



## Annex 28

### PROCEDURE FOR SUBMISSION AND CONSIDERATION OF STANDARDIZED BASELINES

#### (Version 01.0)

#### I. Introduction

##### A. Background

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), at its sixth session, decided that Parties, project participants, as well as international industry organizations or admitted observer organizations through the host country's designated national authority (DNA), may submit proposals for standardized baselines applicable to new or existing methodologies, for consideration by the Executive Board of the clean development mechanism (hereinafter referred to as the Board).
2. In this context, the Board, at its sixtieth meeting, agreed to develop a new procedure for submission and assessment of standardized baselines.

##### B. Scope

3. This document contains the process for the submission of a proposed standardized baseline by DNAs and for consideration by the Board in accordance with paragraph 45 of decision 3/CMP.6. It only applies to proposed standardized baselines developed using an approved methodology or tool, or the "Guidelines for the establishment of sector specific standardized baselines".
4. This document does not contain the process for the submission and approval of new methodological approaches to develop a standardized baseline. Those that wish to develop a standardized baseline using such a new methodological approach may submit the proposed new methodological approach in accordance with a relevant procedure on:
  - (a) Submission and approval of proposed new methodologies; or
  - (b) Requests for revision or amendment to approved methodologies or tools.

#### II. Definition

5. "Standardized baseline" is a baseline established for a Party or a group of Parties to facilitate the calculation of emission reductions and removals and/or the determination of additionality for CDM project activities, while providing assistance for assuring environmental integrity.

#### III. Submission of proposed standardized baseline

6. Parties, project participants, international industry organizations or admitted observer organizations<sup>1</sup> may propose a standardized baseline through the DNA of a Party for which the standardized baseline is proposed. The DNA shall subsequently submit the proposed standardized baseline to the secretariat.
7. Where the proposed standardized baseline is developed for a group of Parties, it shall be approved by the DNAs of all these Parties. In this case, following the receipt of approval from all these

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<sup>1</sup> Definition of "admitted observer organization" can be found on <[http://unfccc.int/resource/ngo/art7\\_6.pdf](http://unfccc.int/resource/ngo/art7_6.pdf)> .



DNAs, any one of the DNAs shall submit the proposed standardized baseline to the secretariat in accordance with this procedure.

8. The DNA submitting the proposed standardized baseline shall upload to the UNFCCC CDM website the following documentation:

- (a) The duly completed “Proposed standardized baseline submission form” (form F-CDM-PSB);
- (b) All additional documentation supporting the submission (e.g. relevant data, documentation, statistics, studies, etc), where applicable;
- (c) An assessment report on the quality of the data collection, processing and compilation to establish the proposed standardized baseline in accordance with relevant procedures or guidelines adopted by the Board. The assessment report may be prepared by a designated operational entity (DOE) contracted by:
  - (i) The DNA or any other entity under the agreement with the DNA; or
  - (ii) Where the DNA is of a Party, or representing a group of Parties, all of which are, with fewer than 10 registered CDM project activities as of 31 December 2010, the DNA or any other entity under the agreement with the DNA, and paid for by funding from the secretariat upon the request from the DNA for up to the first three submissions of a proposed standardized baseline regardless of the sector for the Party or the group of Parties. In this case, the Board may allow the funding from the secretariat taking into account the applicability of the proposed standardized baselines and resource implications.

9. Notwithstanding the provision in paragraph 8 above, for a Party with fewer than 10 registered CDM project activities as of 31 December 2010, the assessment report referred to in paragraph 8(c) above may be omitted in up to the first three submissions of a proposed standardized baseline regardless of the sector for the Party. This exception shall not apply for the submissions of proposed standardized baselines for a group of Parties made in accordance with paragraph 7 above.

10. No fee shall be payable to the secretariat for the submission of the proposed standardized baseline.

#### **IV. Initial assessment of proposed standardized baseline**

11. The secretariat shall undertake an initial assessment of the submission within 21 days of receipt of the submission. The secretariat shall assess whether:

- (a) The form F-CDM-PSB, including the name and contacts of the proponent of the proposed standardized baseline, has been duly completed;
- (b) The proposed standardized baseline was derived from an approved methodology or tool, or from the “Guidelines for the establishment of sector specific standardized baselines”;
- (c) The DNA submitted all the information required for consideration of the proposed standardized baseline (e.g. studies referred to in the proposed standardized baseline documents);
- (d) An assessment report was submitted presenting how the data was collected, processed and compiled to establish the proposed standardized baseline and includes an opinion on



whether the data was collected and processed in accordance with relevant procedures or guidelines adopted by the Board.

12. The secretariat shall inform the DNA of the outcome of the initial assessment. If the secretariat finds that the required documentation or information is incomplete, it shall notify the DNA and the proponent of the proposed standardized baseline accordingly. In this case, the DNA should provide the missing documents or information within 42 days of the notification.

13. The secretariat shall conclude the initial assessment within 14 days of receipt of missing documents or information and inform the DNA of the conclusion of the initial assessment. If the DNA fails to provide the missing documents or information within the deadline, the secretariat shall suspend processing the submission any further until it receives the missing documents or information.

#### **V. Preparation of recommendation**

14. Within 28 days of successful conclusion of the initial assessment, the secretariat shall:

- (a) Assign a reference number to the proposed standardized baseline;
- (b) Make the submitted documentation publicly available on the UNFCCC CDM website with the exception of the information declared confidential and/or proprietary information by the DNA. Information used to describe the baseline methodology and its application shall not be considered proprietary or confidential;
- (c) In the case referred to in paragraph 9 above, prepare an assessment report presenting how the data was collected, processed and compiled to establish the proposed standardized baseline in accordance with relevant procedures or guidelines adopted by the Board;
- (d) Prepare a draft recommendation on the proposed standardized baseline, using the form F-CDM-PSB-REC.

15. The secretariat shall include in its draft recommendation one of the following courses of actions:

- (a) Approve the proposed standardized baseline; or
- (b) Requires further input (e.g. additional information or modification to the submitted documentation) from the DNA; or
- (c) Not to approve the proposed standardized baseline.

16. In preparing the draft recommendation, the secretariat may draw upon external expertise, depending on the technical complexity of the proposed standardized baseline, such as experts on the roster of experts for desk reviews of baseline and monitoring methodologies or consultants.

17. The secretariat shall appoint two (2) members of a panel or working group and forward its draft recommendation to them.

18. The two appointed members of a panel or working group shall, within seven (7) days of receipt of the draft recommendation, independently assess the proposed standardized baseline and the draft recommendation, and inform the secretariat of the outcome of their assessment.

19. If both of the appointed members of a panel or working group agree to the draft recommendation to approve or not to approve the proposed standardized baseline, the secretariat shall forward it as the recommendation to the Board and make it publicly available on the UNFCCC website.



20. If both of the appointed members of a panel or working group agree to the draft recommendation to require further input from the DNA, the secretariat shall notify the DNA and the proponent of the proposed standardized baseline accordingly. The DNA should submit the requested input within 28 days of the notification. If the DNA fails to provide the requested input within the deadline, the secretariat shall suspend processing the submission any further until it receives the requested input.
21. The secretariat shall assess the further input submitted by the DNA. If the secretariat finds that it is still not sufficient to recommend to approve or not to approve the proposed standardized baseline, the secretariat may initiate a direct communication with the DNA and/or the proponent of the proposed standardized baseline via email or telephone conference to clarify remaining issues.
22. The secretariat shall revise the draft recommendation taking into account the further input and direct communication with the DNA and/or the proponent of the proposed standardized baseline, as applicable, to recommend either to approve or not to approve the proposed standardized baseline, forward it as the recommendation to the Board, and make it publicly available on the UNFCCC website. Before sending the recommendation to the Board, depending on the complexity of the case, the secretariat may forward the revised draft recommendation to the two appointed members of a panel or working group for their consideration. In this case, the steps in paragraphs 19 above or 23-27 below shall apply.
23. If at least one appointed member of a panel or working group disagrees with the draft recommendation or requests that it to be considered by a panel or working group, the secretariat shall forward the draft recommendation to the relevant panel or working group. The panel or working group shall consider the proposed standardized baseline and the draft recommendation at its next meeting, provided it is received at least 14 days before the meeting; otherwise it shall be considered at the subsequent meeting.
24. The panel or working group shall finalize its consideration within no more than two meetings, unless it finds that further input from the DNA or guidance from the Board is required. In case further input from the DNA or guidance from the Board is sought, the panel or working group shall finalize its consideration at the meeting immediately following receipt of such input or guidance. In its finalization of consideration, the panel or working group shall conclude to recommend either to approve or not to approve the proposed standardized baseline. The secretariat shall forward it as the recommendation to the Board and make it publicly available on the UNFCCC website.
25. If the panel or working group finds that further input from the DNA is required, the secretariat shall notify the DNA and the proponent of the proposed standardized baseline accordingly. In this case, the DNA should submit the requested input within 28 days of the notification. If the DNA fails to submit the requested input within the deadline, the secretariat shall suspend processing the submission any further until it receives the requested input.
26. The secretariat shall assess the further input submitted by the DNA. If the secretariat finds that the further input is still not sufficient to recommend to approve or not to approve the proposed standardized baseline, the secretariat may initiate a direct communication with the DNA and/or the proponent of the proposed standardized baseline via email or telephone conference to clarify remaining issues.
27. The secretariat shall revise the draft recommendation taking into account the further input and direct communication with the DNA and/or the proponent of the proposed standardized baseline, as applicable, to recommend either to approve or not to approve the proposed standardized baseline, and forward it as the recommendation to the Board and make it publicly available on the UNFCCC website. Before sending the recommendation to the Board, depending on the complexity of the case, the secretariat may forward the revised draft recommendation to the panel or working group for their final consideration.



In this case, the panel or working group shall conclude to recommend either to approve or not to approve the proposed standardized baseline. The secretariat shall forward it as the recommendation to the Board and make it publicly available on the UNFCCC website.

#### VI. Consideration by the Board

28. If no member of the Board objects to the recommendation received in accordance with paragraph 19, 22, 24, or 27 above within 28 days of receipt of the recommendation, the recommended course of action shall be deemed to be the decision adopted by the Board.

29. An objection by a member of the Board shall be made by notifying the Chair of the Board through the secretariat, giving reasons in writing. The secretariat shall acknowledge receipt of the objection and make it available to the Board.

30. If a member of the Board objects to the recommendation more than two (2) weeks prior to the next Board meeting, the case shall be placed on the agenda of the next Board meeting; otherwise it shall be placed on the agenda of the subsequent Board meeting.

31. If the Board considers the case at its meeting, it shall decide on the course of action at the meeting.

32. The course of action referred to in paragraph 31 above shall be:

- (a) To approve the proposed standardized baseline; or
- (b) Not to approve the proposed standardized baseline; or
- (c) To continue the consideration of the proposed baseline at the next Board meeting; or
- (d) To request a relevant panel or working group to review the recommendation and provide guidance on the modalities of the review.

33. Once a decision has been made by the Board, the secretariat shall inform the DNA of the decision and any guidance provided by the Board as applicable, and make the decision and guidance publicly available on the UNFCCC CDM website.

34. If the proposed standardized baseline is not approved, the DNA or any other DNA of Parties for which the standardized baseline is proposed may at anytime re-submit a proposed standardized baseline with revised documentation. Upon submission of the revised documentation the submission shall be treated as a new submission of a proposed standardized baseline.

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#### History of the document

Version	Date	Nature of revision
01.0	EB 63, Annex 28, 29 September 2011	Initial adoption.
<b>Decision Class:</b> Regulatory <b>Document Type:</b> Procedure <b>Business Function:</b> Methodology		