



## Annex 9

### ANALYSIS OF SUBMISSIONS RECEIVED ON CDM EFFICIENCY

#### A. Background

1. In the context of its work on the strategic CDM improvements referred to in decision 2/CMP.4, paragraph 3, the CDM Executive Board issued a public call for input at its forty-sixth meeting for inputs on efficiency in the operation of the CDM and opportunities for improvement. At its forty-seventh meeting, the Board considered the inputs received and requested the secretariat to prepare an analysis of these submissions for consideration by the Board at its forty-eighth meeting.
2. This document contains a comprehensive summary of the inputs received.

#### B. Inputs received

3. Forty-two submissions were received. A list of authors, and the inputs themselves, are available on the UNFCCC CDM website.<sup>1</sup> The inputs were received from various categories of CDM stakeholders, including designated national authorities (DNAs), project participants, project developers, consultants, academics, non-governmental organizations, industry groups and multilateral institutions.
4. The inputs have been classified into five groups, as follows:
  - (a) **Decisions of a regulatory nature:** This includes proposals relating to the standards, procedures, guidelines and clarifications established for the CDM, as well as measures to facilitate their implementation. The proposals are divided into five sub-groups: (i) registration and issuance, (ii) determination of additionality, (iii) submission of, and revisions to, methodologies, (iv) encouragement of CDM programme of activities (PoA) and (v) promotion of sustainable development;
  - (b) **Rulings:** This includes proposals relating to the manner in which the Board determines whether the modalities and procedures of the CDM have been observed. The proposals are divided into three sub-groups: (i) improvements to the transparency of the process of making rulings, (ii) classification and indexing of decisions and rulings in a harmonized body of regulation and (iii) retroactive application of decisions and rulings;
  - (c) **Governance:** This includes proposals relating to the manner in which the Board operates and carries out its substantive tasks. The proposals are divided into five sub-groups: (i) professionalization of the work of the Board, (ii) conduct of Board members, (iii) support structure to the Board, (iv) establishment of an ombudsperson and (v) possible mechanism for appealing rulings;
  - (d) **Oversight:** This includes proposals relating to the Board's oversight and regulatory role of other actors in the CDM process. The proposals are divided into two sub-groups: (i) Board's relationship with DOEs and (ii) possibility of greater interaction with, and potential oversight over, CDM advisors and consultants;
  - (e) **Outreach:** This includes proposals relating to the Board's external communications and stakeholder-facing activities. The proposals are divided into four sub-groups: (i) communication of information by the Board, (ii) expansion and improvement of the

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<sup>1</sup> <[http://cdm.unfccc.int/public\\_inputs/2009/cdmimprov/index.html](http://cdm.unfccc.int/public_inputs/2009/cdmimprov/index.html)>.



UNFCCC CDM website, (iii) improved services towards CDM stakeholders and (iv) activities to enhance the reputation and public image of the CDM.

5. The appendix to this annex summarises the key issues raised in the submissions and the proposals contained in the submissions as possible solutions to these issues. It should be noted that almost 200 pages of submissions were received in response to the public call and the appendix presents an edited and condensed version of the proposals contained in these submissions. While an attempt has been made to preserve the original wording of individual submissions where possible, proposals on similar topics have been merged and the wording has been paraphrased.

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## Appendix to Annex 9

### **I. DECISIONS OF A REGULATORY NATURE**

#### **I.A. REGISTRATION AND ISSUANCE**

##### *Issues:*

The submissions suggest that certain steps in the registration and issuance process, particularly at the validation stage, are of a routine nature but are not sufficiently streamlined. A recurring issue raised is a lack of standardization (e.g. templates, checklists, common inputs), which inhibits consistency. Many submissions consider that, at this stage of the CDM's development, the Board should better discern trends and patterns in documents for existing projects and develop tools that reflect and build upon them in order to facilitate the registration and issuance process for future projects.

##### *Proposed solutions:*

1. Create a centralised database of frequently used inputs to project design documents (e.g. grid-specific emission factors, IRR benchmarks per sector/country, other country-specific parameters, benchmarks, default values), allow project developers/DOEs to populate it, enable project participants to use data from it and subject it to a lighter test, and develop a procedure for peer review of proposed inputs to it.
2. Create automatic calculation sheets to allow project participants to conduct calculations of CERs and investment analysis (e.g. Excel models and non-obligatory best practice project design documents).
3. Introduce steps early in the process to ensure the quality of documentation in order to avoid subsequent delays in project registration or issuance of credits.
4. Establish templates for supporting documents at all stages of the project process.
5. Establish a checklist to help project participants compile and submit registration documents.
6. Allow for conditional registration of projects pending host country approval.
7. Shorten the window for stakeholder consultation from eight weeks to four/two weeks.
8. Standardize the local stakeholder consultation process (e.g. documentation, timing, reporting).
9. Allow validation to start prior to the completion of stakeholder consultation.
10. Create a "fast-track" procedure for certain projects; eligibility criteria may include specified co-benefits, use of technology transfer, or a strong contribution to sustainable development.
11. Publish timelines for approving/rejecting projects.
12. Relax time constraints on project participants (e.g. for "request for review" and "review" requirements), as non-English-speaking project participants may find them difficult to meet.
13. Standardize the monitoring format; at present, each project participant reports different aspects which lead to non-uniformity and different response from DOEs.



14. Provide further guidance on procedures during verification in case of changes in the operation of CDM project, and allow minor changes to be made at this stage.
15. Do not require facts proved at validation to be re-proved at verification.
16. Ensure that minor discrepancies between the project design documents and actual project operation do not impede issuances of CERs.
17. Reduce time taken to complete transfers of CERs.
18. Adopt simplified procedures (sampling, site visits, automatic additionality, requirement for documentary evidence, etc.) to reduce compliance costs for projects in least developed countries.

### **I.B. DETERMINATION OF ADDITIONALITY**

#### *Issues:*

The submissions suggest that the determination of additionality remains unpredictable and difficult to conduct accurately. They suggest that the current system of case-by-case determinations of additionality leads to subjective judgements and inconsistency. Certain submissions focus on the issue of investment additionality, suggesting that existing methods of measuring it may be inappropriate for new technologies (e.g. urban planning) and projects in least developed countries.

#### *Proposed solutions:*

1. Create positive/negative lists, subject to review from time to time, for project types for which additionality does or does not apply; examples of project types on the positive list might include solar, wind power, or small-scale hydro.
2. Establish criteria for assessing technologies that can be considered “automatically” additional.
3. Consider adopting sectoral approaches and moving away from project-by-project assessments.
4. Allow sector-level research documentation to demonstrate additionality (e.g. if international research publications document the lack of funding for small hydro power plants in a country, this should suffice as evidence of financing barrier).
5. Clarify the procedure for assessing baselines for the renewal of a project’s crediting period.
6. Establish transparent and reliable benchmarks, set below BAU scenarios for specific sectors, and tailor them to meet the chosen level of environmental protection.
7. Define benchmarks based on energy performance, market penetration or other parameters.
8. Employ a performance threshold approach, where the performance threshold (which could be a technology-specific threshold or best practice standard) represents “better than BAU”.
9. Allow for baseline assessment using econometric trend analysis (if historical data is available).
10. If standardized multi-project baselines are used, retain appropriate sensitivity to the disproportionate negative impact of them on small/medium-sized enterprises.
11. Appoint a consultative group to provide recommendations and develop initial data databases for the establishment of sector-based benchmarks.



12. Encourage the development of dynamic baselines, which may be adjusted according to the level of technology penetration in a specific sector/country.
13. Refine or abandon the test for investment additionality.
14. Provide clearer guidance on the use of parameters (e.g. which parameters should be current and which from the time of investment decision) to improve investment analysis consistency.
15. State that investment additionality should not apply to small-scale projects.
16. Reassess the test for investment additionality in the context of projects in least developed countries, in order to accommodate factors like political instability and a lack of infrastructure.
17. Adopt a more positive approach toward additionality testing in order to support CDM project activities in countries that are underrepresented in the CDM.
18. Consider sector-specific automatic additionality (based on benchmarks, positive lists, etc.).
19. Approve procedures for surveys and sampling for projects (small scale and large scale) when methodologies do not provide adequate guidance.
20. Develop baseline and monitoring procedures in close alignment to the specific sector (e.g. use of baseline metrics such as specific energy consumption).
21. For least developed countries, ensure that regulatory requirements address limitations of technology and data availability, and identify simplified approaches to account for baselines.

### **I.C. SUBMISSIONS OF AND REVISIONS TO, METHODOLOGIES**

#### *Issues:*

The submissions suggest that there is considerable scope to streamline the process for submitting, revising and clarifying methodologies, particularly when making minor changes. Key areas of concern include the ambiguity of the concepts of “materiality” and “uncertainty”, which is considered to lead to the adoption of overly conservative parameters. The submissions refer to long response times (e.g. two months to respond to requests for clarification from SSCWG 20).

#### *Proposed solutions:*

1. Divide each methodology into two parts (a document containing the methodology itself, and a guidance note containing explanations, clarifications, and examples, all of which could be mandatory or optional) and allow non-material changes to require a simple update of guidance note, perhaps by the secretariat, rather than a new version of the entire methodology.
2. Gather all explanations and clarifications relevant to a given methodology in one place, reducing the potential for misunderstanding and misapplication of the methodology.
3. Reflect changes in a methodology using a dynamic working model that shows (in trackchange format) the changes over time between different versions of a methodology.
4. Allow project participants to determine and report emissions according to a pre-determined level of uncertainty, taking account of technical feasibility, for each relevant parameters (e.g. activity data, emission factors, oxidation factors), using well defined calculation protocols, as well as an allowable accuracy level for operation of equipment.



5. Introduce guidance on circumstances in which conservative parameter values could be used.
6. Introduce guidance on treatment of materiality that allows for a certain degree of imprecision in situations where differences in expected results have no significant impact on the generation of CERs, particularly in case of differences between monitoring practice at verification compared with the monitoring plan of the registered project design document; differences without a significant impact on the generation of CERs should be considered insignificant and noted in the verification report of the DOE.
7. Allow project participants to seek clarification for large-scale methodologies in the same manner as for small-scale methodologies (i.e. communication of the SSC-WG with project entities during methodology review).
8. Encourage panel members to give constructive feedback, not just find mistakes.
9. Improve response times.
10. Constitute full time panels with provisions for regional/decentralized and virtual meetings.
11. Reconsider methodologies that incentivize the creation of powerful GHGs.
12. Reconsider methodologies AM0001, AM0021, AM0028, AM0034, and AM0051.
13. Consider eliminating the consideration of grey energy in transport projects.
14. Increase the grace period for the use of old versions of methodologies and changes to tools (e.g. additionality tool) from eight months to twelve months.
15. Exempt projects that complete the global stakeholder process from future changes in the versions of the methodology or tools.
16. Ensure that methodology requirements and baselines are not limited to existing energy use as production levels are expected to grow in developing countries.
17. Identify project types that can benefit from methodologies with low monitoring burden by complying with a set of performance criteria and default factors for issuance of credits.

#### **I.D. ENCOURAGEMENT OF CDM PROGRAMME OF ACTIVITIES (POA)**

##### *Issues:*

The submissions suggest that insufficient attention is being paid to encouraging programmatic CDM, pointing to the relatively few such projects in the pipeline. Key areas of concern include a lack of guidance for conducting such projects and the need to adapt rules in use for other types of CDM projects in a manner that facilitates the development of this type of project.

##### *Proposed solutions:*

1. Reconsider whether current methods of encouraging programmatic CDM are sufficient to meet the needs of countries which could benefit the most from them, such as least developed countries.
2. Provide more guidance on operating programmatic CDM projects.
3. Reduce or subsidize fees charged by DOEs with respect to programmatic CDM projects.



4. Permit multiple methodologies to be used in one programme of activities.
5. Develop means for more effective tracking of programmatic CDM projects in the pipeline.
6. Establish criteria allowing project participants to justify the start of a project activity prior to registration.
7. Provide a grace period for early mover programmes of activities.
8. Clarify the approach to additionality at the programme of activities and project activity levels.
9. Simplify the procedure to allow for debundling/micro units.
10. Enable the use of several methodologies under a programme of activities.
11. Include project activities under a registered programme of activities and DOE liabilities: define a clear procedure for the review of a project activity identified as wrongfully included (including timeline, stage approach, opportunity for project participants and DOEs to provide inputs during the review process).
12. Issue procedures on how to deal with post-registration changes to the design of a programme of activities.
13. Consider ways to reduce the gestation period for projects that implement new technologies.
14. Combine validation and initial verification, and allow for simultaneous submission of this document with the project design document and combined Request for Registration and Request for Issuance.
15. Publicly identify project types that are (or are not) economically feasible under prevailing economic/regulatory conditions in certain developing countries.
16. Establish a working group to consider and suggest specific recommendations on issues arising from programmatic CDM.

#### **I.E. PROMOTION OF SUSTAINABLE DEVELOPMENT**

##### *Issues:*

The submissions suggest that the CDM does not promote sustainable development as effectively as it could, noting that the benefits of the CDM do not always extend to the communities in which the projects are located. They further query whether countries hosting CDM projects are best positioned and least biased to judge whether a project contributes to sustainable development.

##### *Proposed solutions:*

1. Insist that host Parties use a more transparent process to consider whether a project promotes sustainable development.
2. Insist on more rigorous public consultations and consideration of inputs received, as these are sometimes treated as formalities rather than integral parts of the project approval process.
3. Require all CDM projects to meet the social/environmental standards under the Gold Standard.



4. Require that a project's contribution toward sustainable development be assessed by an independent body (e.g. a DOE selected and paid for by a UNFCCC body) rather than the Party hosting the project.
5. Require project participants to disclose financial data about the income from sales of CERs.
6. Require project participants to direct a portion of income from sales of CERs to community development activities.
7. Prohibit CERs from being paid for with money, and instead require payment in the form of technology transfer.
8. Encourage the issuance of permanent credits for afforestation and reforestation projects as a means of contributing to the sustainable development of countries that would benefit from an increase in such projects.

## **II. RULINGS**

### **II.A. IMPROVEMENTS TO THE TRANSPARENCY OF THE PROCESS OF MAKING RULINGS**

#### *Issues:*

The submissions suggest that the Board employs an insufficiently transparent process when making rulings on individual projects. They consider that the current system lacks transparency, therefore eroding confidence in the CDM process, undermining the ability of project participants to be informed about the Board's rationale for making decisions, and preventing effective responses.

#### *Proposed solutions:*

1. Allow project participants and other affected stakeholders to be heard (in writing or orally) before a ruling is made.
2. Hold all meetings where rulings are made in open session.
3. Prior to making a ruling, provide a draft to project participants enabling them to provide input/feedback, so as to allow for the correction of faulty assumptions and faulty interpretations of data and information.
4. Provide greater details about the reasons why certain projects get called for review or are rejected (i.e. more than just generic reasons such as "failure to substantiate the investment analysis"), subject to project confidentiality concerns.
5. Publish responses of project participants and DOEs to questions posed in a review, while review is underway.
6. Make available the RIT appraisal and secretariat's summary note of the request for review to project participants in the event of request for review at registration and/or issuance.
7. Require individual Board members to sign rulings.



## **II.B. CLASSIFICATION AND INDEXING OF DECISIONS AND RULINGS IN A HARMONIZED BODY OF REGULATION**

### *Issues:*

The submissions express concern that the body of regulation for the CDM (i.e. decisions and rulings) is disorganized and insufficiently clear. They further suggest that the lack of organization and clarity undermines public understanding of CDM requirements and contributes to inefficiency.

### *Proposed solutions:*

1. Codify decisions and rulings into a single evolving code.
2. Ensure that decisions and rulings are centrally recorded/catalogued and cross-referenced, with electronic search capabilities and advanced tracking tools.
3. Categorize decisions and rulings by sectoral scopes, project types, methodologies and specific issues in order to improve access to relevant information.
4. Extract and summarize Board rulings from each meeting report, and categorize them in the context of earlier decisions.
5. Make the “CDM Catalogue of Decisions” more user-friendly.
6. Include examples under the headings “what the EB has learned” and “what the EB wants to avoid” when suggesting revisions or introducing new guidance, using clear language to provide background information and to express what is not allowed under specific methodologies, tools, guidance, guidelines, etc., and referring to exemplary cases (on a no-names basis).
7. Ensure that all guidance includes the history of the document so that the users can understand the development of the guidance, as well as a list of affected documents, such as methodologies, tools, decisions, etc.
8. Ensure that terminology is clear and consistent and provides sufficient clarity to project participants in order to minimize time spent on seeking clarifications and deviations, and incorporating additional guidance.
9. Involve inputs from experts in real project implementation and not only those from academia.
10. Further elaborate on the validation and verification manual.
11. Clarify what is meant by the term “inter alia”, as some stakeholders are interpreting it to be a mandatory requirement.
12. Provide formal guidance on issues repeatedly flagged through requests for review (e.g. 10% benchmark issue for Chinese hydro-electric projects).
13. Create a clear hierarchy of different types of decisions made by the Board in order to allow project participants to know the precedence of different decisions and rulings.
14. Use standardized wording/vocabulary.



## **II.C. RETROACTIVE APPLICATION OF DECISIONS AND RULINGS**

### *Issues:*

The submissions suggest that the current practice of applying decisions and rulings retroactively creates a high level of uncertainty and risk for project participants. They also note that the retroactive application of decisions and rulings increases inefficiency by requiring project participants to continually make changes to previously submitted documents.

### *Proposed solutions:*

1. Prohibit the retroactive impact of decisions and rulings unless the Board explicitly requires it, in which case publish the full list of previous decisions and rulings that are impacted.
2. Consider ways that national legal systems address this issue.
3. Provide a grace period prior to the retroactive impact of decisions and rulings.
4. Validate projects solely against applicable decisions and rulings that were available by the time the project was posted for the 30-day public commenting period.
5. Base monitoring requirements solely on the validated monitoring plan and applicable decisions and rulings referred to in the registered project design document.
6. Prohibit “backdoor” retroactivity in which documents are labelled “clarification” or “guidance”, which implies that they are merely clarifying existing law rather than creating new law.

## **III. GOVERNANCE**

### **III.A. PROFESSIONALIZATION OF THE WORK OF THE BOARD**

#### *Issues:*

The submissions suggest that the current structure of the Board is inadequate to handle existing and future workload, where decisions increasingly need to be made on a real-time basis.

#### *Proposed solutions:*

1. Transform the Board into a full-time body (or, at a minimum, require that the chair of the Board be employed on a full-time basis).
2. Consider and incorporate the attributes of a regulatory body that are necessary in order to maintain credibility and to perform all functions adequately.
3. Require Board members to have appropriate technical qualifications, experience, and time.
4. Focus the Board’s efforts on its supervisory, executive, and policy-making role.
5. Consider delegating authority to make rulings on some or all individual projects to a technical body, such as an independent expert body or the secretariat, while retaining the right to review certain projects, either by a random or a sampling method.



### III.B. CONDUCT OF BOARD MEMBERS

*Issues:*

The submissions express the concern that Board members may not always act — or may not always be seen to act — independently of their countries or institutional affiliations. They also express the concern that Board members may not have sufficient guidance about appropriate conduct in office.

*Proposed solutions:*

1. Create terms of reference for Board members, including declarations of all financial and pecuniary interests, resignation from any association with a company involved in the CDM, obligation to act as an independent entity and not take instructions from any party or external body, and have a minimum number of years (e.g. five) of relevant experience in the area of climate change mitigation or the global carbon market.
2. Establish process for project participants to alert the Board and panels of situations of likely conflict of interest.
3. Design code of ethics/conduct rule for Board members.
4. Prohibit Board members from working for a DNA, DOE, or a public or private institution that develops CDM projects or purchases or trades CERs.
5. Limit Board members to two terms each (in any capacity under the Convention).

### III.C. SUPPORT STRUCTURE OF THE BOARD

*Issues:*

The submissions suggest that the Board may require additional support to conduct its work, either in the form of increasing internal capacity or in the form of making more effective use of existing support structures (e.g. the secretariat).

*Proposed solutions:*

1. Employ an external body to evaluate the processes and performance of the Board and the secretariat and to suggest improvements on how to increase transparency and efficiency.
2. Create a roster of industrial and project financing specialists from developed and developing countries who may be called upon for ad-hoc consultancy services to aid the official support structure (panels and working groups), including project financing specialists, and to make their inputs publicly available.
3. Consult, and perhaps hire, sectoral technical experts in various support capacities.
4. Hire economists, and particularly development economists and economists with experience in financial analyses, to advise the Board and the secretariat.
5. Expand the responsibilities of the secretariat and reorganize it into technical, policy, and administrative ‘wings’, with clear delineations between each.
6. Allow the secretariat to make recommendations on rulings and to sign off of minor amendments post-registration.



7. Re-examine the role of the Registration and Issuance Team and consider merging its role with that of the secretariat.
8. Allow the secretariat to work pro-actively with DOEs on closing out as many as possible issues/requests for clarification during the completeness check period by means of on-the-record direct communication with the headquarters of the DOE.

### **III.D. ESTABLISHMENT OF AN OMBUDSPERSON**

#### *Issues:*

The submissions observe that there are no mechanisms to express concerns about the CDM process on an ongoing basis (i.e. other than in response to specific calls for input).

#### *Proposed solutions:*

1. Establish an ombudsperson position to allow people with concerns about their experience in the CDM process to have someone to look into their concern; the ombudsperson would not make decisions but could provide recommendations to ensure efficient and consistent interaction with the Board.

### **III.E. POSSIBLE MECHANISM FOR APPEALING RULINGS**

#### *Issues:*

The submissions suggest that the lack of a formal mechanism to review and/or appeal rulings made by the Board is problematic. They note that many national legal systems and other international processes allow for some form of review and/or appeal.

#### *Proposed solutions:*

1. Consider ways that international organizations and national legal systems address this issue.
2. Introduce a formal method to clarify or appeal a Board ruling; at present, informal methods are the only option (e.g. entering into unsolicited correspondence), which are generally inefficient.
3. Establish an appellate body, which should be independent, authoritative, accessible, and expert.
4. Consider the effect of not having an appeals/review mechanism on liability in the United States with respect to concerns relating to the denial of due process.

## **IV. OVERSIGHT**

### **IV.A. BOARD'S RELATIONSHIP WITH DESIGNATED OPERATIONAL ENTITIES**

#### *Issues:*

The submissions suggest that the Board is not making full use of the role that DOEs could play within the CDM process, and that the Board does not consult DOEs sufficiently when considering changes to the CDM. They acknowledge some concerns about the performance of certain DOEs. They also suggest that one reason for the lack of CDM projects in least developed countries is that DOEs have insufficient incentives to work there.

*Proposed solutions:*

1. Replace the need for DOEs to conduct project-specific reviews with a more stringent and efficient accreditation and continuous assessment process, so that DOEs are better trained and can be entrusted with greater responsibilities.
2. Empower DOEs to address minor matters, as defined by the Board.
3. Organize consultative meetings with DOEs before adoption of major new guidance.
4. Develop a rating system of performance of DOEs and make this information publicly available.
5. Create a confidential mechanism (e.g. with the accreditation panel) allowing people to report on the performance of DOEs.
6. Require DOEs to duly consider public comments submitted to them about their performance.
7. Require DOEs to publish on their websites information about scheduled and actual milestone dates for projects that they have worked on.
8. Create a penalty system for DOEs that is rationalized, progressive, and not unduly harsh.
9. Consider imposing sanctions on DOEs who fail to meet certain performance criteria (e.g. tougher liability, three strikes and out rule, spot checks, financial penalties).
10. Insert keyperson clauses into accreditation documents, such that, if a specific person leaves the DOE, its accreditation may be reviewed.
11. Require DOEs to be selected and paid for by the Board, the secretariat, or another appropriate UNFCCC body, not by project participants.
12. Increase the number of DOEs based in least developed countries and/or accredited to work with projects in least developed countries, and subsidize validation fees payable to them for such work.

**IV.B. INTERACTION WITH, AND POTENTIAL OVERSIGHT OVER, CDM ADVISORS AND CONSULTANTS***Issues:*

The submissions suggest that there is scope for improved training and possible regulation of the CDM advisory/consultancy sector. They suggest that members of this sector would benefit from greater understanding of CDM processes, policies, and precedents, and that it would be beneficial for the CDM as a whole if qualified advisors/consultants were properly trained and recognized.

*Proposed solutions:*

1. Develop and offer an accredited training program for external stakeholders, either run directly by CDM officials or by institutions accredited/audited by CDM officials, to address the lack of knowledge about precedents that the Board and secretariat have established through various project actions, decisions and procedures, on topics such as the complete CDM project and programme of activities cycle, methodologies and the development process, lessons learned and precedents associated with the CDM (e.g. registration, verification, monitoring), UNFCCC resources, and Board decisions and precedents on key issues.



2. Approach industrial research facilities and educational institutions with the aim of increasing accredited training opportunities.
3. Create a system of accreditation for CDM consultants/advisors who fulfil certain objective criteria (e.g. a track record).
4. Empower qualified CDM consultants/advisors to undertake certain activities (e.g. seek clarifications, propose new methodologies).

## V. OUTREACH

### V.A. COMMUNICATION OF INFORMATION BY THE BOARD

#### *Issues:*

The submissions suggest that the Board is not sufficiently pro-active in sharing information of a non-confidential nature. They also suggest that the Board should be more willing to encourage and listen to comments and suggestions prior to issuing new decisions and rulings.

#### *Proposed solutions:*

1. Hold periodic information-sharing workshops between CDM officials (Board members, secretariat staff, etc.) and external stakeholders.
2. Allow CDM officials and external stakeholders to share non-confidential information about the process and progress of projects with each other, perhaps by allowing for uploading/downloading information to/from the CDM website.
3. Establish temporary expert advisory groups (in addition to existing calls for public input) to provide advice to the Board.
4. Accommodate the views of market participants more effectively.
5. Hold more frequent calls for public input.
6. Introduce additional types of public input, such as a call for comments post-decision/introduction of new policies, guidance, and procedures, and a non-binding call for comments on recommendations and draft methodologies resulting from panel or working group meetings prior to the subsequent Board meeting.
7. Allow accredited observers to attend the CDM DNA Forum and other relevant events.
8. Hold quarterly interactive forums and/or webinars with relevant stakeholders to review progress and discuss concerns.
9. Hold quarterly technical training sessions, open to all stakeholders, but especially focused at DOEs, project developers and secretariat staff, to work through “good” and “bad” examples of implementation of rules, reasons for requests for reviews, etc., with a view of calibrating expectations and allowing all stakeholders to better understand how the Board interprets its own guidance, through interactive workshops and/or webinars to encourage wide participation.
10. Insert a feedback step into the Board’s decision-making process in order to ensure that guidance is as effective as expected.

**V.B. EXPANSION AND IMPROVEMENT OF THE UNFCCC CDM WEBSITE***Issues:*

The submissions suggest that the UNFCCC CDM website is not as comprehensive or user-friendly as it could be. They further suggest that users should be able to undertake a far greater range of activities than is currently allowed.

*Proposed solutions:*

1. Add an online forum on the UNFCCC CDM website to allow the posing of queries/comments and to view answers from the Board.
2. Add an “FAQ” page to the UNFCCC CDM website.
3. Add a search function for “Issuances of CERs” like “Project Activities” and “Methodologies”.
4. Improve the “UNFCCC Google Search” function to provide better and more relevant results.
5. Make available reports from Accreditation Panel meetings as soon as possible after each meeting on the relevant section of the website.
6. Introduce a tracking system for requests for issuances (similar to the one recently introduced for requests for registration), for revisions of monitoring plans, for deviations and for renewals of crediting periods.
7. Add a search function for methodologies-related searches, similar to the one for project-related searches, with two drop-down menus (one with the list of methodologies and the other one with the version of the methodology, with the option to select “all” for the versions) to aid searching among all the clarification, deviation and revision requests.

**V.C. IMPROVED SERVICES TOWARDS CDM STAKEHOLDERS***Issues:*

The submissions suggest that the CDM process does not place sufficient emphasis on defining and implementing services used by stakeholders.

*Proposed solutions:*

1. Establish a client-oriented service unit to serve as a designated point of contact for questions and comments about CDM methodologies, guidance, and procedures.
2. Establish clear communication channels and designate appropriate point-people within the secretariat for handling questions about specific projects.
3. Determine and publish service times (e.g. when to expect a response to an email inquiry).

**V.D. ACTIVITIES TO ENHANCE THE REPUTATION AND PUBLIC IMAGE OF THE CDM***Issues:*

The submissions suggest that the reputation of the CDM is not as good as it could be, particularly in least developed countries (which have seen relatively few project activities) and the United States (which is potentially a large source of demand for CERs).

*Proposed solutions:*

1. Make efforts to understand the concerns about the CDM in the United States and to address the reasons underlying them.
2. Reach out to educational institutions in order to develop teaching programs about the CDM.
3. Offer CDM training sessions targeting business leaders and government officials in least developed countries, and address perception among them that the CDM is too complex.
4. Encourage greater funding from bilateral agencies, multilateral agencies and private sector to capacity development initiatives such as Nairobi framework.