

Recommendations for the Elaboration of the Baseline Scenario



EX-ACT Training Workshop



Baseline scenario



- the counterfactual outcome in terms of input variables & GHG impacts that would most likely have occurred in absence of the project intervention
- the instrumental step to estimate and prove the additionality of a project, meaning its capacity to lead to less GHG emissions than without project
- final results of EX-ACT are determined as strongly by the project as the baseline scenario
- setting a baseline can have political implications as well as technical, as the level of emissions that a country or project might claim as a right, is not necessarily the same as the most likely emissions growth scenario without the project

Three methods for developing the baseline scenario

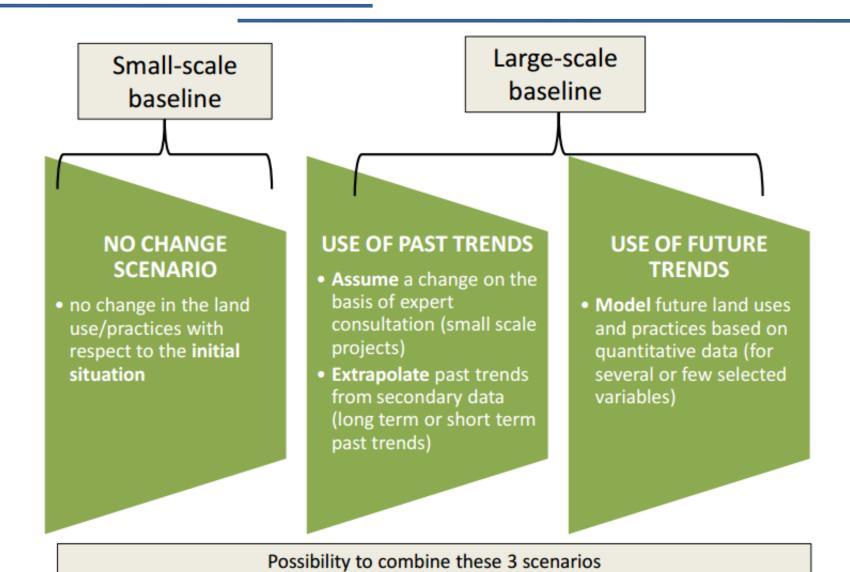


EX-ACT thereby proposes three main methods to develop a baseline scenario:

- No-change scenario (Status quo)
- Use of past trends
- Use of future trends

Three methods for developing the baseline scenario





Choosing the most adequate baseline approach



Choice depends on scale of the project intervention, data availability & time frame of the analysis

No-change scenario:

 For small-scale projects, simple appraisals & markedly static situations

Past trends:

- Common choice for LUC dynamics
- Preferred choice for informing typical adoption rates by farmers under project interventions

Future trends:

Preferred choice for LUC dynamics

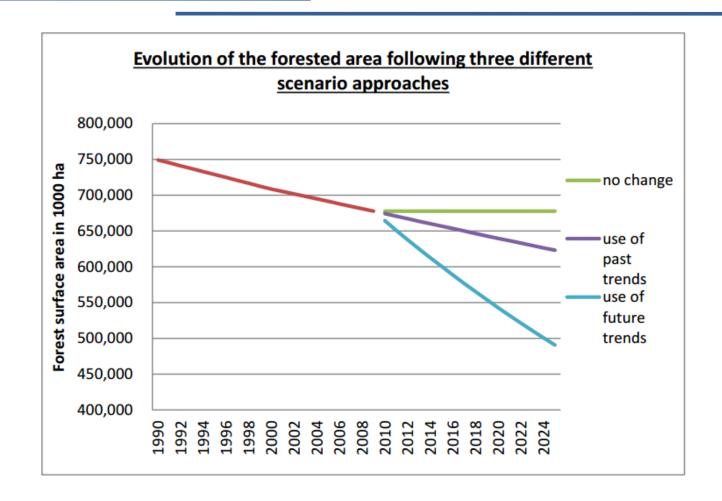
Priority area of concern: Land Use Change Scenarios



- Baseline scenarios are necessarily subject to uncertainty
- Transparency of assumptions and methods important
- Sensitivity analysis concerning key assumptions and development of alternative scenarios is a good practice

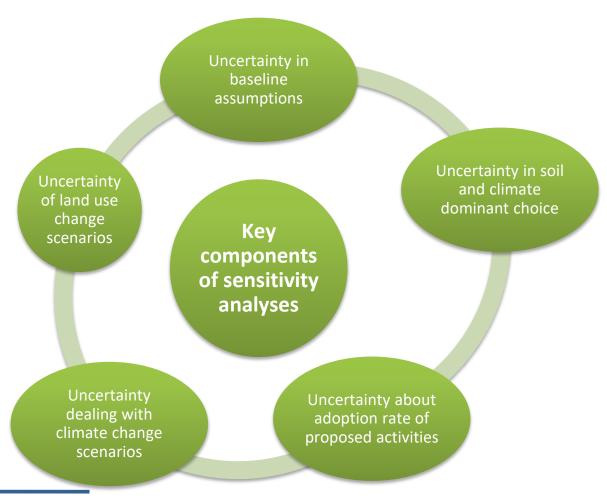
Sensitivity of the baseline scenario to different methods: Example of land use change





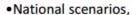
Development of several baselines: Sensitivity analysis





Process guidance for baseline development





- National policies
- National inventories
- National communications
- NAPAs, NAMAs

Get data at country level

Exchange with counterparts

- MoA, MoF, MoE, ...
- Procure project data
- Consult stakeholders concerning initial scenario and assumptions

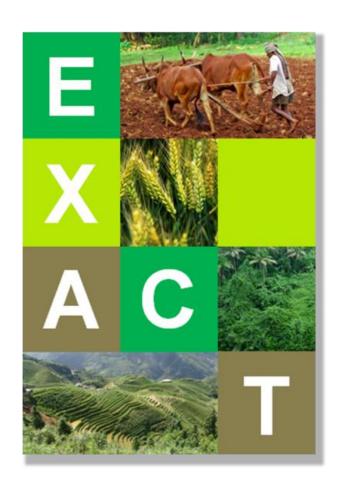
- Based on the results from the consultation process with country
- •No change / past trends / future trends scenario
- Transparency and conservatism

Decide baseline setting

Develop baseline scenario

- Optimistic / pessimistic baseline scenario
- Sensitivty analysis





EX-ACT TRAINING:

LOUIS BOCKEL (FAO): louis.bockel@gmail.com

WEBSITE: <u>WWW.FAO.ORG/TC/EXACT</u>

EMAIL: EX-ACT@FAO.ORG

THANK YOU!