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To cdm-info@unfccc.int
From gareth.phillips@pd-forum.net
Date 7 March 2011
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Subject **Procedure for changes in the project implementation as compared to the project design document**

Honourable Members of the CDM Executive Board,
Dear Mr. Hession,

The Project Developer Forum (PD Forum) acknowledges with appreciation that the processes for registration of project activities and issuance of credits have become more transparent due to the revision of procedures and the publication of check lists. Likewise, the PD Forum appreciates the efforts taken to reduce the backlog in processing requests for registration and issuance at the end of 2010.

However, concerns remain that as backlogs are reduced at one point in the process, timelines are increased for the processing of projects at other points. Our letter dated 27 January 2011 addresses the issue of timelines for projects for which a review is requested. In this letter, we would like to draw your attention to the difficulties and delays encountered by project developers in situations where the description of the project activity in the project design document differs in some way to the implemented project and propose simple actions to improve the efficiency of this process.

Under current procedures¹ DOEs have to notify the Secretariat of each change at implementation and each revision to the monitoring plan *prior* to finalising a verification report and submitting a request for issuance of CERs. In addition, there is no continuous timeline defined for this process and there is no information on the UNFCCC website about the number of projects in the queue to be checked as part of the process (compare this to, for example, the transparency surrounding projects awaiting completeness checks and projects under the 'review' procedure).

This lack of transparency in the process therefore makes it impossible to assess the scale of delays attributable to the procedure. However, the experiences of project developers in the PD Forum in conjunction with the predicted ramping up of issuance requests² points towards increasing delays in the process; anecdotally delays of at least 3 months and up to one year are reported. Allowing this trend to continue will result in considerable delays to the issuance of CERs and a corresponding decrease in the efficiency of the issuance process.

To resolve this issue, the PD Forum strongly suggests that, in the spirit of the CDM two-year Business

¹ EB48, Annexes 66 and 67; EB49, Annexes 26 and 28

² Unsolicited Letter to EB 48: Input on procedures for changes in PDDs (annexes 3&4 of agenda EB47)
<http://www.pd-forum.net/files/721886e1004d7eaa893b8b0459106179.pdf>

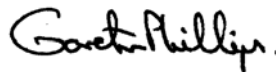
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Plan,³ the EB instruct the Secretariat to monitor the time taken to process existing cases as an immediate measure, and to establish a timeline for the processing of future cases in order to help plan and allocate resources. In parallel, an automatic tracking tool should be implemented to monitor the progress of the projects, similar to the one already in place for Requests for Deviation (<http://cdm.unfccc.int/Projects/deviations>).

We believe the proposed measures would bring a great advantage in terms of transparency and efficiency to the CDM, and at the same time would enhance DOE's responsibility and ease of access to information for the project participants.

We would be very pleased to discuss this issue with you further so please do not hesitate to contact us for further information and/or discussions.

Kind regards,



Gareth Phillips
Chair of the PD Forum

³ Key activity for Enhanced transparency of the CDM: Development of publicly available work flows providing information relating to the status of all submissions in process (Paragraph 26 b).