

**Dear members of the CDM Executive Board,**

In response to the invitation for public comments on the DRAFT STANDARDIZATION OF THE FORMAT OF THE MODALITIES OF COMMUNICATIONS BETWEEN PROJECT PARTICIPANTS AND THE BOARD, I am obliged to submit the following comments for the Board's consideration.

**General principles /observation to ease the operations of UNFCCC Secretariat:**

**Frequency of change in focal points:** The project participants should not be entertained to change the focal point of communication for more than three times in selected crediting period.

**Frequency of change in MoC:** It is suggested before the first issuance any number of changes on the MoC can be accepted and after the first issuance the changes to be allowed only based on the number of issuances made and for projects for which the frequency of issuance is fixed (ex: like the AM 0001 for last year of credits) should follow the methodology rules.

**Provide guidance on who can be a focal point of communication:** The focal point of communication in any project submitted by private enterprises should be by default the owner of the facility (majority share holder) and in case of public enterprise's it can be senior staff whose retirement age is more than the selected crediting period of the project. This can avoid frequent change in the focal point of communication by the project participant.

**Joint focal entity:** If a joint focal entity is selected by the project participants then any changes should be allowed by the secretariat if majority of the share holders in the project emission reductions and the host country participant (Non-annex I) endorses the document, means it should not insist on all the project participants, the pitfalls of the same is described below:

**Observation on the document:**

Section	Text	Issue	Suggestion
Definition Para : 2	Any change to focal point roles shall be agreed by all project participants and will only be effected through a revised version of the modalities of communication.	In the absence of UNFCCC role as mentioned in Para 10 on any disputes between the parties, I am of the opinion this specific clause is encouraging one or the other parties to keep MoC as sword to protect their own interest i.e. a buyer from Annex- I would deny to relinquish his position even after a	The UNFCCC does not need to get into the intricate details of the transaction ,but the form can specify share of each annex- I parties in terms of the total emission reductions and validity of the MoC based on their internal contractual agreements can be specified.

		<p>Non-annex I participant see a better partner for a better revenue and vice-versa the non-annex I party may or in contrary a vice-versa situation would arise.</p>	<p>For example: If the MoC specifies that the binding between the annex-I and non-annex I participant is only for say 2 years then provisions to be provided for a change in MoC only with the signature of the non-annex I participant (host country participant).</p> <p>This would helps in smooth transition between the annex- I and non-annex I participants and further more frequent changes in the MoC can also be avoided.</p>
9 – ID No: a	Title of the CDM project activity (and ID number if available);	<p>Now the project reference number is given only after the project is requested for registration and the title of the project needs to be in consonance with the LoA provided by the DNA.</p>	<p>So the provision for MoC submission can be after the UNFCCC – Secretariat assign the project reference number, until then DOE would be the focal point of communication with the Board or the Secretariat</p>

Thanking you for your consideration

Sincerely yours,

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<sup>1</sup> The views expressed are authors personal opinion and does not reflect those of any company