Annex 2

DRAFT PROCEDURES FOR THE REVISION OF AN APPROVED SMALL SCALE METHODOLOGY BY THE EXECUTIVE BOARD

(Version 01)

I. INTRODUCTION

1. This document contains the procedures for the submission and consideration of proposed revision of approved simplified baseline and monitoring methodologies for small scale CDM project activity categories specified in appendix B (SSC methodologies). The procedures are drawn from the guidelines for completing the SSC-PPD and other related guidance from the Board and serve to further operationalize the provisions of paragraph 15 and 16 of the simplified modalities and procedures for small scale CDM project activities. Any revision to an approved SSC methodology shall only apply to project activities registered after the date of the revision and shall not affect registered CDM project activities during their crediting period.

II. SUBMISSION OF A PROPOSED REVISION BY PROJECT PARTICIPANTS, DOEs, DNAs AND STAKEHOLDERS

2. To propose a revision to an approved SSC methodology for the Executive Board's consideration and approval, project participants, DOEs, DNAs or stakeholders shall submit the following completed forms, completed in both MS Word and PDF formats, to the UNFCCC secretariat at secretariat@unfccc.int:

(a) The "CDM: Form for Submissions on Small Scale Methodologies and Procedures (F-CDM-SSC-Sub)[1]" indicating that the submission is a proposed revision to an existing approved SSC methodology;

(b) A draft revised version of the approved SSC methodology[2] highlighting proposed changes attached as an annex to the form "CDM: Form for Submissions on Small Scale Methodologies and Procedures (F-CDM-SSC-Sub)";

(c) Appropriate contact information (i.e., a primary and a secondary contact)[3].

3. After performing a completeness check, the UNFCCC secretariat shall forward the documentation to the Executive Board and the Small Scale Working Group (SSC WG). The date of the secretariat's transmission of the documentation to the SSC WG and Executive Board is deemed the date of the Board's receipt of the proposed revision to an approved SSC methodology.

4. The secretariat also shall make the request for revision of an approved methodology publicly available on the UNFCCC CDM web site.

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[1] The current version of the form (F-CDM-SCC-Sub) is available on the UNFCCC CDM web site (http://cdm.unfccc.int).

[2] The MSWord versions of the approved SSC methodologies is available to all those with a "my CDM" login.

[3] This is to enable that project proponents can be informed in advance if a submission will be considered during a SSC WG meeting or if further technical clarifications are required prior to making a recommendation.

III. ANALYSIS/RECOMMENDATION BY THE SSC WG

5. To be considered at a meeting of the SSC WG, the secretariat shall receive a proposed revision to an approved SSC methodology at least four (4) weeks before the meeting. Incomplete proposals submitted by the deadline cannot be guaranteed consideration at the subsequent meeting.

6. Bearing in mind the timelines and deadlines for the consideration of documents by the SSC WG and priorities set by the Board and the Chair of the SSC WG, the working group shall consider the proposed revision at its next meeting, if feasible and if received by the secretariat at least four (4) weeks before the meeting. Submissions received and confirmed to be complete by the secretariat shall be treated on a "first come first served" basis.

7. The SSC WG shall analyze proposed new SSC methodologies submitted in accordance with these provisions. Under the guidance of the Chair and Vice-Chair of the SSC WG, one (1) member of the SSC WG shall be selected and in cases when more detailed consideration is required, the Chair may select an additional member, to review the draft recommendations as prepare by the secretariat. The assigned SSC WG member(s) shall each be paid a half-day fee for the consideration and review of each proposed revision to an approved SSC methodology considered at the SSCWG meeting. Any member who does not provide comments by the pre-meeting deadline as provided by the secretariat, shall be paid a quarter-day (0.25) fee and the Chair may decline the payment of any fee outright should he/she determine that input provided is insufficient. The SSC WG, facilitated by the secretariat, may draw on additional expertise as required for the further assessment of the submission.

8. At any stage before preparation of the SSC WG's final recommendation, the secretariat may request the proponents of the request for revision of the approved SSC methodology to provide additional technical information necessary to assist in analysis of the request, with a deadline for responses keeping selected members of the SSC WG informed. The secretariat shall make these communications available to the SSC WG and the public on the UNFCCC CDM website as soon as possible or archive them if the proposal is marked confidential.

9. The secretariat shall compile all inputs -- from members of the SSC WG, the public, expertise outside the SSC WG and any additional information obtained from the proponents of the request -- and prepare draft a recommendation for the consideration by the members of the SSC WG.

10. As justified, the SSC WG shall recommend either a revision to an approved SSC methodology or the continued validity of the approved SSC methodology. The SSC WG may also recommend the revision of an approved SSC methodology based on the experience gained through the examination of submissions of new SSC methodologies in order to ensure a consistent approval process. The recommendation and response to the proponents of the revision shall be made on the form "CDM: Recommendation form for CDM Small Scale Methodologies (F-CDM-SSCwg")[4].

IV. CONSIDERATION AND APPROVAL BY THE BOARD

11. Having analyzed proposed revisions in accordance with the paragraphs above, the SSC WG shall, if possible, make a recommendation to the Executive Board at its next meeting. The SSC WG shall not forward to the Board any submissions that it deems not suitable for recommendation to the Board. The responses to the proponents for those requests for revision not recommended to the Board, are considered as agreed upon by the Board unless revised by the Board at is next meeting.

[4] The current version of the form (F-CDM-SCCwg) is available on the UNFCCC CDM website (http://cdm.unfccc.int).

12. The Board shall expeditiously review the proposed revision to an approved SSC methodology in accordance with the simplified modalities and procedures for small-scale CDM project activities. Once approved, the secretariat shall make the revised SSC methodology publicly available. The revised methodology will replace the previously approved SSC methodology and shall be published on the UNFCCC CDM website within five (5) calendar days after the date of publication of the report of the Board. The date of revision shall be effective 14 calendar days from the date of publication on the UNFCCC CDM website (24h00 GMT).

13. The section on approved SSC methodologies on the CDM website shall display a 'full view and history' of all previous versions of an approved SSC methodology.

14. The revision of an approved SSC methodology or tool referred to in a SSC methodology shall not affect (i) registered CDM project activities during their crediting period; and (ii) project activities that have been published for public comments for validation using the previously approved methodology or tool, so long as the project activity is submitted for registration within 8 months of the date when the revision became effective.[5]

15. In case the revision results in the withdrawal of existing approved SSC methodologies the withdrawal shall not affect (a) registered CDM project activities using the withdrawn methodologies during their crediting period; and (b) project activities that have been published for public comments for validation using the previously approved methodology or tool, so long as the project activity is submitted for registration within 8 months of the date when the revision became effective.[6]

V. STATUS OF AN APPROVED SSC METHODOLOGY IF THE EXECUTIVE BOARD PUTS IT "ON HOLD"

16. At its fifteenth meeting, the Board agreed that if an approved methodology is expected to require a significant revision or a revision could have significant implications for the use of the methodology, the Board may agree to suspend the use of the methodology, by putting it "on hold" with immediate effect. This shall be announced on the UNFCCC CDM web site and the CDM News facility. The revision of such a methodology shall be undertaken in an expedited manner.

17. Project activities that use a SSC methodology that is "on hold", but have not been submitted for registration within four (4) weeks after the SSC methodology was put "on hold", will not be permitted to use the methodology until the Board has decided on any revision of the SSC methodology.[7]

18. If the Board puts a methodology "on hold", in accordance with paragraph 17 above, a revised methodology should be approved no later than the third meeting of the Board after it has agreed to put the methodology "on hold."

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[5] The request registration referred to is considered to be submitted within the deadline if the following conditions are fulfilled: (a) The DOE has uploaded the request for registration using the dedicated interface of the UNFCCC CDM website before 24:00 GMT on the day of the deadline. (b) Either the proof of payment is uploaded within 20 calendar days after the deadline or the payment is received within 40 calendar days after the deadline. It is noted that these conditions are checked by automated checks.

[6] The above footnote i.e. footnote 5 applies.

[7] The above footnote i.e. footnote 5 applies.