



CDM EB 56 Press Highlights



CDM Executive Board, 56th Meeting: Brasilia, Brazil, 17 September 2010

At its meeting just concluded in Brazil's capital, the CDM Executive Board adopted a recommendation on a loan scheme to promote the CDM, a revised accreditation procedure and revised accreditation standard. The Board also elaborated on its approach to deliberations on HFC-23 projects, which the Board is committed to concluding at its 58th meeting in Cancun, Mexico, in November.

In June the Board's Methodologies Panel recommended research into various aspects of HFC-23 projects and the related methodology. The Board agreed and asked the panel to proceed with research. HFC-23, a waste by-product in the manufacture of refrigerant and chemical feedstock HCFC-22, has a global warming potential 11,700 that of carbon dioxide. The Board needs to answer whether safeguards built into the HFC-23 methodology remain sufficient to prevent over-production or inefficient production simply to earn certified emission reduction (CER) credits from the incineration of HFC-23.

Meanwhile, the Board has signalled that requests for issuance of CERs made for those projects, of which there are 19 registered, would receive a request for review as a matter of course until the matter is concluded at the Board's 58th meeting.

The Methodologies Panel has hired a consultant to help with its research. As well, the Board has sent several questions to project participants whose requests for CER issuance have received requests for review. The Board also encouraged responses, on a voluntary basis, from all other HFC-23 project participants, and from designated operational entities (DOEs), the third-party certifiers accredited under the CDM. The Methodologies Panel will hold an extraordinary meeting to consider the work undertaken by the consultant.

"Without the CDM there is no incentive to destroy HFC-23. So it's clear that the CDM has contributed a great deal to mitigation of climate change through the destruction of this very potent greenhouse gas. What we need to be clear on now is whether the methodology remains robust enough to prevent production simply to earn credits," said CDM Executive Board Chair Clifford Mahlung.

No new factories can qualify and the amount of credits that a project can earn is tied to historical production levels and established waste-to-product ratios, safeguards intended to prevent production increase or inefficient

operation of facilities for the purpose of generating emission reduction credits. The methodology used in HFC-23 projects, AM0001, is now in its fifth version.

“The Board takes its responsibilities seriously and is committed to following its procedures to ensure the integrity of the CDM,” Mr. Mahlung said.

In response to a request from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), the Board agreed on guidelines and modalities for operationalization of a loan scheme to support the development of CDM project activities in countries with fewer than 10 registered project activities, for consideration at CMP’s sixth session in November-December 2010.

The revised accreditation procedure (effective in 2 months) adopted by the Board further streamlines the accreditation process, especially relating to spot-checks and suspensions, reduces timelines for re-accreditation and includes procedures for handling complaints. The accreditation standard (effective in 6 months) adopted by the Board enhances requirements in a number of areas, such as impartiality and technical competencies.

The Board also accredited two entities, CEPREI and LGAI. In other matters, the Board launched a call for public input on the subject of liability of DOEs for excess issuance of CERs, and a call for public input on the concept of materiality and level of assurance. For a full meeting report visit <http://cdm.unfccc.int/EB/index.html>. For further information contact cdm-press@unfccc.int

About the Kyoto Protocol’s clean development mechanism

The CDM allows emission-reduction projects in developing countries to earn certified emission reduction (CER) credits, each equivalent to one tonne of CO2. CERs can be traded and sold, and used by industrialized countries to meet a part of their targets under the Protocol. The CDM assists countries in achieving sustainable development and emission reductions, while giving industrialized countries some flexibility in how they meet their emission targets.

CDM quick stats, 17 September 2010	
Number of projects registered	2379
Number of projects with CERs issued	772
CERs issued to date	432,673,803
Projects in pipeline (<i>Includes all projects from validation stage; includes registered projects</i>)	> 5300
CERs in pipeline (<i>CERs from projects at validation stage onward, to 2012, including registered projects</i>)	> 2,900,000,000
Top five countries by number of projects registered	
China	953
India	534
Brazil	178
Mexico	123
Malaysia	83
Top five countries by CERs (<i>Expected average annual CERs from registered projects</i>)	
China	232,120,095
India	43,313,643
Brazil	21,226,033
Republic of Korea	17,015,304
Mexico	9,597,832

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