into account the workshop referred to in paragraph 8 below.
4. *Decides* that the application of the standardized baselines as defined in paragraph 1, shall be at the discretion of the host country’s designated national authorities;
5. *Requests* the Executive Board to periodically review, as appropriate, the standardized baselines used in the methodologies;
6. *Requests* the Executive Board to explore different financial sources to cover the costs of developing and establishing standardised baselines, according to the needs identified in paragraph 3 above, including direct resources from the CDM annual budget.

³ FCCC/SBSTA/2010/6, paragraph 94.

7. *Encourages* Parties included in Annex I to the Convention and Parties not included in Annex I to the Convention with relevant experience to provide capacity building and/or support for developing standardised baselines;
 8. *Requests* the UNFCCC secretariat to organize a workshop in one of the Parties referred to in paragraph 3 above not later than SBSTA 35 on the issue of standardized baselines for facilitating the access to the clean development mechanism;
 9. *Requests* the Executive Board to report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session on its work on standardized baselines.
-