

Comments on VVM from Boni Jiang of Cenergy Corporation, China

To whom it may concern:

This is to submit my comments on VVM on behalf of my company Cenergy Corporation. Please find black text below as quote from VVM and red text as my comments. Thank you very much for this opportunity.

10. “DOE shall work in a credible, independent, **non-discriminatory** and transparent manner.”

[As far as we are aware that some DOEs have preference working on verifications instead of validations. If it has to be a validation project, then DOE will want to have two verification projects as rewards. Otherwise, the cost of a pure validation is very high. We believe this is against the “non-discriminatory” principle. In addition, this preference indicates that some DOEs put their own economic interest at the first place, which is a dangerous trend that could potentially influence their “independence”.]

14. “DOEs shall also be able to demonstrate that the competence of the team was adequate and the same is being maintained by the DOE throughout the period of validation/verification.”

40. “DOEs shall make available the required competence needed for the validation verification activity (ies). Such competencies include those having the necessary knowledge, skills, experience, supporting infrastructure and capacity to effectively complete validation or verification activities.

[It is well known in China that some DOEs with a few hundreds of CDM contracts while having only several employees working on them. This has become a serious bottle-neck for CDM progress in China. It is true that these DOEs have the capacity to work on these validation/verification projects. However, it is clear that they do not have the capacity to work on such a large number of projects at the same time. To sign the agreements without allocating enough human resources to those projects is irresponsible. It causes frustration to project owners and developers and discourages appearance of similar emission reduction projects. If there is anything to be done, there should be a limit on DOEs’s contract numbers. Or there should be a generally agreed time frame for DOEs to complete their jobs.]

123. If the project activity start date is prior to the commencement of validation it shall be demonstrated that the incentive from the CDM was seriously considered in the decision to proceed with the project activity.

[There should be some room for exceptions. For example, a project started early and was suspended for various legitimate reasons. When it resumes, the whole economic environment is different especially due to the inflation. A once economically-sound project becomes a project that is not feasible any more without CDM revenues. The manual should leave

opportunities to these types of projects.]

232. Upon receipt of the documentation a unique registration reference number is generated. This reference has to be used by the PP for bank transfer of the registration fee.

233. Upon receipt of the fee the secretariat will undertake a check to confirm that all necessary documents have been submitted and that cross references, dates and other information contained therein is complete and consistent.

[How about reverse 232 and 233? The secretariat shall check if the documents are complete and consistent first. If so, the PP will be notified with a registration reference number and be requested to pay the fee. By doing so, a clear cut is made in terms of time frame. And we would like to see a clear time frame table for all the processes. As it is said: time is money. Good administration can help good business which eventually contributes to a better environment.]