

Draft decision text – to be adopted by the second Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (Nairobi, 6-17 November 2006)

Recalling Decision 7/CMP.1 which "Requested the Board to develop, as a priority, a simplified methodology 'for calculating emission reductions for small-scale project activities that propose to switch from non-renewable to renewable biomass";

Considering the contribution such projects could make to reducing emissions while promoting a wider geographical distribution of CDM projects, improving living conditions in poor communities, protecting natural resources, and enhancing sustainable development;

Noting that such methodologies have been proposed, but have not been approved by the Executive Board,

Requests the Executive Board to develop, as a priority, simplified methodologies for calculating emission reductions for small-scale project activities that replace or reduce the use of non-renewable biomass, and by the 30th meeting of the CDM Executive Board, without the need for further consultation with COP/MOP, approve suitable methodologies that are applicable to projects that propose:

- a switch from non-renewable biomass to renewable biomass and other renewable energies,
- an improvement of the energy efficiency in the use of non-renewable biomass,
- a switch from non-renewable biomass to fuels or technologies with lower emissions

The approved methodologies should:

- recognize the high transaction costs for small-scale projects relative to emission reductions achieved;
- provide the means to determine a baseline scenario that realistically represents the anthropogenic emissions by sources of greenhouse gases that would occur in the absence of the proposed CDM project activity, and
- apply the limits for small-scale projects in units of *GWh per year* or *tons CO₂ emission reduction per year*, to account for the limited daily use of appliances like cooking stoves.