

Agenda item 3.2.

Paragraph 7 of the annotated agenda

**Concept note: Revising methodological standards and tools
for their application to programmes of activities**

Methodological Expert Panel – 14th meeting

22 to 26 June 2026

Bonn, Germany



Background

SBM015 requested the MEP to amend the Additionality Standard to cover methodological requirements for activities implemented at larger scales, including programmes of activities (PoAs).

SBM016 requested the MEP to amend the Baseline Standard, the Leakage Standard, and the Additionality Standard to support the transition of PoAs into the Article 6.4 mechanism.

SBM021 requested the MEP to prepare a “Concept note: Revision of methodological standards and tools for application to programmes of activities” and to propose any revisions to any relevant methodological standards and tools needed to make them applicable to PoAs, including, inter alia:

- a) Baseline Standard;
- b) Additionality Standard;
- c) Leakage Standard;
- d) Suppressed Demand Standard;
- e) Reversals Standard;
- f) Common Practice Tool; and
- g) Investment Analysis Tool.



Purpose

The purpose of the proposed changes to the methodological standards and tools is to:

- a) Allow the Supervisory Body to approve and operationalize mechanism methodologies that apply to PoAs, including PoAs that transition into the Article 6.4 mechanism; and
- b) Ensure that the technical requirements of these methodological standards and tools are aligned with the features of PoAs, as specified in the PoA Standard.



Key issues and proposed solutions

The revision removes the project-level limitation while avoiding a broad interpretive rule that may imply that all project-level provisions apply to PoAs unchanged.

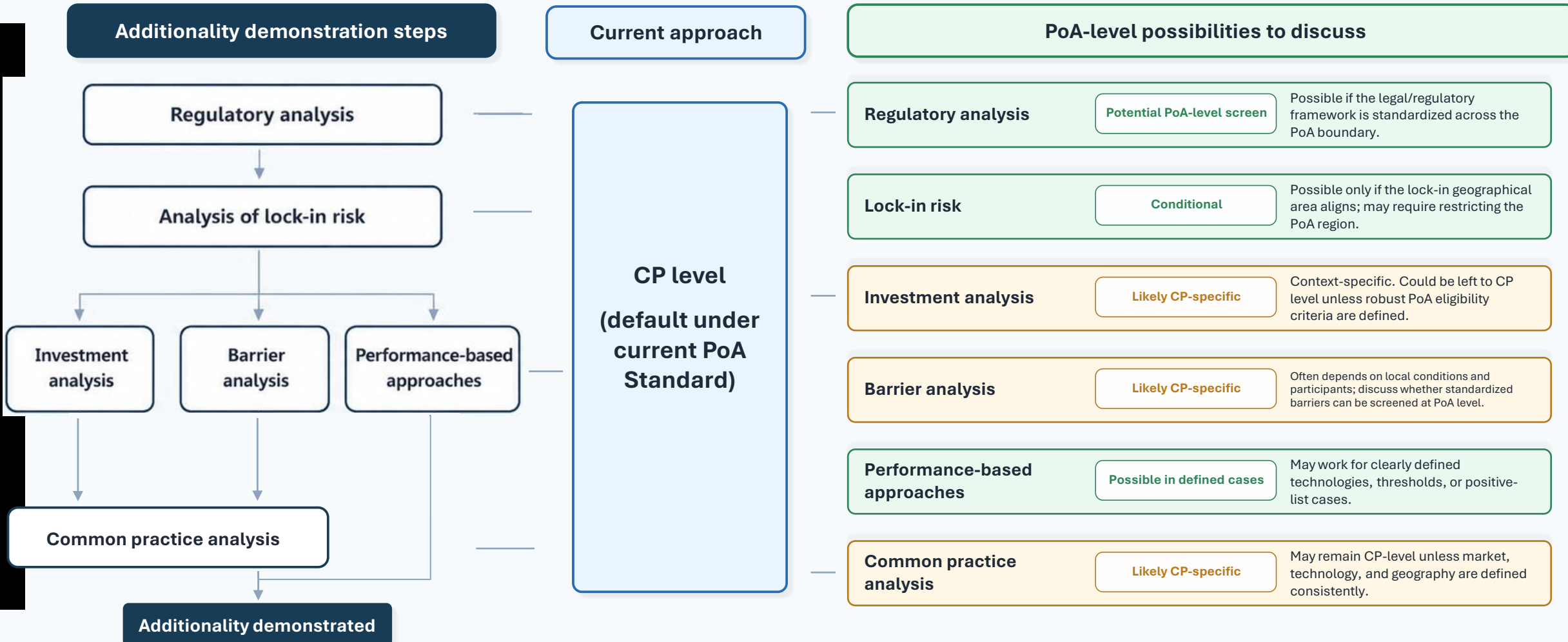
Baseline Standard

This aligns the Baseline Standard with the PoA Standard requirement that the generic component CP-DD describe how baseline scenarios, BAU/reference benchmark emissions and baseline emissions are determined for corresponding CPs. It clarifies PoA application without introducing a new substantive requirement.



Can additionality be demonstrated at the PoA level?

NOTE: Current PoA Standard places additionality demonstration at the CP level.
PoA-level treatment is an out-of-box discussion option.



Emerging practical direction:
Use PoA-level criteria where robust, then require each CP to confirm eligibility and complete remaining additionality checks.

To discuss: identify which elements can be handled at PoA level without weakening environmental integrity.

	Methodology-led approach	PoA-led (methodology-guided) approach
Methodology	<ul style="list-style-type: none"> Establishes eligibility criteria in additionality assessment section: e.g. “For PoAs, conditions for CPs shall be A, B, C...which includes type and level of criteria (e.g. efficiency above 25%)” Upon proposal, it must be demonstrated that such criteria is equivalent to additionality assessment. 	<ul style="list-style-type: none"> Provides guidance for activity participants (APs) providing eligibility criteria: e.g. APs shall provide eligibility criteria, based on (factors) A, B, C...without specifying the level. “E.g. PoA shall/may include efficiency as a criterion to determine additionality...” Further, it would be stated that level of criteria for factor A shall be established through an investment comparison analysis, and factor B shall take into account income level”.
PoA-DD	<ul style="list-style-type: none"> Section B.5 of PoA-DD may state “see section ** of methodology” or copy relevant parts of methodology. 	<ul style="list-style-type: none"> Establishes eligibility criteria based on guidance from methodology as per section B.5 of PoA-DD. E.g. APs demonstrate that efficiency above a certain level meets investment analysis/common practice/performance threshold etc.
CP-DD	<ul style="list-style-type: none"> State whether a CP meets the eligibility criteria established by the methodology. (What to write in section B.5 of CP-DD?). 	<ul style="list-style-type: none"> State whether a CP meets the eligibility criteria established by the PoA-DD. (What to write in section B.5 of CP-DD?).
Assessment of eligibility criteria	<ul style="list-style-type: none"> To be undertaken by MEP/SBM as a part of approval procedure of methodology. 	<ul style="list-style-type: none"> To be undertaken by Secretariat/SBM as a part of registration procedure of PoA.



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Subsequent work and timelines

- Subsequent work may be needed to identify relevant elements of the “Information note: Elements related to non-permanence and reversals for inclusion in relevant regulatory documents” that are directed at project-level activity participants and to apply them to PoAs, such as by amending the “Procedure: Article 6.4 activity cycle procedure for programmes of activities” (e.g., to specify how PoAs shall monitor, report, and remediate reversals).
- The MEP notes that any such changes are not required to approve mechanism methodologies that apply to PoAs, and that none of the priority mechanism methodologies required to support the transition of clean development mechanism activities to the Article 6.4 mechanism require these revisions at this time.



Recommendation

MEP will continue working on this agenda item at this meeting and will aim at launching a CfPI out of MEP014.



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