GLOBAL METHANE INITIATIVE 1ST STEERING COMMITTEE MEETING

Krakow, Poland GMI1/Doc.5 October 2011

Status of GMI Partner Action Plans

Discussion Paper

1. Purpose

The purpose of this discussion paper is to review the history and current status of Global Methane Initiative (GMI) Partner Action Plans. This paper also provides items for the Steering Committee's consideration to identify ways to assist Partners in developing GMI Partner Action Plans.

2. Background

When the Methane to Markets Partnership was launched in 2004, the Terms of Reference (TOR) stated that each Subcommittee should develop a sector Action Plan. The Charge to the Subcommittees adopted by the Steering Committee noted that "ideally, Action Plans would identify needs, opportunities, and priorities for project development in the sector and for interested Partners, and would be developed with input from members of the Project Network." The Subcommittee Action Plans were intended to be "living documents" that would be updated on an ongoing basis to reflect new projects, activities, and priorities as the work of the Subcommittees evolved.

After the Subcommittees completed these Action Plans, the Steering Committee considered the potential benefits of refining the level of detail to better focus on the needs and opportunities for methane activities at the country level. At its October 2007 meeting in Beijing, the Steering Committee discussed the need to create country-specific Action Plans to implement methane-related activities most suitable for each country, taking into account each country's resources, technical and financial status, infrastructure, and capacity. Based on this discussion, the Steering Committee directed the Subcommittees to work with Partners to develop country-specific plans that would focus Subcommittee activities on the experiences and needs of each Partner country. Each Subcommittee subsequently created country profile and action plan templates to identify and capture the information requested by the Steering Committee.

During its September 2010 meeting in Mexico City, as part of the launch of the GMI, the Steering Committee formally included country-specific Action Plans into the Initiative by incorporating these plans known as "GMI Partner Action Plans" into GMI's TOR.

Based on these discussions, the goals of each GMI Partner Action Plan were described as follows:

- 1) Articulate the overall vision for a Partner's participation in GMI;
- 2) Outline key country activities and priorities; and
- 3) Provide a mechanism to advance cooperation between Partners by identifying needs and opportunities. The plans are intended to help drive current and future activity on project development either internally or externally in coordination with other Partners and supplement, not replace, the sector-wide action plans that Partners have developed and to continue to refine and implement through the Subcommittees.

The Steering Committee adopted the following TOR revisions related to action plans:

"Partners will seek to......Develop and implement action plans that outline a series of concrete activities and actions that directly support the core goals and functions of the Initiative. Action plans can be useful tools in advancing project implementation, facilitating investment, and creating appropriate policy frameworks that support methane abatement, recovery, and use." [section 2.10]

Based on Partner concerns regarding readiness/resources to develop and implement such action plans, the Steering Committee also added TOR language to encourage Subcommittees to find ways to provide support:

"Each Subcommittee will work to... offer assistance to Partners in the development and implementation of their action plans,..." [section 3.4]

3. Current Status

The Steering Committee tasked the Administrative Support Group (ASG) with developing guidance on appropriate elements of the GMI Partner Action Plans. The Steering Committee requested that this guidance be prepared in a succinct yet flexible format to reflect the different approaches appropriate for GMI Partner countries. The draft guidance was circulated in May 2011 with a request for comment and suggestions on the draft guidance and its implementation by June 2011.

The draft Partner Action Plan guidance was highlighted as part of the ASG update during each of the 2011 Subcommittee meetings held via webinar, and Partners were again encouraged to submit comments. Only supportive comments were received, and thus the ASG recommends finalizing the proposed action plan guidance (attached).

4. Issues for Steering Committee Consideration

- How does the Steering Committee wish to implement the new GMI Partners Action Plan requirements?
 - o Should a timeframe for completing GMI Partner Action Plans be established (e.g., late 2012)?
 - Should the Steering Committee request that each Partner country designate one official representative to be responsible for coordinating, developing, and submitting the GMI Partner Action Plan?
- Does the Steering Committee wish to charge the Subcommittees with continuing to identify how they can support and assist Partners in both the development and implementation of the GMI Partner Action Plans?
- Does the Steering Committee have any recommendations on how countries could incorporate existing tools or resources from other climate initiatives or plans into GMI Partner Action Plans?
- How does the Steering Committee wish to implement communication or updating the GMI Partner Action Plans to the Steering Committee, the Initiative, and the public?
 - o Should Partner countries be requested to provide periodic updates on their GMI Partner Action Plan (e.g., every 6 months, once a year)?
 - How should these updates be provided (e.g., verbally at meetings, or electronic reports)?
 - o Should the GMI Partner Action Plans be submitted to the Steering Committee and posted on the GMI website?



Global Methane Initiative (GMI) Partner Action Plan Guidance Document

This guidance document is intended to assist Partners in the development of their GMI Partner Action Plans. As stated in the GMI Terms of Reference, "Action plans can be useful tools in advancing project implementation, facilitating investment, and creating appropriate policy frameworks that support methane abatement, recovery, and use." The goal of the GMI Partner Action Plan is to articulate the overall vision for a Partner's participation in GMI, outline key country activities and priorities, and provide a mechanism to advance cooperation among Partners by identifying needs and opportunities.

The GMI Partner Action Plans are an important way to help drive current and future project development activity, either internally or externally in coordination with other Partners. The GMI Partner Action Plans are *not* intended to replace the sector action plans that Partners have developed or are developing through the Subcommittees. The sector action plans serve a critical function. They provide detailed, sector-specific technical and policy information that provides the context for setting priorities as well as identify and communicate what additional assistance may be needed and where opportunities for collaboration exist. The appendix to this document provides additional details and guidance on the sector action plans.

The Steering Committee recognized the importance of broader action plans at the national level, and it tasked the GMI Administrative Support Group (ASG) with drafting guidance for their development. This document provides a brief outline and description of key elements that could be included in a GMI Partner Action Plan.

The GMI Partner Action Plans are intended to be concise, flexible, living documents. Ideally, the Partner Action Plan can be limited to only a few pages while referencing the specific data and articulating needs in the more detailed sector action plans. Secondly, the plans are flexible. While Partner countries are encouraged to include the elements described here, they are welcome to tailor their plans as appropriate. Finally, the Partner Action Plan should be a dynamic document that is easily updated as needed.

Guiding Questions for Suggested GMI Partner Action Plan Elements:

1) What are your country's objectives and priorities for participating in the Global Methane Initiative (GMI)?

Provide the context for why your country is participating in GMI, including your country's priorities and objectives. This element could summarize, as appropriate, any national overarching goals for methane project development or a national, long-term strategy for utilizing the resources of GMI to achieve these goals. This element should provide Partners and project developers, decision-makers, investors, and others with succinct background information, which sectors your country is interested in, and your national methane development priorities. This element could include a summary of how national GMI efforts are organized within your country, including details on specific ministries or participating agencies.

2) What are you doing now in your country or in other countries to advance methane project development and mitigation?

This element should briefly describe existing activities (referring to the applicable sector action plans, as appropriate) and should highlight the overall context for moving forward on continued development of methane projects in your country. The brief description could include highlights of specific policies or measures that encourage methane projects in your country or specific programs and activities in which your country is currently engaged or plans to be engaged in the future. Countries could also highlight the programs, activities, or projects in which they are providing external support to other Partners, including any international methane projects that they are currently supporting.

3) What is your country seeking from or planning to contribute to the GMI?

This element of the Partner Action Plan focuses on summarizing the assistance your country seeks from GMI as well as the opportunities that may exist for project development in your country. Partner countries may use this section of the Partner Action Plan to discuss particular sectors or project opportunities within their country for which they require assistance. This can be at the project level or can be at a more macro level —such as the need for assistance in developing sector action plans. You may want to prioritize potential projects or activities or you can list a whole sector that is a priority.

This element of the Partner Action Plan is also the appropriate place for Partner countries to summarize the assistance they are already providing or seeking to provide to other countries for methane project development. Partners can use this section to identify any funding opportunities that they might want to highlight to developing country partners who need assistance. If you are providing assistance in other countries, please summarize all types of assistance including efforts to build capacity in partner countries (i.e., technical assistance, information sharing, or other types of assistance).

Some activities that might be appropriate to include in this element of the Partner Action Plan include the following:

- Direct financing (i.e., grants/loans)
- Data collection (e.g., inventories, research) and information products (e.g., reports)
- Information sharing
- Capacity building (e.g., workshops, clearinghouse)
- Targeted information exchange (e.g., list serves)
- Technical training (e.g., study tours)

- Prefeasibility studies
- Feasibility assessments
- Project identification
- Technology demonstrations
- Pilot projects
- Technology deployment
- Adoption of new policies/changes to regulatory framework
- Development of financial incentives

4) Additional Information and any accomplishments or successes under GMI

Additional information may be included in the Partner Action Plans, particularly if it is useful to provide a better understanding of the full suite of activities within a country. Examples of information that could be included are lists of active projects, projects currently in development, or links to additional information such as specific funding opportunities or programs.

APPENDIX – Elements for Sector Specific Action Plans

Partner Sector Action Plans - Suggested Elements

This guide is intended to assist GMI Partners or other stakeholders in the development of GMI Sector Action Plans, which ultimately should provide data and information that guides the development of an overarching GMI Partner Action Plan. The following list of suggested topic areas includes common elements across all the GMI sectors and is recommended for analysis and inclusion as you develop and/or refine existing sector-specific methane action plans. This outline should be considered as a guide to help you think of what elements to include with your plans – Partner countries can include more or less elements and are free to format their plans in a way that best fits their information. As you know, sector action plans have been an important ongoing component of the Subcommittee work under the GMI and many countries have completed these for different sectors. If you have already developed sector plans, consider updating or modifying them as your program evolves.

1) Country Background and Overview of Methane Emissions

Provide an introduction and overview of your country. Specifically look to provide developers, decision-makers, investors and others with a background on the sector-specific methane reduction opportunities, as well as background regarding the scale and the sources of methane emissions within your country. The introduction can include general information on the country, the climate, geography and other interesting information that may be relevant to better understand methane sources within the country. If methane emission information is not immediately available, some general estimates may be possible using international studies such as EPA's study titled: *Global Anthropogenic Emissions of Non-CO₂ Greenhouse Gases: 1990–2020* (EPA Report 430-R-06-003) – available at: www.epa.gov/climatechange/economics/international.html

Some Resources and Items to consider:

- a. Existing national greenhouse gas (GHG) inventory and/or climate change program documents.
- b. Specific sector databases in Government Ministries.

2) Characterization of Public and Private Sector Involvement

Provide an overview of key actors in the methane arena within your country – both internal and external. This could focus on how methane emissions are managed in your country (e.g., owned and operated by the public or private sectors) or could focus on specific sources.

Some groups to consider include:

- Owners/Operators
- Sector-Related Organizations (e.g., trade associations)
- Utilities
- Local Governments
- State or Provincial Agencies
- Regional/Geographic Collaborations (e.g., Latin America)

- Non-Governmental Organizations (NGOs)
- Equipment Providers/Suppliers
- Other Private Sector Representatives
- Financiers (e.g., multi-national development banks)
- Project Developers
- Consultants
- Technical Experts

Researchers

Universities

a. Consider how the sources of methane emissions are managed in each sector and consider which ministries have authority over each sector; also think about which funding institutions are active in the methane sector.

3) Challenges to Mitigation or Abatement of Methane Emissions

Consider whether any project development barriers currently exist within you country and provide an overview of the challenges.

Some broad areas to consider include:

- Awareness
- Financial/economical
- Legal/regulatory
- Policy enforcement
- National capacity
- Project identification and development
- Resource/gas ownership issues
- Markets (e.g., end users)

- Low power prices
- Lack of transportation infrastructure
- Proven, cost-effective technologies (i.e., cost-benefit analysis)
- Inadequate/consistent (i.e., yearround) inputs
- Project scale (e.g., volume of gas)

4) Activities to Promote Methane Mitigation and Abatement (internally and externally)

Provide an overview of initiatives or activities that exist now in your country that promote methane abatement, recovery, and use (e.g., GMI activities). Also consider an overview of international climate work you are currently engaged in with an emphasis on methane with neighboring countries and others.

Some activities you may have already completed or considered may include:

- Data collection (e.g., inventories, research) and information products (e.g., reports)
- Information sharing
- Capacity building (e.g., workshops, clearinghouse)
- Targeted information exchange (e.g., list serves)
- Technical training (e.g., study tours)

- Prefeasibility studies
- Feasibility assessments
- Project identification
- Technology demonstrations
- Pilot projects
- Technology deployment
- Adoption of new policies/changes to regulatory framework
- Development of financial incentives

a. Consider including a section on additional types of assistance that could be useful to get projects moving and listings of successful projects developed.

5) Policy, Market and Legal Drivers to Advance Methane Project Development

Include a discussion of any market issues related to project development within your country. Some key issues could include: uses for methane, prices and tariffs, competition, import duties, market access (e.g. access to electric utility grid, gas pipeline), renewable or green energy standards, and regulatory issues. Also discuss how project financing, legal issues and policies addressed both internally and externally.

Some items to consider here (note these may also apply to number 3 above) include:

- Prices and tariffs
- Competition
- Access (e.g., electric utility grid, natural gas pipeline)
- Renewable or green energy standards (e.g., portfolios)
- Carbon credits
- Regulatory

- Legal framework (e.g., decrees, licensing/permitting)
- Climate change position (e.g., Kyoto Protocol signatory, CDM/JI opportunities)
- Policies and/or other mandates that might affect methane mitigation (e.g., mine safety, organic waste diversion)

6) Country Priorities

Based on the information gathered in covering the topics above, list some key near and long-term goals for your country on methane reduction, domestically and internationally.

7) Additional Information - Emission Sources, Mitigation Potential and Successful or Potential Projects

Additional information can be included to help others to better understand the full suite of activities within your country. Examples of information that could be included here include sector-specific emissions inventories, lists of active projects or projects in development, and any additional information listed above such as specific policies or laws, relevant ministries or organizations and any other contacts deemed useful to include.