

EB 61 SUMMARY



BACKGROUND

In order to make decisions of the CDM Executive Board (the Board) more accessible to stakeholders in the mechanism, the UNFCCC secretariat will now provide summaries of the key decisions of meetings. This is the first such summary. To maximise their usefulness, these summaries will be translated into the official UN languages in due course. The summaries relate to the main policy decisions taken by the Board and exclude individual case specific matters of registration, issuance and accreditation. Key methodological issues with the potential to impact a significant numbers of projects are addressed.

Governance Matters

Highlights: The Board adopted a new [terms of reference](#) for its support structure. This consolidates and replaces a number of existing terms of references for individual panels and working groups. The new terms of reference removes inconsistencies between different elements and also clarifies the role of the UNFCCC secretariat. The Board also decided to request the secretariat to analyse the rules of procedure of the Board and make recommendations for improvements. In addition, the Board revised its [hierarchy of decisions](#) to improve the consistency and ease of classification of documents produced and requested the secretariat to develop proposals for

improving the quality and usability of regulatory documents.

Impacts for stakeholders: The revised terms of reference does not have an immediate or direct impact on external stakeholders. However, it is expected that the clarity on roles will allow the CDM system to function more cohesively and effectively, thereby helping to ensure that the mechanism functions more efficiently and delivers outputs of consistent quality. The aim of any future revision to the rules of procedure will be to achieve the same outcome by ensuring that required regulatory decisions can be taken in a timely manner. The revised hierarchy and the work plan on documentation is designed to make future documents more accessible for all stakeholders.



Matters related to the new and revised standards and guidance for projects and programmes

Highlights: The Board agreed to amend the [grid tool](#) by extending the procedure for the identification of sample groups of power units relevant to build margin calculation. The Board agreed to revise the highest wind and hydro tariffs by province, taking into account the Chinese DNA's response. The Board also agreed to exclude project activities commissioned before 2002 and to exclude demonstration projects or ODA funded projects. The Board also agreed that the tariffs should be based on the tariff notifications issued by the national/ local authority or power purchase



agreements and not be based on letters issued by the local government. A revised list will be published by the UNFCCC secretariat. The Board requested the secretariat to draft a standard that addresses the suppressed demand in baseline and monitoring methodologies, as formulated in the secretariat's information note and to draft a work plan on how to implement the identified solutions in approved methodologies and report back to the Board at its 63rd meeting. In addition, the secretariat was requested to prepare options for the revision of guidance for the

demonstration and assessment of prior consideration. The secretariat was also requested to undertake a technical assessment with the SSC WG of the proposals received from DNAs on specific renewable energy technologies/ measures to be deemed as additional in the host country. The Board requested a small group of members to prepare a list of questions to be used in launching a call for public inputs on the use of the first-of-its-kind barrier and the assessment of common practice. These questions will be considered by the Board at its 62nd meeting.

Impacts for stakeholders: The amendment of the grid tool will provide flexibility for LDCs and countries where less than ten CDM projects have been registered, when calculating the grid emission factor. The revision of the list of highest wind and hydro tariffs will provide more clarity to the DOEs and PPs and will ensure a common understanding between the Board and stakeholders.



Matters related to new and revised procedures

Highlights: The Board revised the "[Procedures for review of erroneous inclusion of a CPA](#)", to ensure that a DOE would only be required to acquire and cancel certified emission reductions (CERs) subsequent to a CPA exclusion in situations where the DOE has been found to have failed to conduct an assessment of compliance in accordance with the established requirements. This concept of liability will be further incorporated in the procedural framework for PoAs to be considered at EB 63.

The Board also adopted [guidance](#) for the development, revision and consolidation of standards and procedures related to the CDM project cycle. In this guidance, the Board agreed to merge the existing processes for post-registration issues into the issuance process and to incorporate a risk-based approach for assessment of project submissions. The full implementation of these changes will be considered by EB 63. Additionally, the Board requested the secretariat to develop an information note on the application of the requirements for consideration of stakeholder inputs in the validation process.

Impacts for stakeholders: The revision of the “Procedures for review of erroneous inclusion of a CPA” is expected to alleviate the barrier for programme developers in finding DOE’s willing to accept contracts for validation and inclusion. The merger of many post-registration processes with the issuance process will have a significant impact on the time required for issuance of CERs.



Requests for inputs from stakeholders

To support future work on the CDM, inputs are sought from stakeholders on the following matters:

- (a) Issues identified in relation to the further development of the draft methodology for [water saving devices](#), **starting on 3 June 2011 and ending on 16 June 2011.**
- (b) Issues identified in relation to the development of a [solar cooker methodology](#), **starting on 3 June 2011 and ending on 3 July 2011.**

- (c) How to include [co-benefits and negative impacts](#) in the documentation of CDM project activities and the role of the different actors and stakeholders in this process, **starting on 3 June 2011 and ending on 3 July 2011.**
- (d) Identification of common issues in [implementation of a registered A/R CDM project activity](#), **starting on 3 June 2011 and ending on 3 July 2011.**

Next EB Meeting:

EB 62
11 - 15 July 2011
Marrakesh, Morocco.

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