

# *How to improve CDM for the short term*

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# Proposals in IETA report & CMP's morning session

- Engage independent regulatory consultant to review CDM
  - CDM reviewed under art 9
  - CDM institutions review is interesting thought, but
    - Institutions are established by CMP
    - MAP EB still under review to analyse and improve
- Request EB to adopt policy making roles
  - EB spends at least 60% on policy, so is quite executive
  - Agree requests for reviews + reviews should decrease
- Install a full time EB, Meth Panel and Accreditation Panel
  - Full time EB chair ok, but no need for EB (executive role!)
  - MP & AP: full time may be disconnect to real world
- Appeals procedure
  - Fair enough; focus on legal/procedural or content decisions?
  - Separate body or 2-step process in EB?
  - 5 opportunities to get project right → what will appeal add?



# IETA proposals (continued)

- Reorganize UNFCCC Secretariat + training program staff
  - ???
  - Massive support provided to EB (summary notes, briefing notes)
  - Internal decisions on project advice based on internal peer review
- Dissolve RIT
  - Apparently no clue about role and impact RIT
- Expand mandate Meth Panel
  - Priority on new meths or broadening existing?
- Introduce precedent into decision making procedures
  - Agree, but only as of April 2007
  - Increase transparency EB decisions (general + case specific)
  - Increase transparency EB guidance structure
- Introduce risk-based project review process (materiality)
  - Agree, but further explanation is needed



# Remaining issues

- Environmental integrity is key for EB
- 10% of projects rejected
- What is IETA's contribution to an improvement of the assessment of additionality (main reason for rejections)
- Role IETA in Project Developers Forum?
- Enhance and perfect current system (*yes, towards sectoral benchmarks*)



# Board's options and proposals to improve CDM process

- PPs and DOEs must stick to rules and procedures
- Strictly apply VVM
- Encourage and enforce good quality DOEs
- Increase transparency decision making
- Decrease delays in registration, which cause huge losses of CERs to the CDM market →
  - Remove backlogs completeness check at UNFCCC secretariat
  - Considerably increase number of DOEs
  - Shift more responsibilities on the registration process to the UNFCCC Secretariat
  - If possible introduce concept of materiality



# Update reviewed and rejected cases

- Request for registration:
  - Before April 2007 (724 projects finalized):
    - 82% registered automatically
    - 4% finally rejected (3%) or withdrawn (1%)
  - 1 April 2007 – 31 March 2008 (516 projects finalized):
    - 48% registered automatically
    - 11% finally rejected (9%) or withdrawn (2%)
  - 1 April 2008 – 31 October 2008 (228 projects finalized):
    - 25% registered automatically
    - 8% finally rejected (5%) or withdrawn (3%)
- Request for issuance:
  - 1 April 2007 – November 2008 (653 requests):
    - 71% issued automatically
    - 2,5% rejected (1%) or withdrawn (1,5%)

