

# Status and key development of the CDM and future outlook

Workshop on Improving the Regional Distribution of CDM Projects in Asia and the Pacific

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## Overview

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- Registration and Issuance Procedures
- Appeals Mechanisms
- Methodology Processes
- Promoting regional distribution
- Working with DOEs



## TIMELINES

### FOR REGISTRATION AND ISSUANCE

*The CMP urged the EB to take effective action to ensure compliance with established timelines for each of its procedures as well as with decisions of the CMP and, where possible, to reduce the established timelines.*

- a) Due to continuing increase in CDM activity, a backlog in the processing of submissions has developed.
- b) The SDM restructuring is expected to reduce processing times and backlogs.



## REVISED PROCEDURES

### FOR REGISTRATION, ISSUANCE AND REVIEW

*The CMP requested the EB to adopt as soon as possible, and subsequently apply on an interim basis, revised procedures for registration, issuance and review.*

At its 54th meeting the EB adopted revised registration and issuance procedures.

- o **Transparency/clarity of timelines** is improved. (PPs will now be given a scheduled start date for completeness check.)
- o The present completeness check phase is divided into **two phases**, (1) **completeness check** (7 days), and (2) **information and reporting** check (23 days)
- o The time from publishing of request for registration to automatic registration is **shortened to 28 days, from 8 weeks.**



## REVISED PROCEDURES

### FOR REGISTRATION, ISSUANCE AND REVIEW

At its 55th meeting the EB adopted revised review procedures which:

- o Allow for the **prioritization of new submissions**;
- o Remove the two phase consideration by the Executive Board and allow for decision's to be taken between meetings if the recommendation of the secretariat and RIT is the same; and
- o Place the responsibility for the quality of the submission clearly with the DOE by removing the possibility for the Board to require corrections and allowing the DOE to submit revised documentation in response to the request for review.



## APPEALS MECHANISM

### STATUS

*The CMP requested the EB to establish procedures for considering appeals by stakeholders in relation to:*

- a) *Situations where a DOE may not have performed its duties.*
- b) *Rulings taken by or under the authority of the EB regarding the rejection or alteration of requests for registration or issuance.*

In March 2010, the EB discussed the appeals process and launched a **call for input** from relevant stakeholders (including legal experts).

A procedure for complaints against DOEs has been included in the draft revision to the accreditation procedure.

A procedure for appeals against EB decisions has ben prepared by the secretariat following a call for inputs and two policy discussions by the Board.

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The EB will consider both documents next week at EB56 in Brazilia.



## TOP-DOWN METHODOLOGIES

### TO EXPAND REGIONAL DISTRIBUTION

*The CMP requested the EB to develop top-down methodologies that are particularly suited for application in countries hosting fewer than 10 registered CDM project activities:*

The main task is to **identify types of project activities with potential for emission reductions** for which there are no approved methodologies and develop framework methodologies that will be presented to potential project proponents in order to get their inputs.

In July 2010, the EB is expected to discuss types of project activities with potential for emission reductions for which there are no approved methodologies or for which the applicability of existing approved methodologies is too narrow.

The EB might launch a **call for public input** if necessary. Discussions regarding this issue are expected to continue until September 2010.



## LOAN MECHANISM

### CREATION

*The CMP requested the EB to provide loans to support countries with fewer than 10 registered CDM project activities. The loans are expected to cover the costs of the development of project design documents as well as the costs of validation and the first verification for these project activities.*

The main tasks are to:

- a) Outline allocation, disbursement, accounting, and repayment procedure.
- b) The EB at its 54th meeting chose **outsourcing, with involvement of secretariat.**
- c) A full proposal for modalities for this scheme will be considered by the Board next week in Brazilia

Previously the registration and issuance fees were waved for countries with fewer than 10 projects.



## DESIGNATED OPERATIONAL ENTITIES

### MONITORING OF PERFORMANCE

*The CMP requested the CDM Executive Board to develop and apply, as a priority, a system for continuous monitoring of performance of DOEs and a system to improve performance of these entities.*

The main tasks are to:

- a) Establish and implement a system to monitor and report on performance of individual DOEs, providing regular and timely feedback to enable self-improvement of their level of performance.
- b) Ensure that the system provides data to support substantive improvement activity of the CDM system and provide a sound platform for further analysis.
- c) Implement policies to address non-compliance by DOEs.

The EB is expected to finalize work on this issue in the coming months.

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Looking forward

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## The future?

- Parties have indicated support for the continuation of the mechanism
- The Executive Board and the secretariat will continue to make efforts to simplify the requirements and improve the efficiency of the processes:
  - New tool for the identification of baseline scenarios
  - Enhanced interaction with DOEs and project developers
  - More responsibility being devolved to DOEs
  - More clarity being provided regarding applicable requirements, through a revised catalogue of decisions and additional guidelines



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FURTHER INFORMATION:

<http://cdm.unfccc.int/>

THANK YOU

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