

EB 69 SUMMARY



ABSTRACT

The CDM Executive Board (the Board) held its [sixty-ninth meeting](#) (9 - 13 September 2012) in Bangkok, Thailand. The final report of the CDM Policy Dialogue was considered. The Board decided that for the second commitment period global warming potentials (GWPs) shall apply to all calculations of emissions reductions or removals achieved from 1 January 2013. The “Guidelines on the application of materiality in verifications” were adopted and “Guidelines on additionality of first-of-its-kind project activities” and “Guidelines on common practice” were revised. The revised methodology ACM0013 on clean coal fossil fuel power plants was adopted. Furthermore, the Board agreed on the procedure for implementing voluntary cancellation in the CDM registry.

Matters related to Governance

Highlights: The Board took note of the final report on the CDM Policy Dialogue, as presented by the Chair of the High-Level Panel, Mr. Valli Moosa, and thanked the panel for its hard work.

The Board also took note of a report on the status of implementation of the CDM loan scheme during the year 2012, including actions by the implementing agency, the United Nations Office for Project Services (UNOPS), and the UNFCCC secretariat.

Impacts for stakeholders: The CDM Policy Dialogue panel recommended 51 actions across 12 areas, with a view to making the CDM fit for the future. Its recommendations cover issues such as the crisis of demand, mitigation impact, linking of carbon markets, sustainable development, regional distribution, governance structure, additionality, stakeholder and public engagement, and mechanisms for appeals and grievances.

Regarding the CDM Loan Scheme, stakeholders can apply for loans to

provide financing for PDD development, validation and the 1st verification process. The loans provided are interest-free. Only CDM projects in nations with fewer than ten registered CDM projects are eligible. Applications are currently being accepted for the second round of the CDM Loan Scheme. The deadline for applications is 30 September 2012. For more information see: <http://www.cdmloanscheme.org/>



Matters related to the Board and its support structure

The Board took note with appreciation of the secretariat's plans for ensuring adequate project timelines during the last two quarters of 2012

Impacts for stakeholders: Despite a record inflow of requests for registration, project timelines are expected to remain within reasonable limits.

Matters related to Standards, Tools and Guidelines

Highlights: The Board adopted the [Standard for application of the global warming potentials to CDM project activities and PoAs for the second commitment period of the Kyoto Protocol](#). According to this document all emissions reductions or removals achieved from 1 January 2013 onwards shall apply updated Global Warming Potentials

(GWPs). Details on how this shall be applied are provided.

The Board adopted the [Guideline on the application of materiality in verifications](#), the objectives of this guideline are to: (a) Facilitate a uniform interpretation and application of the concept of materiality by DOEs in verifications; (b) Improve transparency, consistency and efficiency in verifications and verification/certification reports submitted in the CDM project cycle. In addition, the Board adopted the revised [Guidelines on additionality of first-of-its-kind project activities](#) and [Guidelines on common practice](#). The Board also considered a concept note related to guidelines, procedures and standards for PoAs. The revision of the methodology [ACM0013](#) for less GHG-intensive fossil fuel power plants was adopted, after it had been on hold for around a year. The Board also approved 3 new large scale methodologies as well as the tool [Upstream leakage emissions associated with fossil fuel use](#) and revised several other large scale and small scale methodologies, including methodology [AM0108 Interconnection between electricity systems for energy exchange](#). *Impacts for stakeholders:* Clarity was provided on how to apply GWPs in the second commitment period of the Kyoto Protocol. The guideline on the application of materiality in verifications is applicable to DOEs for the verification of all types of CDM project activities. The new methodology [AM0108](#) allows the development of CDM project activities interconnecting grids (electricity networks) between countries.



- (a) The "Clean development mechanism project standard",
- (b) The "Clean development mechanism validation and verification standard", and
- (c) The "Clean development mechanism project cycle procedure".

Matters related to Procedures

Highlights: The Board adopted the [Procedure for implementing voluntary cancellation in the CDM registry](#), and requested the secretariat to complete the necessary system modifications and process arrangements.

Impacts for stakeholders: Project participants will soon be able to cancel CERs transferred into a cancellation account whether as a voluntary action on their own behalf or on behalf of third parties. This could encourage expanded use of CERs for voluntary emission reduction, such as by companies using credits as part of a social responsibility programme, by event organizers wanting to offset their emissions, or even by individuals wishing to reduce their carbon footprint.



Requests for inputs from stakeholders

[Inputs are sought](#) from stakeholders, starting on **24 September 2012** and ending on **23 October 2012**, on the following matters:

**Next Meeting: EB 70
19 - 23 November 2012
Doha, Qatar**

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