# GLOBAL METHANE INITIATIVE 2<sup>ND</sup> STEERING COMMITTEE MEETING

Vancouver, Canada GMI2/Doc.1 March 2013

# Status of GMI Partner Action Plans Discussion Paper

## I. Purpose

The purpose of this discussion paper is to provide the history and current status of the Global Methane Initiative (GMI) Partner Action Plans, review related efforts on Nationally Appropriate Mitigation Actions (NAMAs) and Short-Lived Climate Pollutants (SLCPs) national action planning, and explore ways to assist Partners in developing GMI Action Plans and establishing linkages to these other efforts.

# II. 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 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.

For several years, the Steering Committee considered the potential benefits of expanding the Plans to 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 sector 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-sector action plans that would focus Subcommittee activities on the experiences and needs of each Partner country for specific sectors. 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 GMI launch, the Steering Committee discussed the need to broaden these further so that an overarching country plan could be developed for all methane sectors in which a Partner participated. The discussed goal of a broader GMI Partner Action Plan was 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. In 2010, the Steering Committee decided to formally include country-specific Action Plans into the Initiative by incorporating these plans known as "GMI Partner Action Plans" into GMI's TOR. The Steering Committee also tasked the Administrative Support Group (ASG) with developing guidance on appropriate elements of the GMI Partner Action Plans. The action plan guidance was presented in late 2011 (see Attachment A: GMI Action Plan Guidance).

The guidance is intended to be applicable for both developed and developing countries preparing an action plan. It provides considerable flexibility for countries as they develop their action plan. The guidance notes that the GMI Action Plan does not need to be a lengthy document and can in fact be only a few pages. The guidance presents four key "guiding" questions to assist countries in preparing a GMI action plan:

- 1. What are your country's objectives and priorities for participating in the GMI?
- 2. What are you doing now in your country or in other countries to advance methane project development and mitigation?
- 3. What is your country seeking from or planning to contribute to GMI?
- 4. Is there any additional information or any accomplishments or successes under GMI you wish to share?

# III. Status of Action Plan Development

During its October 2011 meeting in Krakow, Poland, the Steering Committee adopted the guidance and encouraged Partner Countries to complete GMI Action Plans prior to Methane Expo 2013. The Steering Committee also reached the following decisions and recommendations regarding the Action Plans:

- Requested Partners to designate one official representative responsible for coordinating, developing, and submitting the GMI Action Plan.
- Requested that Partners incorporate or leverage existing tools and resources from other climate initiatives or plans into the GMI Partner Action Plan.
- Suggested that periodic updates to the GMI Action Plans should be performed, as necessary.
- Agreed that GMI Action Plans would be posted to the GMI website so they would be accessible
  to all Partners.

To date, two countries have submitted new plans in response to this request. Australia submitted updated sector action plans. The European Commission submitted a "Partner Action Plan" that was essentially a coal sector action plans. The EC submission noted that the inclusion of other sectors would be difficult as it falls under the mandate of different departments.

In terms of overall completion rates for country sector-specific action plans, the ASG estimates that about 30% of all sector-specific action plans have been submitted to date. (This estimate is based on country's participation in certain Sector Subcommittees, compared to the total number of such sector action plans completed and submitted to date). This figure includes approximately 40 sector plans submitted by roughly 15 GMI Partner Countries across the agriculture, municipal solid waste, oil & gas, and coal mining sectors. Thus, while there is a relatively low participation rate by percentage, a significant number of countries have made real headway on the hard work of developing action plans.

The ASG is aware that some Partner Countries are in the process of developing GMI Partner Action Plans, and has also received anecdotal reports corroborating difficulties from some Partner Countries corroborating the difficulties of coordinating across different departments, ministries, or agencies.

Based on this feedback, the ASG suggests that the following barriers have contributed significantly to the relatively low completion rate of the GMI Partner Action Plans to date:

- 1. Difficulty in reaching across multiple jurisdictions at the national level (e.g., different departments, agencies, or Ministries) to develop a comprehensive GMI action plan.
- 2. Lack of resources to complete GMI Partner Action Plans.
- 3. Action plan "fatigue" due to a number of other ongoing efforts that are similar in nature, such as Nationally Appropriate Mitigation Actions (NAMAs), Low Emission Development Strategies (LEDS). In addition, there may also be confusion about action planning exercises on short-lived climate pollutants that some countries are undertaking under the Climate and Clean Air Coalition (CCAC).

To help facilitate development of the GMI action plans, ASG suggests that the Steering Committee discuss the original intent of these plans and the challenges that Partners have experienced in attempting to develop such plans, to better understand these barriers and identify potential options for increasing development of GMI action plans.

Some possible options for consideration are listed below to catalyze this discussion.

- 1. To the extent that difficulty in achieving coordination across multiple agencies is a critical barrier, the ASG suggests the following possible options for the Steering Committee to consider:
  - A. Providing more explicit guidance to Partners to clarify the flexibility inherent in the GMI Action Plans. For instance, Partners can be encouraged to include specific language in their GMI Action Plan that clearly articulates what it does (and does not) encompass. For example, this type of "disclaimer" language could clearly state that the GMI action plan does not constitute a binding commitment; or that it is a compilation of discrete, sector-specific plans each completed by distinct ministries; etc. This approach emphasizes the flexible nature of action plans as intended, but may lead to considerably less comprehensive plans.
  - B. Provide more explicit guidance to Partners to clarify that the information provided in the plan identifying future priorities is non-binding and would be intended simply to provide information to facilitate more effective collaboration with other Partners.
  - C. Coordinate with relevant entities such as the CCAC, LEDS Global Partnership, and others working on NAMAs to help GMI countries coordinate with their in-country colleagues on national planning exercises. This work could also involve the harvesting of already-approved language from national plans, development initiatives, and international MOUs for citation in GMI sector and national action plans.
  - D. Strongly encourage all Partners to update or submit sector-specific action plans for sectors in which they are actively engaged in GMI.
- 2. To the extent that financial or staff resources are a key barrier to Partners' ability to develop GMI Action Plans, perhaps the Steering Committee can identify those needs and discuss ways in which actions are already underway, or could be initiated, to assist in development of GMI Action Plans.
- 3. To the extent that there is confusion about the different "action planning" processes for similar but distinct initiatives, the Steering Committee can identify how these efforts can complement each other and how to avoid duplication of efforts.

Regarding the third issue identified above, the next section describes NAMAs, and discusses several efforts underway by GMI Partners to use that approach to achieve methane reductions, as well as how these efforts can be readily linked to GMI Action Plans. It also describes efforts through the CCAC to develop SLCP action plans.

## IV. Possible Avenues to Leverage Existing Tools, Resources, and Efforts

## Nationally Appropriate Mitigation Actions (NAMAs)

Nationally Appropriate Mitigation Actions or NAMAs comprise policies, programs, or projects implemented at national, regional, or local levels that contribute to the goal of measureable and verifiable

GHG reductions and are intended to enable mitigation action and provide access to financing under future climate agreements. NAMAs recognize that countries might take different nationally appropriate GHG mitigation action on the basis of equity and in accordance with common but differentiated responsibilities and respective capabilities. They also emphasize the need for financial assistance from developed countries to developing countries to reduce global emissions.

The concept of NAMAs was first introduced as part of the Bali Road Map agreed at the United Nations Climate Change Conference in Bali in December 2007, and also formed part of the Copenhagen Accord issued following COP 15 in Copenhagen in December 2009. The Copenhagen Accord calls on participating countries to pledge specific actions they will undertake to mitigate GHG emissions. In the case of developed countries, the nonbinding Accord calls for quantified economy-wide emission targets for 2020. In the case of developing countries, it calls for NAMAs, but does not specify what form they should take. Proposed Copenhagen Accord pledges aim to reduce global GHG emissions between 4 percent and 16 percent below business as usual (BAU) in 2020 through specific actions (e.g., improved energy efficiency, renewable energy development, sustainable forest management and water resources) within targeted sectors (e.g., agriculture, energy, forestry, natural gas systems, solid waste management, transportation), many of which are covered by GMI. A number of GMI Partners are already engaging in efforts to support or develop NAMAs. A few examples are included in Appendix 1 attached.

#### GMI and NAMAs

If a GMI country is engaged in developing a NAMA that includes methane reductions as an activity, it would be appropriate to include any GMI activities that they may have undertaken or that they are planning. In these cases, the methane section of a developing country NAMA could then serve as their GMI Partner Action Plan, since ideally it would include the same information that would be included in a GMI Partner Action Plan and would also serve the same purpose:

"...to articulate the overall vision for a Partner's participation in GMI, outline key country [methane] activities and priorities, and provide a mechanism to advance cooperation among Partners by identifying needs and opportunities."

## Climate and Clean Air Coalition (CCAC) To Reduce SLCPs

Under the CCAC, Mexico and the Stockholm Environment Institute (SEI) are leading an initiative to promote national action planning for SLCPs. Specific activities include: inventory development; building on existing air quality, climate change and development agreements; and assessment, prioritization, and demonstration of promising SLCP mitigation measures. SEI and the U.S. Environmental Protection Agency have been instrumental in gathering scientific evidence on effects of SLCPs, helping to raise awareness of the benefits of taking immediate action and discussing the possibility of including SLCPs in national or regional action plans. Currently, two GMI Partners are engaged in the CCAC's national action planning initiative: Mexico and Colombia.

Since the CCAC's launch in early 2012, a number of GMI Partners have joined the coalition. As CCAC-related efforts to address SLCPs advance, Partners might be able to leverage activities undertaken through CCAC and/or GMI to develop action plans that address the goals of both programs. The development of toolkits and policy development resources is planned under the CCAC SLCP national action planning initiative.

# V. Issues for Steering Committee Consideration

- 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 sector action plans and overarching partner action plans?
- Does the Steering Committee wish to task the ASG with tracking progress and communicating with other appropriate organizations and entities to facilitate the completion of GMI methane action plans to avoid duplication and ensure mutual support?
- Does the Steering Committee wish to ask the ASG to issue revised guidance on action plans that provides additional direction on encouraging linkages to any existing climate plans (e.g., NAMAs, SLCP Action Plans, other planned or existing country climate plans)?

#### ATTACHMENT A

## **Examples of GMI Partner Country NAMA Support:**

Municipal Solid Waste (MSW) Subcommittee Efforts on Measuring, Reporting, and Verification (MRV) Several Partner Countries (e.g., Germany) have expressed desire to develop NAMAs, but see challenges in calculating baseline and measuring, reporting, and verification (MRV). During the July 2012 MSW Subcommittee meeting, participants discussed how GMI could help by providing a forum for information exchange and developing informational materials on NAMAs. In this capacity, GMI would not duplicate existing available NAMA information (such as UNFCCC resources), but could help to enhance the existing information. In addition, GMI could define what MRV elements might be included for the waste sector and possibly develop an MRV guidance that could help financiers to fund NAMAs by creating a standardized MRV method.

## Current Environment Canada NAMA Efforts in Latin-America

Environment Canada is working with several Partner Countries in Latin America to develop NAMAs in the MSW and Oil and Gas sectors via a funding to the Center for Clean Air Policy (CCAP).

- Municipal Solid Waste Sector: One example is Colombia's NAMA development, conducted by the Colombian Ministry of Environment and Sustainable Development with assistance from CCAP. A March 2012 workshop among stakeholders identified two potential NAMAs: 1) integrated solid waste management including waste separation, recycling and tariff incentives and 2) construction and demolition (C&D) waste, including diversion of C&D waste from landfills through reuse, recycling, or waste to energy processes. Additional work has been conducted at follow-up workshops and is planned for a side-event at the Methane Expo 2013.
- Oil and Gas Sector: Environment Canada is also collaborating with Colombia and Mexico to develop credible NAMAs under the Fast Start Funding, which was established at the UNFCCC 16th Conference of Parties (COP 16) in Cancun and brings \$30 billion in initial funding for period 2010-12. Mexico and Colombia's NAMA plans will respectively address emerging priorities for management of energy, environment, and the economy; advance the development and transfer of knowledge and clean energy technologies; ensure the economic and environmental sustainability of oil and gas production; develop new and profitable opportunities to measurably improve resource recovery and environmental quality; and identify a list mitigation actions that can be implemented.

# Japan's NAMA Assistance in Ethiopia and Serbia

Ethiopia is working on developing a NAMA to define best practices in composting, which is being funded by the Japanese government. Serbia is also working with the Japan International Cooperation Agency to build Serbia's capacity to develop NAMAs. So far, the Serbian government considered 73 possible activities: 16 were selected to be evaluated further and six were selected as NAMAs. Descriptions of the selected NAMAs are being prepared and should be finalized by February 2013.

#### ATTACHMENT B



# 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., year-round) 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.