



## Annex 1

### TERMS OF REFERENCE FOR THE METHODOLOGIES PANEL (version 02)

#### I. INTRODUCTION

1. The draft terms of reference (version 2), below aim at consolidating tasks assigned to the Methodologies Panel (Meth Panel) since June 2002 and specify competence requirements for its members. They provide details on the following: (a) areas of work requiring technical and analytical inputs by the panel (see II.A. below), (b) modalities of work (see II.B. below), and (c) membership in the panel (see II.C. below). Once the Executive Board has decided on the terms of reference, the secretariat will post on the CDM web site an invitation to experts to submit their applications for becoming a member of the Meth Panel, and compile a list of applications and a short list for further consideration by the Board, including from the UNFCCC roster of experts.

#### II. TERMS OF REFERENCE

##### A. Areas of work

2. The Meth Panel, in accordance with procedures for submission and consideration of a proposed new methodology (version 04) and guidance by the Executive Board, shall:

- (a) Prepare recommendations on submitted proposals for new baseline and monitoring methodologies;
- (b) Prepare draft reformatted versions of proposed new baseline and monitoring methodologies approved by the Board;
- (c) Prepare recommendations on options for expanding the applicability of methodologies and provide tools for project participants to choose among approved methodologies of a similar nature;
- (d) Maintain a roster of experts and select experts who are to undertake desk reviews to appraise the validity of the proposed new methodology.

3. The panel shall elaborate, with the assistance of the secretariat, precise and workable recommendations for consideration and adoption by the Executive Board, as appropriate, on, *inter alia*:

- (a) Revisions to the project design document, in particular on sections relevant to baseline and monitoring;
- (b) Draft “decision trees, and other methodological tools, where appropriate, to guide choices in order to ensure that the most appropriate methodologies are selected, taking into account relevant circumstances” (in accordance with para (b) (iv) of Appendix C of the CDM modalities and procedures);
- (c) Guidance on identified modalities and procedures contained in the annex to decision 17/CP.7 with a view to facilitating the development of project-based methodologies by project participants. Such modalities and procedures shall be identified by the panel and addressed in accordance with guidance provided by the Executive Board;
- (d) Further work on items identified in Appendix C of the CDM modalities and procedures, as appropriate;



(e) Amendments on the annex on indicative simplified methodologies for CDM small-scale project activities.

### **B. Modalities of work**

4. The panel shall operate under the guidance of the Executive Board. The mandate of the Meth Panel is determined by these terms of reference, general guidelines for panels of the Executive Board, the rules of procedure of the Board (in particular section VII on committees, panels and working groups) and additional guidance provided by the Board.

5. Two members of the Executive Board will act as Chair and vice Chair of the panel, respectively. In addition to the designated Executive Board members who act as Chair and Vice-Chair, the panel shall be composed of ten members.

6. The frequency of panel meetings shall be determined by the Chair and vice Chair of the Meth Panel, bearing in mind needs arising from procedures for submission and consideration of a proposed new methodology (version 04) and resources available.

7. A panel member shall:

(a) Attend each meeting of the Meth Panel. If a member is unable to attend a meeting he or she shall inform the Chair of the Meth Panel, through the secretariat, at least two weeks before the meeting;

(b) Prepare the agreed substantive inputs on general methodological matters requested by the Meth Panel in good quality and on time;

(c) In support of the preparation of recommendations by the Meth Panel on proposed new methodologies and, in accordance with procedures for submission and consideration of a proposed new methodology (version 04) and subject to an “independent agreement<sup>1</sup>” with the UNFCCC secretariat, perform the following tasks in good quality and on time:

- (i) Compile inputs on individual proposed new methodologies, including those from other members of the Panel and the public, and prepare, under a stipulated deadline and under the guidance of the Chair of the Meth Panel, draft recommendations for review by the Meth Panel;
- (ii) Review applications and make recommendations to the Meth Panel to include experts to the roster of experts to undertake desk reviews;
- (iii) Make proposals to the Chair of the Meth Panel on the selection of experts from the roster to undertake the desk reviews of a proposal for new baseline and monitoring methodologies;

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<sup>1</sup> An “independent agreement” with the Board, through the secretariat, which specifies tasks, rights and obligations and establishes that the responsibility for assessing the work undertaken by the member is assumed by the Chair of the Meth Panel on behalf of the Executive Board.



- (iv) Review individual methodology proposals approved by the Board in order to incorporate required changes and provide input for the secretariat to prepare a draft of the reformatted methodologies; and
- (v) Review draft reformatted versions of approved new methodologies prepared by the secretariat and make recommendations on this reformatted methodologies for final approval by the Chair of the Meth Panel.

### C. Membership

#### Competence requirements and selection process

8. In addition to requirements contained in the general guidelines for panels<sup>2</sup>, a panel member shall:
- (a) Demonstrate relevant working experience, of at least five years on methodological issues related to project-based mechanisms;
  - (b) Demonstrate technical/scientific expertise, *inter alia* through publications, in at least one of the following areas:
    - (i) Baseline and/or monitoring methodologies;
    - (ii) Project activity implementation, including monitoring and verification;
  - (c) Have excellent drafting skills, strong operational and analytical skills, and ability to work as a member of a team;
  - (d) Have an advanced university degree in economics, energy, social, environmental studies, natural sciences, engineering, development studies, or any related discipline.
9. Members of the panel shall be selected by the Executive Board based on applications to a public call for experts. For this purpose, the secretariat shall post, on the UNFCCC CDM web site, an invitation to experts to submit their applications. It shall compile a list of applications and a short-list of applicants, including from the UNFCCC roster of experts, on the basis of which the Executive Board shall select ten panel members, taking fully into account the consideration of regional balance.
10. The term of a member of the Meth Panel shall be two years. Initially, however, five members shall be designated to serve for one year, and the other five for two years. A member may be re-designated. A member may serve for a maximum of four years.
11. The Chair of the Meth Panel may recommend to the Executive Board to suspend the membership of a member for cause including, *inter alia*, being in breach of the conflict of interest provisions or the confidentiality provisions, failing to attend two consecutive meetings of the Meth Panel without proper justification or not fulfilling the duties of a panel member, in particular not providing work inputs in good quality and on time.

#### Compensation:

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<sup>2</sup> See <http://cdm.unfccc.int/Reference/Guidclarif/pnlguide.pdf>.



12. Travel costs, daily subsistence allowance and a daily fee (USD 400) will be paid to panel members attending a meeting of the panel in accordance with UN rules and regulations.

13. In accordance with UN rules and regulations, subject to fulfillment of conditions in an “independent agreement” with the secretariat, and in accordance with the procedures for submission and consideration of a proposed new methodology (version 04), members will be compensated for work undertaken.