AD HOC WORKING GROUP ON FURTHER COMMITMENTS FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL (AWG-KP) Resumed ninth session Barcelona, 2–6 November 2009

6/11/09 @ 15:15

CONTACT GROUP ON OTHER ISSUES (MECHANISMS) Non-paper by the chair of the contact group

Compilation of proposals for elements of draft CMP decisions on emissions trading and the project-based mechanisms

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In relation to encouraging the development of standardized, multi-project baselines under the clean development mechanism

Option 1 (paragraph 16):

16. No decision to be made with respect to this issue;

Option 2 (paragraphs 17–20):

17. Decides that the Executive Board of the clean development mechanism, drawing on expert input from its support structure and other relevant national institutions, shall, where appropriate, to enhance the environmental integrity, efficiency and regional distribution of the clean development mechanism, define standardized baselines for specific project activity types [and specific sectors or subsectors] by establishing parameters, including benchmarks, and procedures and making them available [for [mandatory use] [optional use] [optional use at the discretion of a national jurisdiction and for mandatory use once a national jurisdiction decides to use it in that particular sector,]] in the determination of additionality and the calculation of emission reductions;

18. Requests the Executive Board to keep this matter under continual review and to report annually to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, beginning at its sixth session, on the development and use of standardized baselines;

19. Decides that the parameters and procedures used to facilitate standardized baselines shall:

- Be established on the basis of [relevant top-performing installations or processes, taking into account social, economic, environmental and technological circumstances] [[similar project activities undertaken in the previous five years] [installations or processes in the relevant sector] [in similar social, economic, environmental and technological circumstances] whose [performance] [emissions intensity] is in the top [10] [20] [x] per cent for their category];
- (b) Be regional, national or subnational in nature;
- (c) Be periodically adjusted;

20. Further decides that there shall be no double counting of emission reductions or removals on the basis of the use of standardized, multi-project baselines;

In relation to improving regional distribution and access to project activities under the clean development mechanism

Option 1 (paragraph 21):

21. No decision to be made with respect to this issue;

Option 2 (paragraphs 22–24):

22. Decides that project activities [under [5] [10] megawatts] that employ renewable energy (such as solar power, wind power, renewable biomass energy, geothermal energy or small hydropower) and/or clean fossil fuel technologies [(such as cogeneration, combined cycle or fuel switching)] as their primary technology, and/or energy efficiency project activities [of a scale less than [20] gigawatt hours per year], [shall be assumed to meet the requirement of additionality] [shall be eligible to apply simplified modalities to determine additionality];

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