Dear CDM EB members,

It is a pleasure to have the opportunity to send a few comments in order to exchange ideas for improving the efficiency in the operation of the CDM.

Let us first mention some of the main problems detected and then a way to solve them.

Problems:

1. **CDM project cycle is taking too much time**. According to CD4CDM statistics, extreme delays occur in all stages of the CDM project cycle. Reasons for these delays are related to:
    a. Saturation of staff involved in these topics due to an overwhelming amount of CDM projects, new methodologies and clarifications, revisions, and so on.
    b. Mitigation opportunities cover a wide range of technologies. Meth Panel and EB members may not have sufficient experience in certain fields, leading to delays, lost opportunities, excessively stringent monitoring requirements, etc.
    c. Complexity of the project cycle itself, mainly related to additional guidelines and procedures that increase workload or make more stringent elaboration and assessment of PDDs and NMs, or introduction of intermediate stages, such as the Completeness Check.
    d. Continuous changes in AM versions, where use of previous versions remains valid for a short period of time.
    e. Lack of a collaborative framework to speed up the process.

2. **Restrictions in applicability conditions and other related matters in AMs**, especially for particular sectors, which makes it quite difficult for a particular project to meet all applicability conditions. Examples include:
    a. A&R projects.
    b. Programmatic CDM.
    c. Many AMs were never used in any project, not even by the original developers of the corresponding NMs.
    d. A lot of similar AMs and consolidations in ACMs that, when merging existing AMs and NMs, do not allow some projects to apply these ACMs.
    e. There are technical errors in AMs, e.g. in several versions of ACM0001, we saw (a) equations disappear, (b) incorrect concepts ("$MD_{total,y}$ is the total quantity of methane generated"), as well as one that was never fixed: bad algebra[1].

[1] The following type of equation has persisted through many versions of ACM0001, including v.10. Since the methane content (w_{CH4}) changes continuously, LFG flow and methane content must be multiplied over short time intervals and then added. Multiplying annual averages of the two variables is wrong.

$$MD_{electricity,y} = LFG_{electricity,y} * w_{CH4,y} * D_{CH4}$$

Proposed improvements:

1. **CDM project cycle is taking too much time**
    a. We would like to see more Meth Panel and CDM EB members to work full time in their tasks.
    b. A greater proportion of members should be selected according to their experience in the sectors and technologies covered by the CDM. These members should be selected in public calls according to their qualifications and practical experience. Lack of specialized industry experience means that certain methodologies are too theoretical and monitoring procedures may be impossible to implement correctly. Another important skill would be expertise in Statistics.
    c. Guidelines should clarify and simplify procedures. Most of the restrictions imposed on AMs and Section B of PDD are related to the way of considering all possible baseline scenarios and, separately, how to account for additionality. The process should be conceived as one simple step: if the project is additional it means that project emissions are lower than those that would have occurred in the absence of the CDM project, i.e. the baseline, and if the baseline is already identified it means that the project is additional if project emissions are lower than baseline ones. Additionality and baseline are two different aspects of the same thing, hypothetical emissions of a hypothetical scenario. It seems that complexity is only introduced for the sake of complexity but it has not resulted useful for ensuring that no certified emission reductions will be issued for those emission reductions that would have occurred anyway. Complexity becomes only an invitation to project developers to show off their skills.
    d. It has connection to the previous point. Avoiding many complex restrictions in AMs will facilitate the elaboration of lasting AM versions. Moreover, if a version is changed, the previous one should be valid for at least one year since the publication of the new version. In case the new version is a technical correction (of errors) then the same version number can be retained with a sub-number, e.g. ver. 7.1, where it is understood that 7.1 is the corrected 7, and not a new version.
    e. A lot of project developers, with good emission reduction projects, feel frustration for having continuous rejections of their NMs or requests for revisions, clarifications, etc. MP should be pro-active, making constructive suggestions, instead of only detecting mistakes[2]. A full-time and more involved MP should provide the way to adapt NMs or revise AMs in order to save time and facilitate the process. An open dialogue should be established between project developers and MP members. It does not incur in any conflict of interest.

[2] A pair of methodologies submitted by us on fuel switching and cogeneration were rejected a total of nine times. Most of the times, they received a "B" rating, where MP asked for something else. Both projects were eventually abandoned by PPs, after two years of meth trials. Even today there is no AM for "fuel switching and cogeneration".

2. **Restrictions in applicability conditions and other related matters in AM**
    a. A&R should have a flexible initial stage to show project proponents how to benefit through CDM as an incentive for project development, since a lot of opportunities exists in this sector but only the voluntary market has been able to capture some initiatives.
    b. Restrictions on the use of methodologies should be eliminated and documentation to be submitted should be simplified. Programmatic CDM should favor government policies for avoiding perverse incentives.
    c. Theoretical assumptions proposed by the MP and the CDM EB to apparently ensure that CER are truly additional are sometimes only an obstacle to project realization. To have more professional members would contribute to better understand actual conditions.
    d. A full revision of all AMs and ACMs should be made in order to reduce the number of methodologies and expand the applicability conditions so that projects which have elements common to different methodologies can fit into only one wide-scope methodology. Project developers should be invited in this review process. Additionally, a lot of inconsistencies should be clarified and then eliminated. For the same AM, for the same kind of project, etc. it is easy to find that, depending on the members that evaluated the specific cases, totally contradictory answers or evaluations were given, which gives the impression that some conditions have a subjective nature and are a matter of interpretation according to the evaluator at that moment.
    e. CDM consultants and anyone else should be allowed to submit “errata” to AMs, without the need to submit a proposal for a revised methodology and associated PDD. Most mistakes arise from typographical or other errors, corrections are easy to make, and should not require a complicated bureaucracy.