

**DRAFT****DRAFT PROCEDURES FOR REVIEW FOR REQUESTS FOR ISSUANCE****(Version 01)****A. Background**

1. In accordance with paragraph 5 (o) of the modalities and procedures for a clean development mechanism (CDM modalities and procedures), the Executive Board elaborated and recommended to the Conference of the Parties, for adoption at its eight session, procedures for conducting the reviews referred to in paragraphs 41 and 65 of the CDM modalities and procedures including procedures to facilitate consideration of information from Parties, stakeholders and UNFCCC accredited observers. The Conference of the Parties endorsed those recommended procedures at its eight session, and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol adopted the Procedures at its first session (Annexes III and IV to decision 4/CMP.1)
2. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol decided at its fifth session to request the Executive Board to adopt as soon as possible, and subsequently apply on an interim basis, revised procedures for registration, issuance and review, under which alternative timelines to those defined in decision 3/CMP.1, annex, paragraphs 41 and 65, and decision 4/CMP.1, annex II, paragraph 24, can be applied.
3. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol also decided at its fifth session to revoke annexes III and IV to decision 4/CMP.1 containing the existing procedures for review and request the Executive Board to ensure that the revised procedures for review:
 - (a) Provide designated operational entities and project participants with adequate opportunity to address issues raised in reviews;
 - (b) Include an independent technical assessment of the analysis conducted by the secretariat;
 - (c) Include a process for the Executive Board to consider objections raised by members of the Executive Board to outcomes of assessments;
 - (d) Ensure efficient and timely consideration of registration and issuance requests.
4. These procedures for review of requests for issuance elaborate on the provisions in the CMP decision 2/CMP.5 paragraph 39) in particular by specifying detailed provisions for requesting a review, the elaboration and consideration of the review, modalities for communicating with project participants and the designated operational entity (DOE) in question, possible outcomes of a review, and the coverage of costs relating to the review.
5. This document replaces the "Revision to the clarifications to facilitate the implementation of the procedures for review as referred to in paragraph 65 of the Modalities and Procedures for a Clean Development Mechanism (Annex IV to Decision 4/CMP.1)".

B. Requesting a review

6. A request for review by a Party involved in the proposed project activity shall be sent by the relevant designated national authority to the Executive Board, through the secretariat, using official means of communication (such as recognized official letterhead and signature or an official dedicated

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e-mail account). A request for review by any member of the Executive Board shall be made by notifying the Executive Board through the secretariat.

7. The secretariat shall acknowledge the receipt of a request for review and promptly make it available to the Executive Board.
8. A request for review shall be considered to be received by the Executive Board on the date it has been received by the secretariat. A request for review will not be considered by the Executive Board if it is received after 17:00 GMT of the last day of the 21 day period after the publication of the request for issuance.
9. A request for review shall:
 - (a) Include the latest CDM project activity issuance review form (F-CDM-IR) adopted by the Executive Board;
 - (b) Provide reasons for the request for review and any supporting documentation.
10. As soon as a Party involved in the registered CDM project activity or three Executive Board members request a review of the request for issuance, the following action shall be taken:
 - (a) The secretariat shall notify the project participants and the DOE which verified and certified the emission reductions of a project activity that a review has been requested;
 - (b) An anonymous version of issuance review form(s) shall be made publicly available;
 - (c) The project participants and the DOE shall each provide a contact person for the review process, including for a conference call and shall provide responses to the issues identified in the request for review within two weeks after the notification of the review to the project participants and the DOE;
 - (d) The request for issuance shall be marked as being “under review” on the UNFCCC CDM web site.

C. Assessment of responses

11. The secretariat shall prepare an assessment of responses by the project participants and the DOE in the context of reasons for the request for review as indicated in the issuance review form and the CDM requirements.
12. The secretariat may request the project participants and the DOE to provide further clarification on their responses or explanation on additional issues arising from the assessment of their responses, through writing and/or telephone communication. Any information relevant to decision making shall be made available in writing. This request shall be communicated to the project participants and the DOE no later than five weeks after the notification of the review to the project participants and the DOE.
13. The project participants and the DOE may further communicate with the secretariat following the request for clarification or additional information. Any responses and additional information shall be received by the secretariat no later than nine weeks after the notification of the review to the project participants and the DOE.
14. The secretariat, on the basis of the responses from and further communication with project participants and DOE, shall prepare a final assessment and recommendation for the consideration of

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the Executive Board no later than 12 weeks after the notification of the review to the project participants and the DOE.

D. Independent technical assessment

15. An expert selected from the Registration and Issuance Team (RIT) shall be assigned to undertake an independent technical assessment of the secretariat's recommendation in accordance with the latest version of the Terms of Reference for the Registration and Issuance Team adopted by the Executive Board.

16. The purpose of the independent technical assessment shall be to determine whether the secretariat's recommendation complies with the requirements established by the CMP and Executive Board.

17. The RIT member shall finalize their assessment no later than one week after receipt of the assignment.

18. The secretariat shall make its recommendation available to Board members via the EB Extranet together with the RIT member's assessment.

E. Consideration by the Executive Board

19. Each recommendation shall be placed on the agenda of the Board meeting for which the RIT assessment has been received in advance of the circulation of the proposed agenda.

20. In accordance with the Executive Board's "Guidelines for decision-making in request for review and review cases" the Project Assessment Committee shall decide, in the form of a proposed ruling with appropriate justification, on one for the following outcomes of the review:

- (a) To approve the proposed issuance of CERs;
- (b) To request the DOE and project participants to make corrections based on the findings from the review before approving the issuance of CERs; or
- (c) To reject the proposed issuance of CERs.

F. Finalization and implementation of the ruling

21. If a final ruling approves the request for issuance without corrections to the project documentation the CDM registry administrator shall be instructed to issue the specified quantity of CERs on the first working day subsequent to the finalization of the ruling.

22. If a final ruling approves the request for issuance on the condition that corrections are made to the project documentation the DOE shall submit the required documentation through a dedicated interface on the UNFCCC CDM website no later than 00.00 GMT 12 weeks after receiving notification of the final ruling. If the required documentation are not received by the secretariat after by deadline, the request for issuance shall be considered withdrawn.

23. The secretariat shall undertake an assessment of the corrected documentation within three weeks and inform the Chair of the Executive Board whether the corrected documentation complies with the ruling.

24. If the documentation complies with the ruling the CDM registry administrator shall be instructed to issue the specified quantity of CERs on the first working day subsequent to the approval of the Chair of the Executive Board.

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25. If the documentation does not comply with the ruling the Chair of the Executive Board shall place the request for issuance on the agenda of the next meeting of the Executive Board. If the Board agrees that the documentation does not comply with the ruling the request for issuance shall be considered to be rejected.

26. If the final ruling rejects the request for issuance the secretariat shall update the information on the UNFCCC CDM website accordingly on the first working day subsequent to the finalization of the ruling.

27. If the project participants and DOE wish to resubmit a rejected request for issuance, the DOE shall notify the secretariat, within 60 days from the date of rejection, indicating how the issues raised in the review will be addressed. The secretariat in consultation with the Chair of the Executive Board shall assess this notification and inform the DOE on the outcome of this notification.

G. Coverage of costs of the review

28. The Executive Board shall bear the costs for reviewing a request for issuance of CERs. If the Executive Board decides to reject the request for issuance and the designated operational entity has repeatedly failed to comply with the requirements of the Executive Board, the Executive Board may recover the costs of the review.
