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To info@unfccc.int  
From  
Date 18 September 2011  
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Subject Unsolicited letter relating to the annotated agenda of the 63<sup>rd</sup> meeting of the CDM Executive Board / annex 11 (Project Cycle Procedure)

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Mr. Martin Hession,  
Honorable Members of the CDM Executive Board,

The Project Developer Forum (PD Forum) welcomes the release of the draft CDM Project Cycle Procedure for consideration at EB63. We would like to thank the secretariat for its hard work with regards to this document, both before and after the workshop in Bonn. Overall, we feel the document represents a positive step forwards for the CDM.

The PD Forum was pleased to see the level of stakeholder interaction that existed during the Bonn workshops and welcomes the opportunity to continue to feed into the development of the Project Cycle Procedure in order to ensure that it is as effective as possible. On this basis we would like to highlight the following areas where the PD Forum believe further improvements could be made to enhance the usability of the document.

- **Paragraph 7.** The proposed limit to the prior consideration was revised from 6 months to 180 days. Although that represents a very small difference, for any project the prior consideration of which has already been done (but registration has not been requested), we suggest that the rules at the time of the prior notification to the EB (6 months) should apply and not the shorter period (180 days).
- **Paragraph 23.** This paragraph refers to an "initial MoC" at the time of validation. As this differs significantly from the current procedure, the PD Forum seeks more clarity on the meaning of "initial" and the timeline for submission.
- **Paragraphs 35, 62, 138 and 186.** Decision 3/CMP.6 in its paragraph 60 urges the CDM Executive Board to limit the awaiting time before commencement of completeness checks to a maximum of 15 days. This limit however is not mentioned in the PCP. The PD Forum would suggest that this limit be included into the PCP.
- **Paragraph 104 and paragraph 231.** The PD Forum would like to suggest that the following text be inserted as new paragraphs after both paragraph 104 and paragraph 231:

"The DOE or the project participants may request the secretariat, by email through a dedicated email address ([xxxx@unfccc.int]), to make a telephone call to them to provide clarifications on the reasons for the rejection if they are not sufficiently clear to them. Only one such request, regardless of the requesting party, shall be allowed per review of the request for [registration]

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[issuance]. In this case, the DOE or the project participants shall provide contact detail of the person to be called with preferred time slots. The secretariat shall fix a call appointment within three (3) days from the receipt of the request. The secretariat shall record the call.”

- **Paragraph 131(a) and paragraph 131(b)(iii).** Both paragraphs refer to a “registered monitoring plan” but to be consistent with paragraph 49 of the PS, which states that “project participants shall develop and provide a description of a monitoring plan for the proposed CDM project activity in accordance with the selected methodology”, paragraphs 131(a) and 131(b)(iii) should refer to a “description of the monitoring plan” instead.
- **Paragraph 135.** The text refers to paragraph 131(a) (i.e. temporary deviation from the registered monitoring plan or monitoring methodology). In fact it should have referred to paragraph 131(b)(ii) (i.e. changes to the start date of the crediting period), according to the draft PCP discussed during the workshop in Bonn and the existing procedures. Therefore, the PD Forum would like to suggest that “131(a)” be replaced with “131(b)(ii)” in paragraph 135.
- **Paragraph 150 and paragraph 151.** Both paragraphs 150 and 151 refer to the same paragraph 131(a) which seems inconsistent. Therefore, the PD Forum would like to suggest that a correction be made as applicable.
- **Paragraph 161(a).** The documentation required in paragraph 161(a) may be extremely difficult to obtain in some countries. Therefore our suggestion would be to revise the paragraph as below:

“Supporting documentation, including powers of attorney, or extracts from board meeting minutes or company association documentation, or extracts/certificates from national company registries that cannot be verified online, is dated or notarized within two (2) years from the time of submission of a request for change to established modalities of communication. This time limitation does not apply to letters of approval issued by DNAs nor to copies of national personal identity documents;”
- **Paragraph 166(b)(i).** The provision that any project participant may change the designation of the focal points raises concerns. We would like to suggest that the sentence “by any of the project participant” be removed from the paragraph so that only the focal point should be able to make changes. That amendment would be in line with paragraphs 161 and 170.
- **Paragraph 172(c).** The requirements of paragraph 172(c) are not entirely clear in regard to project participants that ceased operations due to bankruptcy. Therefore the PD Forum would like to suggest that the following amendment to the paragraph:

“172(c). Withdrawal of a project participant. If a project participant has ceased operations due to bankruptcy or other reasons and is unable to sign annex 2 of the F-CDM-MOC, the submission shall be accompanied by documented evidence a-written proof of the cessation;”
- **Paragraphs 188 and 191.** Replace “(2) days” with “(2) working days” to allow for receipt on a Friday.
- **Paragraphs 226-230.** It is often the case that the publication of the final ruling after a rejection of a request for issuance can take more than two months after the project participant is informed of the rejection. That results in further delays in case project participants wish to resubmit the request for issuance. The PD Forum would thus like to suggest that the final ruling relating to the rejection of a request for issuance should be prepared by the secretariat together with the

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assessment report that led to the rejection, so that the CDM Executive Board can approve both the decision and the final ruling simultaneously. That could be implemented e.g. through the following revisions: paragraphs 228, 229 and 230 to be deleted and paragraphs 226 and 227 to be amended as below:

"226. If a Board's final decision made in accordance with paragraph 218 or 222 above is to reject the request for issuance, the secretariat shall **publish the final ruling and** update the information on the UNFCCC CDM website accordingly on the first working day subsequent to the finalization of the decision. ~~Furthermore, within 21 days of the finalization of the decision, the secretariat shall provide the Chair of the Board with an information note containing a proposed ruling incorporating the final decision.~~"

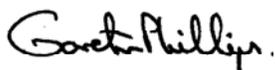
"227. The ~~proposed~~**final** ruling shall contain an explanation of the reasons and rationale for the final decision, including, but not limited to:"

- **Paragraph 232.** The PD Forum approves of the original draft version of paragraph 232 as contained in the draft discussed during the workshop in Bonn. In the original draft version the re-submission of rejected requests for issuance was not subject to prior approval by the CDM Executive Board, the DOE would decide if a re-submission complies with the requirements. Furthermore there was no limit to the number of re-submissions. Therefore, the PD Forum would like to suggest to revise the paragraph as follows:

"232. If the request for issuance is rejected in accordance with paragraph 218 or 222 above, the DOE may re-submit the request for issuance with revised documentation if the reasons for the rejection can be addressed by means of a revised verification report, based on a revised monitoring report as appropriate. ~~In this case, the DOE shall submit a request for re-submission of the request for issuance, justifying that the re-submission falls under such case. The Board shall consider such request at its subsequent meeting following receipt of the request and decide whether to allow the re-submission on a case-by-case basis. The Board may provide further guidance, as appropriate. In cases where the re-submitted request for issuance is also rejected by the Board, further re-submission of a request for issuance for the same monitoring period shall not be allowed.~~"

The PD Forum would like to thank you for taking the time to consider our concerns and if there are any questions with regards to the areas outlined above then please let us know. In the meantime we look forward to seeing the next draft of the CDM Project Cycle Procedure.

Kind regards,



Gareth Phillips  
Chair of the PD Forum