

To: Mr Lex de Jonge
Chair, CDM EB

4 May 2009

Dear Lex,

I am writing in a personal capacity as a member of the 'interested public' in response to the call for public comments on improving the efficiency of operation of the CDM, with two suggestions.

First, I would like to suggest that the validation process could be streamlined through the creation of a centralised database, maintained by the Secretariat, of frequently used inputs to PDDs. The most obvious example would be grid-specific emission factors, but the concept could be extended to a range of other country-specific parameters, benchmarks and possibly even 'common practice' data (e.g. lists of similar non-CDM projects in a given country or region).

Such a database could achieve the following outcomes:

- Reduced duplication of effort (e.g. each project developer conducting their own research and analysis in order to arrive at a country-specific emission factor; each DOE in turn checking whether the analysis is accurate, reasonable and justified)
- Improved consistency between PDDs, leading to higher quality overall
- Reduced time inputs and hence lower cost for project developers and DOEs.

I suggest that the process for populating this database should remain essentially bottom-up, with most data provided initially by project developers in relation to a specific project. However, the Board could actively seek to obtain the relevant data (e.g. by commissioning internal or external research) for certain sectors or countries that it felt required such support (for example, to improve regional distribution).

A procedure should be developed for peer review (in most cases simply by public consultation, but potentially also by expert review where necessary) of proposed inputs to the database, and for correction and updating of data as required. Once validated, use of the data by subsequent projects should be subject to a lighter test of whether the use of the published data is appropriate in the project-specific circumstances, as opposed to a full audit of the relevant value itself. The option to use an alternative value, with appropriate justification, should always remain open to the project developer/DOE.

Second, I would like to suggest that methodologies should be divided into a methodology document proper, and a separate guidance note. The guidance note could start life as the current section D of the new methodology form, but would subsequently be updated (by the Secretariat) with relevant explanations, clarifications or even 'best practice' examples – in each case, clearly setting out to which versions of the methodology each element of the guidance would be applicable, and whether the applicability is mandatory or optional. This would mean that some non-material changes which currently require revision of a methodology would not actually result in a new version of the methodology, but could be achieved more simply via an update of the accompanying guidance note. It would also mean that all explanations and clarifications relevant to a given methodology would be gathered together in one place, reducing the potential for misunderstanding and misapplication of the methodology.

While these changes will not revolutionise the CDM, I believe they could make a small improvement in streamlining the process, improving quality and reducing transaction costs.

Yours sincerely,

Francisco Ascuí
Meth expert