Development in the negotiations on the CDM

DNA Forum meeting
13–14 November 2014
Background

- CMP provides **annual guidance on the CDM** through its decision at each CMP session

- In addition, in December 2012, CMP requested the Subsidiary Body for Implementation (SBI) to prepare recommendations related to the **review of the CDM Modalities and Procedures (M&P)**

- Since June 2013, the SBI has been working on this matter and taking into account various products to assist Parties in their negotiations:
  - Recommendation of the Board **(FCCC/SBI/2013/INF.1)**
  - Submissions by Parties **(FCCC/SBI/2013/MISC.1 and Add.1)**
  - Technical paper prepared by the secretariat **(FCCC/TP/2014/1)**
Process

CMP

Review of the CDM Modalities and Procedures

SBI 38 Bonn (May 2013)
- EB recommendation
- Workshop report

SBI 39 Warsaw (Nov 2013)
- Submission by Parties

SBI 40 Bonn (June 2014)
- Co-chairs note on possible changes
- Technical paper

SBI 41 Lima (Nov 2013)
- Revised Co-chairs note on possible changes
Possible changes to CDM M&P

- Main areas under consideration:
  1. CDM in broader context of post-2020 agreement
  2. Board’s roles, membership and composition
  3. Roles of DNAs
  4. DOE liability for significant deficiencies in past validation, verification, certification reports
  5. Length of the crediting periods
  6. Requirements for demonstrating additionality and sustainable development contributions
  7. Simplifying/streamlining project cycle for certain project types
  8. Programme of activities provisions
  9. Afforestation/reforestation project activities (> SBSTA)
Parties’ consideration

- Parties considered possible changes to the CDM M&P, using the co-chair’s note prepared at SBI 39 in Warsaw (Nov 2013), and taking into account the technical paper prepared by the secretariat.

- At SBI 40 in Bonn (June 2014), Parties made progress in their consideration as captured in the revised co-chairs note. However, Parties could not come to conclusions on this agenda item.

- Discussions will continue at SBI 41 in Lima (Dec 2014).

- Substantive progress has been captured in the revised co-chairs’ note.
The next opportunity to further discuss the review of the CDM M&P and accelerate development of different aspects of the review will be in Lima (December 2014)

However, the progress could be linked to the progress on other more political issues, such as the content of the 2015-agreement, increase of ambition, provision of support and ratification of the Doha amendment

Nevertheless, in the meantime it is important to make significant improvement to the CDM so that it can continue to play a vital role in the pre- and post-2020 regime