

# **Proposed Text for Appendix A, Part Two of the Chairman's Note: Baselines**

**Submission by Australia, Canada, Iceland, Japan, New Zealand,  
Norway, Russian Federation, Ukraine, and the United States**

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## **General Provisions**

1. An Article 6 project baseline may be either a project-specific baseline or a multi-project baseline.
2. A project-specific baseline establishes the emissions and/or removals for a specific reference case that represents what would otherwise occur. Emissions and/or removals resulting from a project would be compared to the project-specific baseline to calculate net reductions or removals resulting from the project.
3. A multi-project baseline establishes a performance standard (based on emissions and/or removals) for a sector or source category for a specific geographic area that represents what would otherwise occur. Emissions and/or removals resulting from a project within the same sector or source category and same geographic area would be compared to the multi-project baseline to calculate net reductions or removals resulting from the project.
4. Baselines for project activities must address all relevant gases covered by the Protocol in the context of the specific project expressed in CO<sub>2</sub> equivalent terms using the global warming potentials (GWPs) defined by Dec.2/CP.3 or as subsequently revised in accordance with Article 5 as appropriate.
5. The Parties involved in the Article 6 project may choose whether a project-specific baseline or multi-project baseline is more appropriate to the circumstances of the project.

## **Baseline Elements**

### Project-specific Baselines

6. Project-specific baselines shall consist of the following elements:
  - a. the historic data set and/or a projection of future trends;

- b. the specific geographic area used as the reference case (e.g., sub-national, national, regional group of countries, global);
- c. the project lifetime (i.e., time period during which ERUs may accrue);
- d. whether the baseline is static or dynamic (i.e., whether or not the baseline is designed to reflect trends or will be adjusted over time);
- e. the interval between updates and revisions of the baseline, if necessary;
- f. how the baseline addresses potential system boundary issues; and,
- g. inclusion of sufficient information to identify, and make fully transparent, all assumptions made that may affect the baseline.

### Multi-project Baselines

7. Multi-project baselines shall include the following elements:
  - a. the level of aggregation (e.g., sector, sub-sector, technology);
  - b. the historic data set and/or a projection of future trends;
  - c. the specific geographic area covered by the baseline (e.g., sub-national, national, regional group of countries, global);
  - d. whether the baseline is static or dynamic (i.e., whether or not the baseline is designed to reflect trends or will be adjusted over time);
  - e. the interval between updates and revisions of the baseline, if necessary;
  - f. how the baseline addresses potential system boundary issues; and,
  - g. inclusion of sufficient information to identify, and make fully transparent, all assumptions made that may affect the baseline.