Recent developments and future perspectives for the CDM

Asia Pacific Regional Workshop:
“Promoting the CDM and the Market Mechanisms for pre and post 2020”

Manila, Philippines, 29-30 September, 2015
Negotiations on CDM

• Review of the CDM modalities and procedures (Nov 2013 ~)

• Annual guidance on the CDM
Review of the CDM modalities and procedures – process to date

CMP

SBI 38
Bonn
(May 2013)

SBI 39
Warsaw
(Nov 2013)

SBI 40
Bonn
(June 2014)

SBI 41
Lima
(Nov 2014)

SBI 42
Bonn
(June 2015)

Submission by Parties
Workshop report
Co-chairs note
Technical paper
Revised Co-chairs note
Consideration by Parties

EB recommendation
Review of the CDM modalities and procedures – Views of Parties

• Diverging views
  • **Minimum change** is necessary to reflect only the current regulations and practices of the CDM Executive Board
  • **Simplification and streamlining** is necessary in particular to facilitate the uptake of the CDM in underrepresented regions/countries
  • **Fundamental reform** is necessary to include issues such as “net mitigation” objective, to strengthen environmental integrity (additionality, etc.) or sustainable development contribution aspects

• **SBI 42 (June 2015, Bonn)**
  • Parties agreed to start discussing on the introduction of new sections on PoAs and DNAs → Constructive discussions took place, but no conclusion could be reached at the end.

• **Perspectives for Paris**
  • The expected 2015 agreement in Paris may have an implication on the fate of the CDM and market mechanisms in general
Annual guidance on the CDM – Decisions

• Historically used as means to amend CDM rules, which are under the jurisdiction of the CMP (higher than not EB)

• **Decisions at CMP 10 (Lima)**
  • Allow validation of monitoring plan at any time up to the first request for issuance
  • For multi-country PoAs, a request by a Party for review of a request for issuance affects only the CPAs in that Party
  • Consider implications on the necessity of PDD when proposing revision to a methodology
  • Continue the work on simplification and streamlining methodologies
Annual guidance on the CDM – Requests to the Board

• Requests the Board at CMP 10
  • Explore additional cost-effective approaches to demonstrating the eligibility of land to qualify for A/R project activities
  • Analyse options to allow simplified registration for project activities and PoAs that qualify as automatically additional (registration with template + validation at 1st issuance)
  • Analyse implications on allow the same DOE to perform both validation and verification of the same project activity or PoA for all scales
  • Develop and digitize methodology-specific DD forms
Requests the Board at CMP 10 (cont.)

- Streamline provisions on PoAs with a view to achieving consistency in a consolidated set of rules
- Consider adjusting the rules on PoAs (application of microscale thresholds at unit level, simplified validation/registration for microscale and automatically additional activities)
- Explore and analyse options to improve accreditation of operational entities in regions underrepresented in the CDM
Thank You