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**To** cdm-info@unfccc.int  
**From** Gareth.Phillips@pd-forum.net  
**Date** 16 March 2011  
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**Subject** **Practitioners Workshop “Standards for baseline scenario identification and baseline emission calculations” Bonn, 4-5<sup>th</sup> March 2011**

Honorable Members of the CDM Executive Board,  
Dear Mr Hession,

I would like to start by thanking the Secretariat and the EB for inviting members of the PD-Forum to present and participate in the above workshop. Five PD-F members joined the meeting including representatives from SCC, Tricorona, Orbeo, CRM and First Climate.

We found the workshop to be a very useful opportunity to comment upon and discuss the “draft tools” in more detail, and we made substantially more progress on the topics at the meeting compared to via the call for inputs on the same documents.

Four members of the EB were present for some or all of the event and we wish to take this opportunity to present our conclusions on the workshop to the Chair of the EB and the remaining members.

In short:

- There was wide agreement that the “Draft tool for baseline identification” (“Draft tool”) was not a tool but was seen more as a high level framework document.
- Whilst the “Draft tool” provides a useful classification of potential baseline scenarios, we strongly believe that the existing approved methodologies should remain un-touched until the end of 2012. Thereafter, there may be scope to revise the approach to new methodologies as per the “Draft tool”. Preparations for this event could start soon, but not at the expense of the current tasks of simplifying existing meths, making these more consistent and removing contradictions.
- However, given the current uncertainties for commercializing certified emission reductions after the end of 2012, and considering the timeline for developing a new methodology, most of the participating developers do not envisage to propose new methodologies before 2013.
- We believe that the “Draft tool” may present a useful framework for defining the baseline in conventional CDM meths as best exemplified by existing approved methodologies, but we do not consider that the “Draft tool” is a suitable foundation from which to approach the concept of standardized baselines<sup>1</sup>.

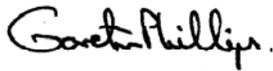
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<sup>1</sup> Generally, the workshop struggled with the differentiation of the terminology of baseline standard and standardized baselines.

- For the purposes of standardizing baselines and taking different approaches towards additionality into consideration, PDF recommended that the EB also considers opening the door to different types of methodologies which include alternative ways of demonstrating additionality. Four new types of methodologies were proposed in one of the working groups and summarized in the final conclusions. These were Benchmark Methodologies, Default (or deemed) Savings Methodologies; Additional Technology Methodologies and Modeled Baseline Methodologies. These approaches are currently impossible to implement under the existing approved methodology structures and are not being addressed by small scale meths. Providing new templates and guidance on such approaches would enable project developers to move into otherwise under-represented sectors and regions.
- In conclusion, we think that the “Draft tool” is best seen as one of a series of guidance documents which provide directions on how to develop different kinds of methodologies which are acceptable under the CDM. The existing “AM1234” format is very suitable for single technology single site interventions but it is not a good fit with the concept of standardization because single technology single site interventions are complex and difficult to scale up. Other guidance documents could be prepared that would help with the preparation of standardized methodologies which are simpler and do lead to scale up, whilst at the same time protecting the environmental integrity of the CDM.

The PDF participants at the meeting shared a common concern that the Secretariat had invested so much time and effort in the “Draft tool” and its accompanying documents already, that they would be reluctant to broaden their view and we believe that failure to do so will severely curtail the potential to develop standardized baselines. I have annexed, for your convenience, a copy of the presentation on different types of methodologies which I delivered to the first Working Group as part of our discussions.

Yours sincerely,

A handwritten signature in black ink that reads "Gareth Phillips". The signature is written in a cursive, slightly slanted style.

Gareth Phillips  
Chair of the PD Forum