

Introduction of Standardized Baseline

CDM Project Development Experience

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Rules for Standardized Baseline (SB) has established

2010: CMP6 (Cancun)

✓ Decided the principle and definition of SB

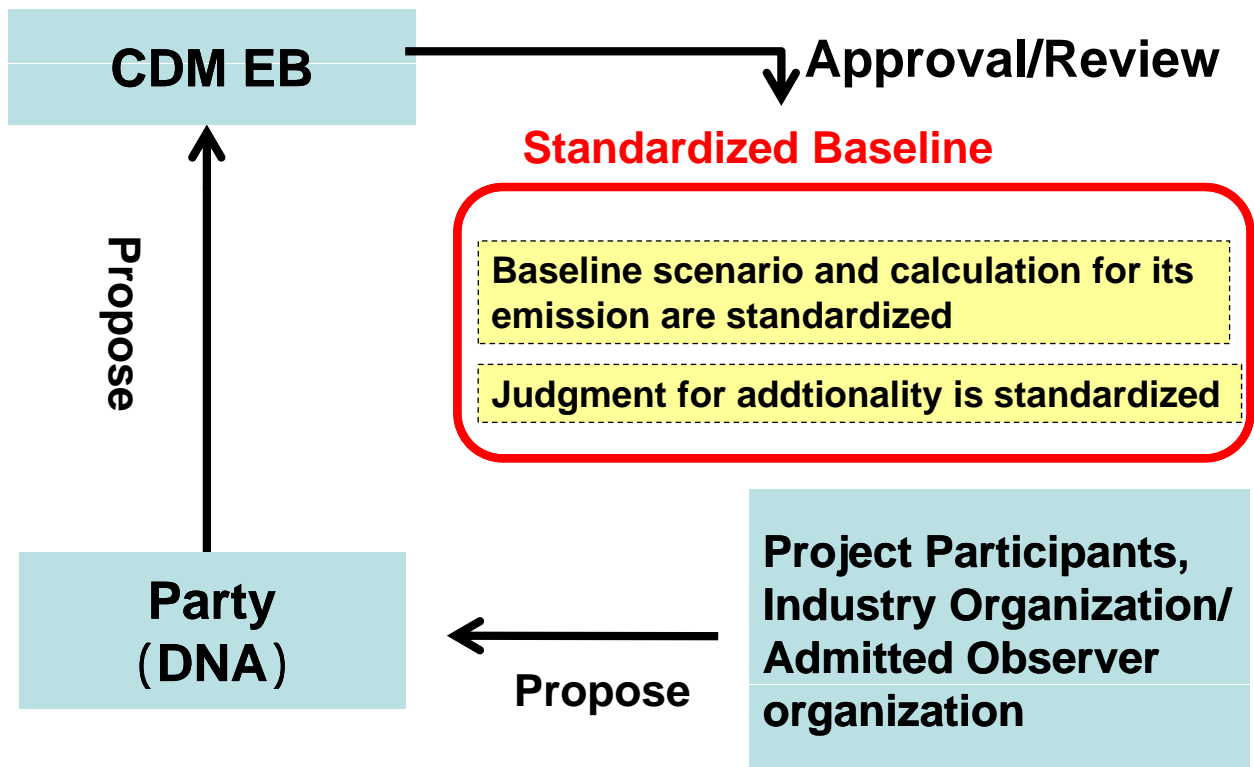
July 2011: CDM EB62

✓ Guideline for sector specific SB adopted

October 2011: CDM EB63

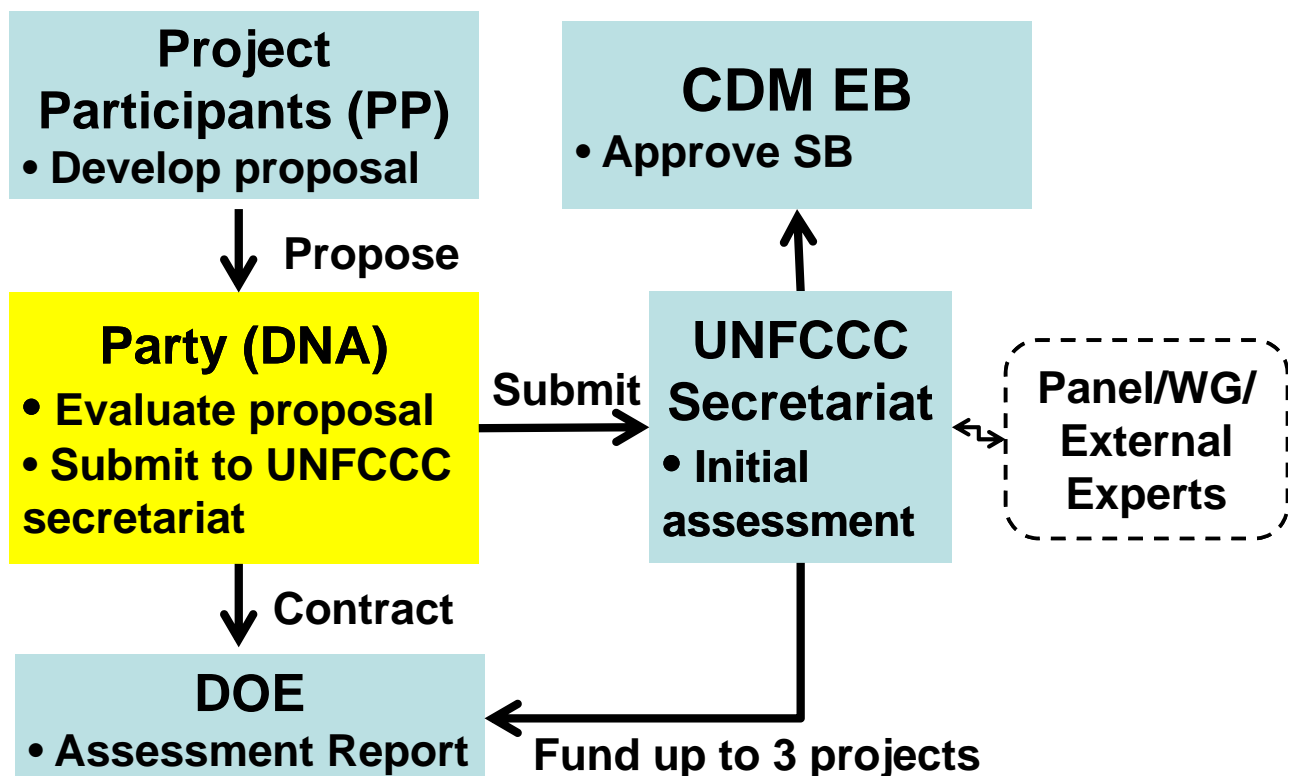
**✓ Procedure for the submission and
consideration of SB**

Development process of standardized baseline



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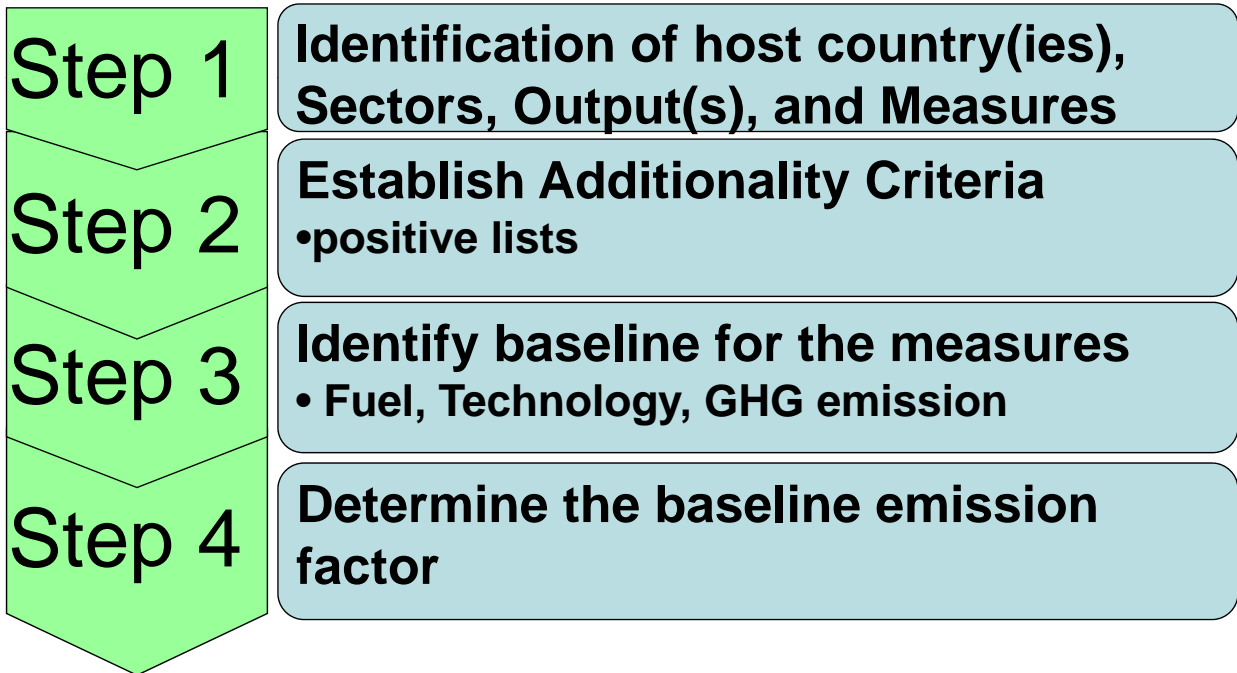
Procedure for Proposing SB



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4 Steps for Standardized Baselines

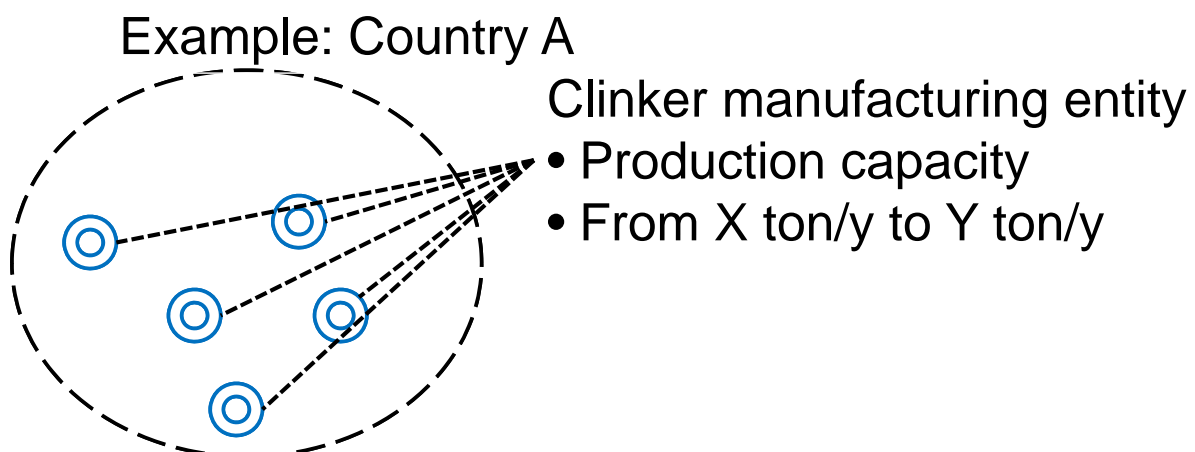
- ◆ Guideline provides 4 steps to establish standardized baselines



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Step 1: Define Aggregation Level

- **Country** (Group of Countries) and **Region**
- **Sector, Technology**
 - Defined output level
 - Same level of service
- **Other level of aggregation can also be proposed**



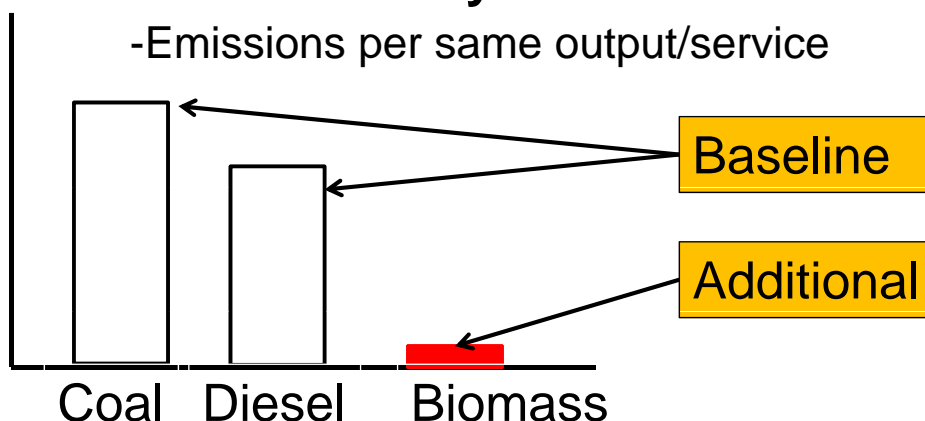
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Step 2: Define Additionality Criteria

- **Carbon Intensity**
 - ✓ Fuel used
 - ✓ Technology applied
- **Price per unit of output**
- **Beyond regulatory requirement**

These are
"Positive lists"

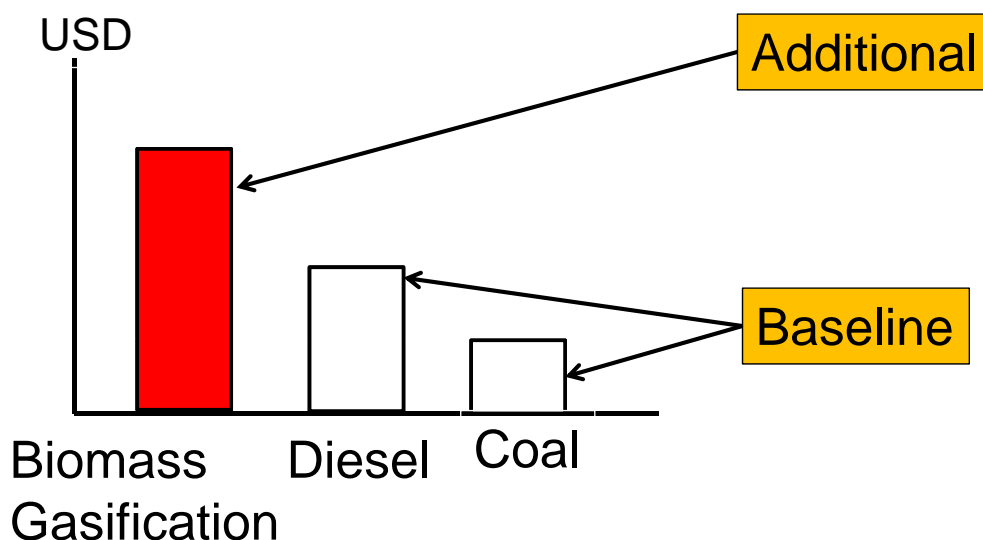
t-CO₂ **Carbon intensity of the fuel**
-Emissions per same output/service



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Step 2: Define Additionality Criteria

- **Price per unit of output**
 - Investment cost
 - Operation and maintenance cost

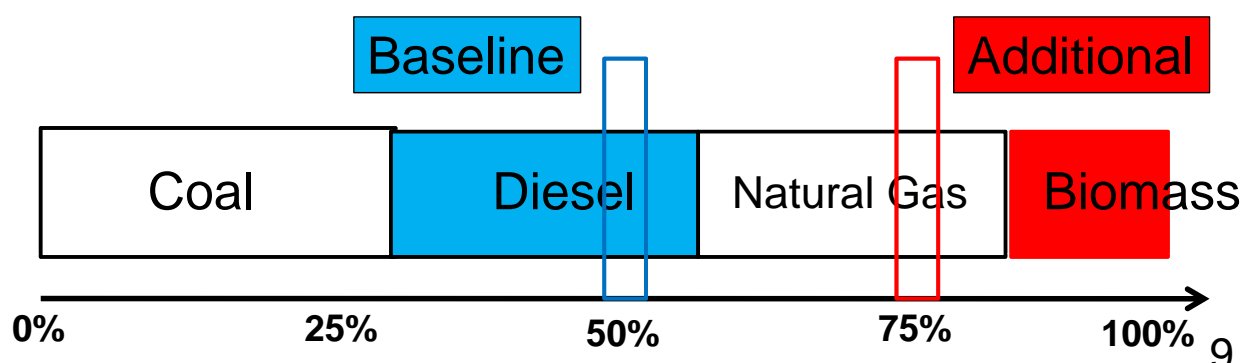


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Step 3: Identify Baseline Scenario

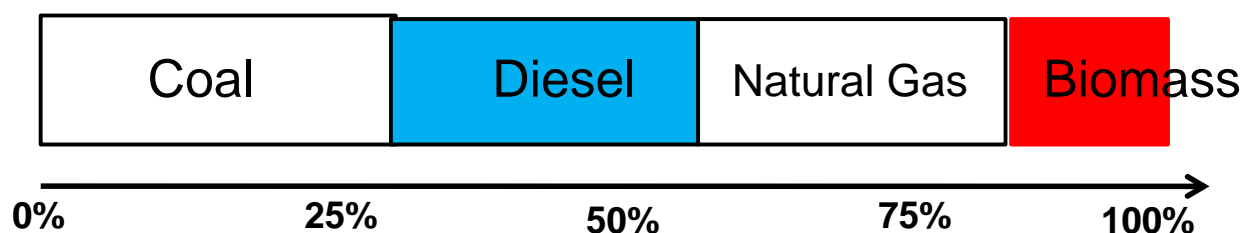
- **Based on contribution in the aggregate output**
 - ✓ How much percentage such fuels are used?
- **Need to define “threshold” percentage**
 - ✓ **Baseline % (e.g. >50%)**
 - ✓ **Additionality % (e.g. <25%)**
- **Choose lowest emission factor as a baseline**

Figure: The share of fuel in order of carbon intensity



Step 4: Baseline Emission Factor

- **Baseline Emission Factor (EF)**
 - ✓ Based on the identified baseline fuel, technology, and measures
- **Conservative EF should be applied**
 - ✓ **IPCC GHG Inventory Default values**
 - ✓ **Country specific fuel types with lower EF**



Baseline Fuel: Diesel

CO₂ EF of Diesel: 3.186 tCO₂/t (Fuel)

(2006 IPCC Guidelines for National GHG Inventories)

Summary

- ◆ Standardized baselines approach can provide baseline and additionality determination as *ex-ante*.
- ◆ The current guideline suggests “aggregate” approach.
- ◆ It is important to collect data to show the “overall picture” of the proposed sector/technology/measure.
- ◆ Support from DNA would be crucial and facilitate the process.