



Methane to Markets

Revising and Enhancing the Terms of Reference (TOR)

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Overview

- Background
- Modifications based on points of agreement from the September 2009 meeting (Washington, DC):
 - Methane abatement/destruction
 - Linkage to UNFCCC
 - National methane action plans
 - Enhanced Monitoring and Reporting
- Updating the TOR to reflect consensus decisions reached at Steering meetings prior to September 2009:
 - New Sectors
 - Vice Chair Positions
 - The Administrative Support Group (ASG)
 - Steering Committee Partners
- Additional Items for Consideration:
 - Reference to improving scientific understanding
 - Determination of appropriate time period governing the revised TOR (i.e. 5 years)
 - Committee membership procedures (discussed earlier)

Background

- The original Terms of Reference (TOR) was signed by 14 Partners countries in 2004. Since then, 17 additional countries have signed the TOR.
- A 5-year period was established for the original TOR, which was due to expire in November 2009.
- Discussion of the future of the Partnership and possible TOR modification was initiated at the January 2009 Steering Committee meeting.
- Focused discussions continued at the September 2009 meeting. At that time, the Steering Committee:
 - Extended the current TOR for one year to allow time for revision/expansion
 - Reached general agreement on several key elements
 - Tasked the ASG to summarize agreed upon changes and develop a redline version for review and consideration.

September 2009 Modifications: Methane Abatement/Destruction

- Edits reflect Steering Committee's view that the Partnership should broaden its mission to incorporate important methane reduction activities (e.g., abatement, destruction) in addition to capture and use.
- Despite the broader emphasis on methane reduction, the Partnership will maintain its focus on project development and methane recovery/use.
- Suggested Revisions:

Introduction: Methane to Markets serves as a framework to ~~promote cost-effect, near term methane recovery internationally~~ achieve global reductions of anthropogenic methane through partnerships...

1. Purpose

To create a voluntary, non-binding framework for international cooperation to reduce methane emissions and advance the recovery and use of methane as a valuable clean energy source.

Note: Blue = existing text, orange = suggested or new text,
red = strike-out text

September 2009 Modifications: Linkage to the UNFCCC

- This language reflects the Steering Committee's interest in making more explicit linkages between Methane to Markets and the United Nations Framework Convention on Climate Change (UNFCCC).
- Suggested Revision:
 1. *Purpose*
[last sentence].... The Partnership will serve to complement and support Partner's efforts implemented under the United Nations' Framework Convention on Climate Change.

September 2009 Modifications: National Methane Action Plans

- During its last meeting, Steering Committee participants supported the idea of country action plans to help focus and organize Partnership efforts, and serve as a useful tool to provide a solid basis for future action.
- It was noted that Partners and Project Network members would also be encouraged to provide support (e.g., technical, financial) to countries needing assistance in developing and implementing action plans.

September 2009 Modifications: National Methane Action Plans

- This proposed new section formalizes the Committee's interest in the creation of these plans, strengthening them, and reinforcing their importance more broadly. It also proposes establishing a timeframe of two years from joining the Partnership to develop the action plans.
- Suggested Revisions:

2.10 Develop and implement collaborative country action plans that outline a series of concrete activities and actions that directly support the core goals and functions of the Partnership.

3.4 ...Each subcommittee will develop a work to implement its collaborative action plan and support all Partners in the development and implementation of their country-specific action plans.

4.1 All Partners should complete national methane action plans for the sectors in which they have nominated Subcommittee delegates by November 2012 or for countries joining after that date, within two (2) years of signing the Terms of Reference. ... Partners should support each other in the development and implementation of these Action Plans by providing technical, financial or other support when necessary.

September 2009 Modifications: Monitoring/Reporting

- The existing TOR states that the Partners should develop and implement a process for monitoring progress. The ASG recommends strengthening language to reflect the Steering Committee's belief in the importance of monitoring and reporting.
- During its last meeting, the Steering Committee agreed to add language about annual reporting while trying to keep the requirements flexible enough to suit each Partner's needs.
- Delegates also commented on the need to identify existing tools to support development and incorporation of a more formal reporting system, as long as it was not burdensome to the members.

September 2009 Modifications: Monitoring/Reporting cont.

- Suggested Revision:

The Partners will seek to:

2.11 Develop and implement a process for evaluating progress and reporting results. Evaluate activities and report progress of the Partnership's efforts to the international community.

- Suggested Revision:

4.2 Partners should detail their activities in support of their action plans and their accomplishments to the Administrative Support Group on an annual basis.

TOR Updates: New Target Methane Sources

- The agriculture sector was not included as a focal area under the original TOR, although the Steering Committee established an Agriculture Task Force that became a full subcommittee in 2005.
- Wastewater could also be added to the TOR if the Steering Committee agrees that the sector belongs in the scope of the Partnership. If it is not currently ready to do so, retaining the original TOR language preserves the option for the Steering Committee to add other sectors in the future.

Agreed Upon Modifications: New Target Methane Sources (con't)

- Suggested Revisions:

2.1 Identify and promote areas of bilateral, multilateral, and private sector collaboration on methane recovery and use initially in the areas of coal mining, oil and gas systems, and landfills, and agriculture (manure management and agro-industrial waste), and subsequently in other areas as agreed to by the Partners.

3.1 The Subcommittees will focus on the following focal areas: Coal Mines, Landfills, Agriculture (manure management and agro-industrial waste), and Oil and Gas Systems. The Steering Committee may establish additional Subcommittees in other focal areas as agreed, for example, in the agriculture and livestock sector. Each Subcommittee will create and support a Project Network.

TOR Updates: Vice Chairs

- The current TOR allows Partners to appoint up to three members to each Subcommittee, and each Subcommittee can elect two co-chairs. Since the original TOR was adopted, the position of “vice-chair” has been created to provide an additional Partner country the opportunity to contribute its leadership and expertise to the Subcommittee.
- Suggested Revision:

3.4 Each Subcommittee will elect two co-chairs, one from a developed and the other from a developing country or country with an economy in transition, and one vice chair.

TOR Update: The Administrative Support Group (ASG)

- U.S. EPA has supported and hosted the ASG since 2004. Existing TOR language could be modified to remove reference to time periods (e.g., two years) while maintaining the option to move the ASG to another host.
- Suggested Revision:

*3.7 The Administrative Support Group will be supported and hosted **initially** by the United States, at the Environmental Protection Agency in Washington D.C., **for a period of two years. Thereafter**, The Group can be moved to another host by the consensus of the Steering Committee.*

TOR Updates: Steering Membership

- In Appendix A, the following countries should be added to the list of Steering Members:
 - Ecuador
 - European Commission
 - Finland
 - Republic of Korea

For Consideration: Scientific Understanding

- Given the work of the Partnership over the last five years, and the proliferation of other research networks, the language on scientific understanding may no longer be appropriate. The Steering Committee may wish to consider removing this language from the TOR.
- Suggested Revision:
2.9 work to improve scientific understanding and certainty in relation to the recovery and use of methane.

For Consideration: Length of TOR adoption

- The existing TOR commenced on 16 November 2004 and remained in effect for 5 years, until it was extended at the 2009 Steering Committee meeting.
- For the new TOR, the Steering Committee should consider an effective time period (i.e., 5 years through 2015). The ASG proposes 5 years from the 2nd Ministerial meeting.

Items for Consideration

- Adoption/Modification of Suggested Language
 - Does the Steering Committee wish to adopt the language drafted by the ASG and described above, which reflects the positions reached at the Washington, DC meeting?
- Additional Modifications
 - Are there other revisions or additions the Steering Committee wishes to make?
- Length of TOR Adoption
 - Does the Steering Committee wish to adopt the enhanced/revised TOR for a period of 5 years from the date of the Second Ministerial meeting?
- Process
 - Given the progress made by the end of this meeting, what should the process of finalizing the modifications to the TOR be in advance of the Ministerial Meeting?