

Dear Sir or Madam:

I am MENG Xiangming from China Clean Development Mechanism Fund, Ministry of Finance, PRC.. Some personal comments about the issues related to HFC CDM projects in the proposed agenda of EB 63 meeting for your references.

Firstly, with regard to the request for renewal of the crediting period of HFC Decomposition project in Ulsan, although EU planning to ban the usage of HFC credits after 2013, but upto now, there is no agreed regulation under UNFCCC or EB to ban the renewal of the crediting period of HFC project, so, EB should approval all the request for renewal of the crediting period of all types of CDM projects without prejudice. At this special time, EB should give strong signals about the bright future of CDM market after 2012 to attract more participants especially the participants from developing countries use such mechanism to fight against climate change, instead of hitting the confidence of the market.

Secondly, with regard to the revision of methodology of AM 0001, especially the selection of w value, I think it is a scientific issue not political issue. All the revisions must be based on the scientific research on all projects, not just based on the data reported to EB. The selection of w value must be base on the practical and feasible technology. We all know that, in China, there are only about a half of all HCFC productions installations was developed into CDM projects, and still another half did not, but the w value in all the installations, not just the ones developed into CDM projects, are all much higher than 1.4% or 1%. That means, in China, 1.4% or 1% is unachievable based on the technologies used in all the HCFC productions installations. I do agree that CDM ought to encourage the technology innovation, and set the w value a little bit lower in a conservative way, but can not use the most advanced technology in developed countries as the baseline, it must be feasible and achievable with the enterprises' efforts. I strongly suggest the EB Members or the Methodology Panel Members should do an onsite investigation to all the HFC projects before the w value decided and give a reasonable value.

Your consideration is highly appreciation.

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