

CLEAN DEVELOPMENT MECHANISM EXECUTIVE BOARD

PROPOSED AGENDA AND ANNOTATIONS

Ninth meeting

Hotel Maritim
Bonn (Germany)
7 – 8 June 2003

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I. PROPOSED AGENDA

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II. ANNOTATIONS TO THE PROPOSED AGENDA

1. Adoption of the agenda

5. **Background:** The Executive Board of the clean development mechanism (CDM) agreed, at its eighth meeting (Bonn, Germany 19 - 20 March 2003), on items to be included in the provisional agenda for its ninth meeting. In accordance with rule 21 of the rules of procedure of the Executive Board, subsequent additions or changes to the provisional agenda by members and/or alternate members were incorporated in the proposed agenda which was transmitted to the Board on 20 May 2003 and thereafter posted on the UNFCCC CDM web site.

6. **Action:** Members may wish to adopt the proposed agenda for the ninth meeting.

2. Work plan

(a) Accreditation of operational entities

7. **Background:** The Executive Board, at its eighth meeting, having taken note of an oral report by the Chair of the CDM accreditation panel (CDM-AP), Mr. John Kilani, on the status of work of the CDM-AP and its recommendations on revisions to the terms of reference for the accreditation teams (CDM-ATs), agreed to consider a revised version of the latter at its ninth meeting.

8. Since the eighth meeting of the Board, the CDM-AP met on 23-24 March 2003 (Bonn, Germany), and 18-19 May 2003 (Oslo, Norway) and prepared the following recommendations for consideration by the Board :

- (a) Revised terms of reference for the accreditation teams (CDM-ATs) (see Annex 1);
- (b) Phased accreditation/designation with regard to sectoral scope(s) (see Annex 2).

9. The Board also agreed to consider issues relating to fixed and variable cost components regarding the accreditation procedure at its ninth meeting. The secretariat will make a brief presentation at the meeting.

10. **Action:** The Board may wish to consider (a) the recommendations by the CDM-AP for revising the terms of reference for CDM-ATs and on phased accreditation/designation; (b) issues relating to fixed and variable cost components; (c) the report by the Chair of the CDM-AP; and (d) providing guidance to the CDM-AP, as appropriate.

(b) Methodologies for baselines and monitoring plans

11. **Background:** The Executive Board, at its eighth meeting, having taken note of an oral report by the Chair of the Panel on baseline and monitoring methodologies (Meth Panel), Mr. Jean Jacques Becker, on the work of the panel and having considered the recommendations by the Meth Panel, agreed on (i) clarifications on issues relating to baseline and monitoring methodologies, as contained in annex 1 to the report of that meeting; and (ii) a procedure for considering proposed new methodologies, as contained in annex 2 to the same report.

12. The Board further agreed to consider revising the CDM-PDD at its ninth meeting, with a view to facilitating its use by project participants, by including relevant guidance provided by the Board since version 01 of the CDM-PDD was adopted.

13. The Board, recalling the mandate of Appendix C of the CDM modalities and procedures, requested the Meth Panel to:

(a) Further develop a labelling scheme for approved methodologies, in close collaboration with the CDM-AP, for consideration by the Board at its ninth meeting;

(b) Develop recommendations to the Board on the applicability of proposed new or approved methodologies to proposed CDM project activities.

14. The Meth Panel, at its fifth meeting, held in Bonn on 21-23 May 2003, considered the first 14 proposed new methodologies for baselines and monitoring, respectively. These methodologies had been submitted by the deadline of 15 April 2003, subsequently made available for public input on the UNFCCC web site and announced through the 'UNFCCC CDM News' facility. A total of 34 public inputs have been received.

15. The Meth panel, taking into consideration the input by experts (desk reviews) and the public, agreed on recommendations to the Board, for its consideration, on each of the proposed methodologies. The recommendations by the Meth Panel are available to the Board via its listserv and to the public on the UNFCCC CDM web site (<http://unfccc.int/cdm>) as of 27 May 2003. The posting will be announced through the 'UNFCCC CDM News' facility.

16. The Chair of the Meth Panel will present the recommendations by the Meth Panel on the proposed new methodologies to the Board. In addition he will present an update on the second set of submissions of proposed new methodologies, received by the deadline of 29 May 2003, which is to be considered by the Meth Panel at its sixth meeting on 7-8 July 2003.

17. **Action:** The Board may wish to consider (a) the CDM-PDD version 01 and the SSC-PDD version 01 and agree on possible revisions and adjustments (versions 02); (b) the report by the Chair of the Meth Panel; (c) the recommendations by the Meth Panel on the proposed new methodologies; (d) to decide on approval of methodologies, as appropriate; (e) other recommendations by the Meth Panel; and (f) guidance to the Meth Panel, as appropriate.

(c) **Matters related to the registration of CDM project activities**

18. The Board, at its eighth meeting, agreed on clarifications on validation requirements to be checked by designated operational entities (see annex 3 of the report of the eighth meeting) and took note of a draft paper on matters relevant to the registration of CDM project activities which had been prepared by Mr. Georg Børsting, Mr. Chow Kok Kee and Mr. Abdelhay Zerouali, with the assistance of the secretariat. The Board requested them to prepare a revised draft of the following documents:

(a) Procedures for review as referred in paragraph 41 of the CDM modalities and procedures;

(b) Procedure for registration of a proposed CDM project activity, including revision of the form for the validation report and the form for registration. The Board agreed that, instead of addressing the issue of conflict of interest through the CDM-PDD, a statement ascertaining the non-existence of conflict of interest shall be reflected in the registration form.

19. Based on further work by Mr. Georg Børsting, Mr. Chow Kok Kee and Mr. Abdelhay Zerouali, the chair of the Board prepared three draft documents (see annexes 3, 4 and 5): (i) "Procedures for registration of a proposed project activity"; (ii) "Procedures for review as referred in paragraph 41 of the CDM modalities and procedures"; and (iii) "Procedures on public availability of the CDM project design document and for receiving comments as referred to in paragraphs 40 (b) and (c) of the CDM modalities and procedures".

20. **Action:** The Board may wish to consider the three documents on issues related to registration (see annexes 3, 4 and 5) and agree on final versions.

(d) CDM registry

21. **Background:** The Board, at its eighth meeting, took note of an oral report by the secretariat on deliberations by the SBSTA on registries and work relating to the CDM registry. The Board requested the secretariat to continue its work on the CDM registry with a view to further considering this matter by the Board at its ninth meeting.

22. The Board invited Mr. Lu Xuedu and Ms. Sushma Gera to continue following the issue of registries and to report back to the Board at its ninth meeting, in particular on the pre-sessional workshop on registries (2 June 2003).

23. The secretariat prepared a technical paper on some aspects of the development of the CDM registry (See annex 6).

24. **Action:** The Board may wish (a) to consider the technical paper by the secretariat, (b) to request Mr. Lu Xuedu and Ms. Sushma Gera to continue following the issue of registries and to report back to the Board; and (b) to agree on further action to be taken.

(e) Modalities for collaboration with the Subsidiary Body for Scientific and Technological Advice

25. **Background:** The Board, at its eighth meeting, invited Mr. Eduardo Sanhueza and Mr. Martin Enderlin to continue following the negotiations on definitions and modalities for including afforestation and reforestation project activities under the CDM in the first commitment period and to report back to the Board at its ninth meeting.

26. In accordance with the terms of reference of SBSTA, a "Draft consolidated text on definitions and modalities for including afforestation and reforestation project activities under the CDM in the first commitment period"(FCCCC/SBSTA/2003/4) has been prepared and made available to Parties on the UNFCCC web site.

27. **Action:** The Board may wish (a) to take note of the report, and (b) to request Mr. Eduardo Sanhueza and Mr. Martin Enderlin to continue following the negotiations on definitions and modalities for including afforestation and reforestation project activities under the CDM in the first commitment period during SBSTA 19 and report on progress to the Board.

3. Other matters

(a) Schedule of Board meetings in 2003

28. **Background:** The Board, at its eighth meeting, agreed on a schedule for its meetings in 2003 as contained in annex 4 of the report of its eighth meeting. This schedule also reflects the deadlines for submissions of new methodologies and the schedule of meetings of the Meth Panel.

Action: The Board may wish to consider the schedule in view of its deliberation at the ninth meeting and agree on further dates on meetings between July and December 2003, if needed.

(b) Availability of resources

29. **Background:** The Board, at its eighth meeting, took note of an oral report by the secretariat on expenditures in 2002 and the current status of financial resources available for the work of the CDM. The Board expressed its concern about the lack of resources available for the work in 2003. It noted that these resources are not commensurate with the scope and operational character of the work expected from the Board and the secretariat. The secretariat will provide an oral update on the status.

30. **Action:** The Board may wish to take note of the update and reiterate its call to Parties for further contributions.

(c) **Relationship with intergovernmental and non-governmental organizations**

31. **Background:** On the occasion of its seventh meeting, the Chair and other members of the Board met with registered observers for informal briefings. The Board agreed to hold an information event on its activities, including a session on questions and answers, in conjunction with the sessions of the Subsidiary Bodies on 9 June 2003. The event will be available through web cast.

32. **Action:** The Board may wish to agree to avail itself for informal briefings at its tenth meeting.

(d) **Other business:**

33. The Board may consider any other business it deems necessary.

(e) **Membership:**

34. **Background:** The Board, at its eighth meeting, having taken note of the resignations of Mr. Gylvan Meira Filho, member from the Latin American and the Caribbean region, and of Mr. Tuiloma Neroni Slade, alternate member from the small island developing States (AOSIS), agreed to request the Chair to facilitate the process of replacement by contacting the relevant constituencies with a view to obtaining nominations so that appointments could take place at its ninth meeting.

35. AOSIS has nominated Ms. Desna M. Solofa (Samoa) to replace Mr. Slade.

36. The Chair has sent a letter, on 5 May 2003, to the coordinator of the Latin American and the Caribbean region requesting for a nomination of a member to replace Mr. Meira Filho.

37. **Action:** The Board may wish to take note of the nominations by these regional groups and agree on their appointment, as appropriate.

4. Conclusion of the meeting

38. The Chair will summarize the meeting and any decisions taken.

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