

 <p>CDM: FORM FOR SUBMISSION OF A “LETTER TO THE BOARD” (Version 01.2)</p> <p>This form should be used only by project participants and other stakeholders for submitting a “Letter to the Board” in accordance with the latest version of the <i>Modalities and procedures for direct communication with stakeholders</i></p>	
Name of the stakeholder ¹ submitting this form (individual/organization):	Project Developer Forum
Address and contact details of the individual submitting this form:	Address: 100 New Bridge Street, London, EC4V 6JA Telephone number: +65 6578 9286 E-mail address: office@pd-forum.net
Title/Subject (give a short title or specify the subject of your submission)	Request for withdrawal of Guidelines on Common Practice v2 (EB69 Annex 8)
Please mention whether the submitter of the form is:	<input type="checkbox"/> Project participant <input checked="" type="checkbox"/> Other stakeholder, please specify NGO
Specify whether you want the letter to be treated as confidential ² :	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
Please choose any of the type(s) below ³ to describe the purpose of this submission.	
<input type="checkbox"/> Type I: <input type="checkbox"/> Request for clarification <input type="checkbox"/> Revision of existing rules <input type="checkbox"/> Standards. Please specify reference <input type="checkbox"/> Procedures. Please specify reference <input type="checkbox"/> Guidance. Please specify reference <input type="checkbox"/> Forms. Please specify reference <input type="checkbox"/> Others. Please specify reference <input type="checkbox"/> Type II: Request for Introduction of new rules <input checked="" type="checkbox"/> Type III: Provision of information and suggestions on policy issues	
Please describe in detail the issue on which you request a response from the Board, including the exact reference source and version (if applicable).	

¹ DNAs and DOEs shall use the respective DNA/DOE forms for communication with the Board.

² As per the applicable modalities and procedures, the Board may make its response publicly available.

³ Latest CDM regulatory documents and information are available at: <http://cdm.unfccc.int/Reference/index.html> .

Honorable Members of the CDM Executive Board,
Dear Mr. Duan,

The PD Forum is deeply disappointed with the Guidelines on Common Practice v2 adopted at EB69 and calls for them to be withdrawn.

Prior to EB69, the proposed guidelines were discussed in detail at the 5th CDM Round Table and were included in the call for input on the annotated agenda of EB69. However, the document adopted at EB69 does not resemble the documents presented at either the Round Table or in the call for input, nor does it reflect the discussions at the Round Table or the stakeholder inputs. It is deeply disappointing that after seeking stakeholder inputs on two occasions, these inputs are not taken into consideration and new text, which has not been previously discussed, has been adopted.

The resulting guidelines are incompatible with the additionality tool, and thus cannot be applied until the additionality tool is revised. Unfortunately, as guidelines are applicable immediately and without any grace period, it is causing significant confusion for DOEs and PPs (even if the meeting report states that these guidelines shall be included in the next revision of the tool) resulting in delays in validation at a critical point in the run up to the end of 2012 deadline.

Additionally, the analysis in the new guidelines results in a meaningless number rather than a penetration rate of the measure/technology if applied to the majority of projects. According to step 2 of the guidelines v2, renewable energy projects can only be compared to the same type of renewable energy project, thus the list of all projects (N_{all}) for a geothermal project includes only geothermal projects, and for wind projects only wind. In step 4 we need to identify from that list of geothermal or wind projects those that apply technologies that are different from the proposed geothermal or wind project. And then finally we can calculate the penetration rate, but this results in the penetration rate of geothermal in the geothermal sector, or wind in the wind sector. Therefore, the guidelines result in a meaningless number for factor F, rather than the penetration rate. As a result, the common practice is simply reduced to checking whether $N_{all} - N_{diff}$ is greater than 3.

On this basis, we call for the guidelines to be withdrawn.

Additionally, we also would like to raise our concern about the fact that many changes in the interpretations of the rules are being implemented through new guidelines and clarifications. We believe this is not correct. Guidelines and clarifications are meant only to further explain existing and current interpretations of the rules, not as a means to change the rules. Changing the rules through guidelines and clarification avoids the normal and appropriate 8 months grace period for the implementation of new requirements, and – based on our experience with such changes previously – will almost certainly be implemented retroactively during the completeness checks. This must absolutely be avoided in order for the system to be fair and transparent.

Your consideration of these suggestions would be very welcome and we would of course be available to discuss them further with you.

Yours sincerely,



Rachel Child,
Co-Vice Chair
Project Developer Forum

Please provide any specific suggestions or further information which would address the issue raised in the previous section, including the exact reference source and version (if applicable).

The guidance in the tool itself can and should be improved. The text of the guidelines presented at the Round Table and in the annotated agenda, taking into account the discussions and stakeholder inputs, would be suitable as improved language.

Particular improvements include:

- Examples of 'measures' in para 6, or an even better improvement would be the removal of this unused concept from the tool completely;
- Include a reference to AM_TOOL_0015 in step 2 which allows the option for a smaller subset of all plants to be identified, if information is not available or difficult to obtain, as the use of a smaller subset as per this clarification is more conservative;
- Allow the use of other publicly available information while identifying similar projects in step 2;
- Removal of footnote 13, as the suggestion from this footnote to potentially include CDM projects in this step would invalidate the analysis completely.

If necessary, list attached files containing relevant information (if any)

- [replace this bracket with text, the field will expand automatically with size of text]

Section below to be filled in by UNFCCC secretariat

Date when the form was received at UNFCCC secretariat

Reference number

History of document

Version	Date	Nature of revision
01.2	08 February 2012	Editorial revision.
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
Decision Class: Regulatory Document Type: Form Business Function: Governance		