



## Annex 40

### PROCEDURE FOR REVIEW OF REQUESTS FOR REGISTRATION

#### (Version 01.2)

##### A. Background

1. In accordance with paragraph 5 (o) of the modalities and procedures for a clean development mechanism (CDM modalities and procedures), the Executive Board elaborated and recommended to the Conference of the Parties, for adoption at its eighth session, procedures for conducting the reviews referred to in paragraphs 41 and 65 of the CDM modalities and procedures, including procedures to facilitate consideration of information from Parties, stakeholders and UNFCCC accredited observers. The Conference of the Parties endorsed those recommended procedures at its eighth session, and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol adopted the Procedures at its first session (annexes III and IV to decision 4/CMP.1)
2. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol decided at its fifth session (decision 2/CMP.5, paragraphs 37) to request the Executive Board to adopt as soon as possible, and subsequently apply on an interim basis, revised procedures for registration, issuance and review, under which alternative timelines to those defined in decision 3/CMP.1, annex, paragraphs 41 and 65, and decision 4/CMP.1, annex II, paragraph 24, can be applied.
3. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol also decided at its fifth session (decision 2/CMP.5, paragraphs 38 and 39) to revoke annexes III and IV to decision 4/CMP.1 containing the existing procedures for review and requested the Executive Board to ensure that the revised procedures for review:
  - (a) Provide designated operational entities and project participants with adequate opportunity to address issues raised in reviews;
  - (b) Include an independent technical assessment of the analysis conducted by the secretariat;
  - (c) Include a process for the Executive Board to consider objections raised by members of the Executive Board to outcomes of assessments;
  - (d) Ensure efficient and timely consideration of registration and issuance requests.
4. These procedures for review of requests for registration elaborate on the provisions in decision 2/CMP.5, paragraph 39. In particular by providing provisions for the consideration of the review, the modalities for communicating with the project participant(s) and the designated operational entity (DOE), the finalization of the review, and the coverage of costs relating to the review.
5. The procedures for submitting a request for registration, requesting a review, and finalization of a proposed project activity that does not receive a request for review are provided in the “Procedures for Requests for Registration of Proposed CDM Project Activities” (EB 54 report, annex 28).
6. This document replaces the "Revision to the clarifications to facilitate the implementation of the procedures for review as referred to in paragraph 41 of the Modalities and Procedures for a Clean



Development Mechanism (Annex III to decision 4/CMP.1)” (version 08, EB 38 report, annex 20, 14 March 2008).

### **B. Commencement of Review**

7. If Party involved in a proposed CDM project activity or at least three Executive Board members request a review of the request for registration, the secretariat shall:

- (a) Notify the project participants, as identified in the Modalities of Communication form, and the DOE that validated the proposed project activity that a Party involved in a proposed CDM project activity or at least three Executive Board members have requested a review of the request for registration;
- (b) Make publicly available an anonymous version of each request for review form;
- (c) Assign a team comprising two experts from the Registration and Issuance Team (“RIT Team”) to participate in the assessment of the request for review. The secretariat shall appoint one of the assigned Team members to serve as the lead, who shall be responsible for all communications with the secretariat.

8. The project participants and the DOE shall provide responses to the issues identified in the request for review no later than 28 calendar days after the notification of the request for review.

9. For each issue (or sub-issue) raised in the request for review, the project participants and DOE shall either:

- (a) Respond by making any revisions to the project design document (PDD) and/or validation report (VR) that they deem necessary to, inter alia, ensure that all facts are clearly stated and sufficiently validated; or
- (b) Respond in writing by addressing why no revisions to the PDD and/or VR are necessary.

10. The secretariat shall schedule the commencement of the review of the request for registration in accordance with its operational plans and in accordance with any relevant instructions from the Executive Board. These plans and instructions shall be made publicly available. Upon scheduling the commencement date, the secretariat shall inform the project participants and DOE of this scheduled commencement date and any alterations to it.

11. The commencement of the review shall be defined as the date on which the secretariat notifies the project participants and the DOE that the review has commenced.

### **C. Assessment**

12. The secretariat shall prepare an assessment of the request for registration in the context of the reasons for the request for review as indicated in the request for review form and the CDM requirements, taking into account the responses of the project participants and the DOE .

13. Concurrently and independently, the RIT Team shall prepare an assessment of the request for registration in accordance with the RIT Terms of Reference, taking into account the responses of the project participants and the DOE.

14. The secretariat and the RIT Team shall finalize their respective assessments no later than two weeks after the commencement of the review.



15. Each assessment shall include a proposed decision, in accordance with the latest version of the “Guidelines for the consideration of request for review and review cases”. Each proposed decision shall propose to either:

- (a) Register the proposed project activity; or
- (b) Reject the request for registration.

16. If an assessment’s proposed decision is to reject the request for registration of the proposed project activity, then the assessment shall include a proposed ruling. The proposed ruling shall contain an explanation of the reasons and rationale for the proposed decision including, but not limited to:

- (a) The facts and any interpretation of the facts that formed the basis of the proposed ruling;
- (b) The CDM rules and requirements applied to the facts; and
- (c) The interpretation of the CDM rules and requirements as applied to the facts.

17. In addition both the secretariat and the RIT Team shall, in their assessments, highlight any policy issues of significant importance related to the policies and goals of the CDM arising from the assessment. The secretariat, in consultation with the Chair of the Executive Board, shall bring these issues to the attention of the Executive Board through the agenda of its meetings through the preparation of background notes and policy options.

18. The RIT Team shall communicate its assessment to the Executive Board by submitting it to the secretariat.

19. The secretariat shall inform the Executive Board of the availability of each assessment, and make each assessment available to the Executive Board, together with any responses from the project participant(s) and DOE and any revision to the project documentation.

#### **D. Consideration by the Executive Board**

20. If the assessment of the secretariat and the RIT Team contain the same proposed decision (i.e. both to reject or register), then the proposed decision shall become the final decision of the Executive Board after 20 days, unless a member of the Executive Board objects to the proposed decision.

21. An objection by a member of the Executive Board shall be made by notifying the Chair of the Executive Board, giving reasons in writing, through the secretariat. The secretariat shall acknowledge the receipt of the objection and make it available to the Executive Board.

22. If an Executive Board member objects to the proposed decision more than two weeks prior to the next Executive Board meeting, the matter shall be placed on the agenda of the next Executive Board meeting; otherwise it shall be placed on the agenda of the subsequent Executive Board meeting.

23. If the assessments of the secretariat and the RIT Team contain different proposed decisions (i.e. one to reject and the other to register) and the Executive Board receives both proposed rulings more than two weeks prior to the next Executive Board meeting, the matter will be placed on the agenda of the next Executive Board; otherwise, the matter will be placed on the subsequent Executive Board meeting.



24. At the Executive Board meeting for which the matter is placed on the agenda, in accordance with latest version of the “Guidelines for the consideration of request for reviews and review cases,” the Executive Board shall decide to either:

- (a) Register the proposed project activity; or
- (b) Reject the request for registration.

#### **E. Finalization and implementation of the ruling**

25. If a final decision approves the registration of the project activity, the secretariat shall register the proposed project activity as a CDM project activity on the first working day subsequent to the finalization of the decision. The effective date of registration in such cases shall be day on which the latest revisions to the validation report and/or supporting documentation were submitted.

26. If the final decision rejects the request for registration, the secretariat shall update the information on the UNFCCC CDM website accordingly on the first working day subsequent to the finalization of the decision. Furthermore, within three weeks of the final decision of the Executive Board, the secretariat will provide the Chair of the Executive Board with an information note, which shall contain a proposed final ruling incorporating the final decision.

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

- (a) The facts and any interpretation of the facts that formed the basis of the proposed ruling;
- (b) The CDM rules and requirements applied to the facts; and
- (c) The interpretation of the CDM rules and requirements as applied to the facts.

28. Once approved by the Chair of the Board, the secretariat shall make the proposed final ruling available to the Executive Board. The proposed final ruling shall become the final after 10 days, unless a member of the Executive Board objects to the proposed final ruling.

29. An objection by a member of the Executive Board shall be made by notifying the Chair of the Executive Board, giving reasons in writing, through the secretariat. The secretariat shall acknowledge the receipt of the objection and make it available to the Executive Board.

30. If an Executive Board member objects to the proposed final ruling more than two weeks prior to the next Executive Board meeting, the matter shall be placed on the agenda of the next Executive Board meeting; otherwise it shall be placed on the agenda of the subsequent Executive Board meeting.

31. This formal ruling shall be made publicly available by the secretariat once approved by the Executive Board.



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**History of the document**

<b>Version</b>	<b>Date</b>	<b>Nature of revision(s)</b>
01.2	20 August 2010	Editorial changes to title and paragraphs 7(a), 15, 16(c), 19, 24 and 27(c).
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