

Baseline standard

| Para / issue/ option   | Discussion/ comments   | Guidance by the SBM   |
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| <b>Whitelists/ blacklists (para 22ff)</b>                                  | <ul style="list-style-type: none"> <li>- Any such list should be decided by the host Party and approved by the SBM;</li> <li>- Establishing such lists is not feasible (e.g. need for constant updating) /not acceptable / may be questioned by CMA;</li> <li>- Third party / other sources cannot be the basis of such lists for an intergovernmental mechanism;</li> <li>- Reference to GST is out of place / unacceptable / discriminatory to activity type</li> <li>- Whitelist options are not mutually exclusive and a combination could be a way forward;</li> <li>- Such lists may not be appropriate for all regions;</li> <li>- Preference for A.1 (iii);</li> <li>- See merit in lists as a procedural element/ approach;</li> <li>- Risk of lists being discriminatory in terms of mitigation options;</li> <li>- Perhaps a cross-cutting issue with lock-in (in additionality standard);</li> </ul> |   |
| <b>Downward adjustment for alignment with temperature goal (para 28ff)</b> | <ul style="list-style-type: none"> <li>- Temperature goal exists in a specific context, global or national; how to quantify at activity level is not evident (issue of differentiation, equity, responsibility, etc.) - thus SBM cannot go with it;</li> <li>- Alignment to temperature goal is beyond all technical capabilities; we are limited to guessing; only the CMA can say what it is about;</li> <li>- Option B.3: as long as we have a downward adjustment which provides ambition over time and ensures below BAU we are showing alignment with the Paris Agreement;</li> <li>- Preference is for option B.3, alignment is not a given, need to mention it;</li> <li>- More work to be done on this.</li> </ul>  |   |
| <b>BAT</b>   | <ul style="list-style-type: none"> <li>- There should be more guidance on what BAT is and host countries may need to be consulted;</li> <li>- Three usual options for setting BAT: at level of (i) methodology, (ii) project proponent; (iii) SBM (to ultimately decide/approve).</li> </ul>   |   |
| <b>Level of aggregation at which baseline approaches are applied</b>       | <i>Not discussed yet</i>   | <i>Expected: clarify whether allowing to choose the baseline setting from any of the three levels proposed is fine.</i> |
| <b>Need for mechanism methodologies to be revised regularly</b>            | <i>Not discussed yet</i>   | <i>Expected: articulate SBM views on the matter.</i>  |

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| Consideration of legal requirements, policies and targets in determining BAU | <i>Not discussed yet</i>  | <i>Expected: clarify whether elements from NDCs should be considered in paragraph 59 of the draft standard.</i> |
| <b>General</b>   | <ul style="list-style-type: none"> <li>- Applicability of the draft standard to removals (technology-based and nature-based) needs to be checked;</li> </ul>  |   |
| <b>Process related: Need for public inputs</b>                               | <ul style="list-style-type: none"> <li>- Public inputs in the midst of process, where we are not clear, does not help;</li> <li>- Public inputs: is part of our agreed process, can be useful;</li> <li>- Public inputs can delay, but can be useful; inclusion is ok.</li> </ul>   |   |
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| <b>Process related: Others</b>   | <ul style="list-style-type: none"> <li>- The document was made available only last week; There is therefore an issue on its availability for public comments (as part of the annotated agenda);</li> <li>- The document (or parts of it) needs more work;</li> <li>- The document is still overly complex (even with the graphs) – it is nowhere clarified that downwards adjustment only happens once;</li> <li>- It would have been helpful to have another presentation (besides the one delivered on the options) to understand how the baseline setting works;</li> <li>- The presentation was felt to be to “bare bones”/ issues only while it should have covered the full substance of the document;</li> <li>- It would be helpful if webcasts could be structured/located by agenda item;</li> <li>- There is a need to understand transparently the MEP process: <ul style="list-style-type: none"> <li>o Which options were considered</li> <li>o On which item it reached a conclusion and made a choice (and how)</li> <li>o On which item it is asking for guidance</li> </ul> </li> <li>- An intersessional meeting with the MEP could potentially be organised, to discuss (i) what they worked on, how they approached the work, how they came to decisions in a balanced manner, etc.</li> </ul> |   |