



Annex 13

GUIDELINES ON THE DEMONSTRATION AND ASSESSMENT OF PRIOR CONSIDERATION OF THE CDM

(Version 04)

I. Background

1. In consideration of requests for registration, the Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM) takes notes that the issue of prior consideration of the CDM as a major element in assessing that the CDM benefits were considered necessary in the decision to undertake the project as a CDM project activity. As such the Board at its forty-first meeting has introduced a guidance on the means of demonstrating compliance with this requirement. These guidelines are revised to reflect the evolution of knowledge and best practice in this area.

II. Proposed project activities with a start date from 2 August 2008

2. The Board decided that for project activities with a starting date on or after 2 August 2008, the project participant must inform a Host Party designated national authority (DNA) and the UNFCCC secretariat in writing¹ of the commencement of the project activity and of their intention to seek CDM status. Such notification must be made within six months of the project activity start date and shall contain the precise geographical location and a brief description of the proposed project activity, using the standardized form F-CDM-Prior Consideration. Such notification is not necessary if a project design document (PDD) has been published for global stakeholder consultation or a new methodology proposed to the Executive Board for the specific project before the project activity start date.

3. The UNFCCC secretariat will maintain a publicly available list of such notifications.

4. When validating a project activity with a start date on or after 2 August 2008, designated operational entities (DOEs) shall ensure by means of confirmation from the UNFCCC secretariat that such a notification had been provided. If such a notification has not been provided, the DOE shall determine that the CDM was not seriously considered in the decision to implement the project activity.

5. Additionally for project activities for which a PDD has not been published for global stakeholder consultation or a new methodology proposed or request for revision of an approved methodology is requested, every subsequent two years after the initial notification the project participants shall inform the UNFCCC secretariat of the progress of the project activity.

III. Proposed project activities with a start date prior to 2 August 2008

6. Proposed project activities with a start date before 2 August 2008, for which the start date is prior to the date of publication of the PDD for global stakeholder consultation, are required to demonstrate that the CDM was seriously considered in the decision to implement the project activity. Such demonstration requires the following elements to be satisfied:

- (a) The project participant must indicate awareness of the CDM prior to the project activity start date, and that the benefits of the CDM were a decisive factor in the decision to proceed with the project. Evidence to support this would include, inter alia, minutes and/or notes related to the consideration of the decision by the Board of Directors, or equivalent, of the project participant, to undertake the project as a CDM project activity.

¹ P.O. Box 260124 D-53153 Bonn Germany, <cdmregistration@unfccc.int>.



- (b) The project participant must indicate, by means of reliable evidence, that continuing and real actions were taken to secure CDM status for the project in parallel with its implementation. Evidence to support this should include one or more of the following: contracts with consultants for CDM/PDD/methodology services, draft versions of PDDs and underlying documents such as letters of authorization, and if available, letters of intent, emission reduction purchase agreement (ERPA) term sheets, ERPAs or other documentation related to the potential sale of CERs (including correspondence with multilateral financial institutions or carbon funds), evidence of agreements or negotiations with a DOE for validation services, submission of a new methodology or requests for clarification or revision of existing methodologies to the CDM Executive Board, publications in newspaper, interviews with DNAs, earlier correspondence on the project with the DNA or the UNFCCC secretariat.

7. Assessment of real and continuing actions shall be validated by the DOE and the validation should focus on real documented evidence as indicated in paragraph 6 (b), including an assessment by the DOE of the authenticity of the evidence. Letters, e-mail exchanges and other documented communications may help to substantiate the evidence, but can be considered as evidence only after the DOE has assessed and confirmed the authenticity of such communications, inter alia through cross-checking (e.g. interviews). In such cases the DOE must describe the cross-checking process in detail in the validation report.

8. In validating proposed CDM project activities where:
- (a) there is less than 2 years of a gap between the documented evidence the DOE shall conclude that continuing and real actions were taken to secure CDM status for the project activity;
 - (b) the gap between documented evidence is greater than 2 years and less than 3 years, the DOE may validate that continuing and real actions were taken to secure CDM status for the project activity and shall justify any positive or negative validation opinion based on the context of the evidence and information assessed;
 - (c) the gap between documented evidence is greater than 3 years, the DOE shall conclude that continuing and real actions were not taken to secure CDM status for the project activity.

9. If evidence to support the serious prior consideration of the CDM as indicated above is not available the DOE shall determine that the CDM was not considered in the decision to implement the project activity.

History of the document

Version	Date	Nature of revision
04	EB 62, Annex 13, 15 July, 2011	Further clarifications regarding the validation of real and continuing actions
03	EB 49, Annex 22, 11 September 2009	Clarifications regarding the validation of real and continuing actions
02	EB 48, Annex 61, 17 July 2009	Revision of the guideline to require all notifications to be sent to the UNFCCC secretariat, to require the secretariat to make a maintain a publicly available list and to provide a standardized form for notifications.



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01	EB 41, Annex 46, 2 August 2008	Initial adoption
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