

Response to the call for public input launched by the CDM EB in its 46th Meeting on the

CDM policy dialogue

Call for public input open 27 October 2011 until 16 January 2012 (24:00 GMT)

The Climate Concept Foundation is an environmental charity pursuing, amongst other aims, to promote the ecologic integrity of climate policy instruments such as the CDM.

For maintaining a CDM policy standard that enhances the CDM's ecologic integrity whilst simultaneously strengthening its effectiveness in helping Annex-1 countries in reducing greenhouse gas emissions, the Climate Concept Foundation suggests the following:

- The effectiveness of carbon markets would be negatively affected by continued **fragmentation of chosen climate change policy approaches**. We would therefore like to encourage a closer cooperation with key carbon market regulatory bodies like the European Commission. For example, the divide between the CDM EB and the EU Commission on the acceptability of CERs derived from adipic acid N₂O and HFC-23 CDM projects – and the fact that emerging emissions trading regimes (e.g. Australia, New Zealand or California) are likely to reflect the Commission's stance on this question – are likely to further the market's fragmentation. In future, issues like how to deal with methodological issues concerning controversial project types should be resolved by compromising bearing in mind the crucial importance of ecologic integrity for the continued success of the CDM.
- To ensure **independence of Designated Operational Entities (DOEs)** with regard to validation and verification services, we would like to propose a change in the procedural structure. Currently, the project proponents – usually the project developer – select and mandate the DOE that is to audit a CDM activity. In some cases, this practice has led to significant proportions of the auditing work due for a project developer's portfolio being commissioned to a very small number of DOEs only. We are concerned that a DOE may come under pressure with regard to providing impartial evaluations of submitted project activities when being contracted by a single project developer for a large part of its overall business turnover. In order to avoid any compromises on a DOE's partiality, we suggest that the UNFCCC Secretariat (or a sub-body like the CDM Accreditation Panel) selects and mandates a DOE for any audit to be undertaken on behalf of a CDM project. A suitable DOE could be allocated to a project developer upon the Secretariat receiving a PDD for initiation of the global stakeholder consultation. The DOEs fees could be taken from the registration fee (which must be paid already when initiating the project and could be raised appropriately in order to cover the additional costs).



The Climate Concept Foundation

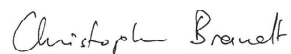
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- Appropriately qualified NGOs should be granted the **right to appeal against CDM relevant decisions**. The reasons therefore have been communicated by the author in "[Comments on UNFCCC draft CDM appeals procedure \(decision 2/CMP.5, paragraph 42 f.\)](#)" submitted to the Secretariat on 23rd April 2010.
- Stakeholders that commented on CDM projects published for **global stakeholder consultation** should receive a statement on how their comment has been taken into account. This communication could for example be made by the validating / verifying DOE. It should be prepared and received by the relevant stakeholder no later than the registration request is submitted. If no general right to appeal is granted to appropriately qualified NGOs in general, we suggest allowing an appeal by any suitably qualified stakeholder who has submitted a comment during the global stakeholder consultation within the commenting period.

Most sincerely,



(Christopher Brandt)



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