



Stakeholder Communication Form (Version 01.0)

*This form shall be used for any CDM-related communication with the UNFCCC secretariat or the CDM Executive Board. All the questions are mandatory unless otherwise indicated.
The completed form and any supplemental documents shall be submitted electronically to cdm-info@unfccc.int, or via fax to +49-228-815-1999 or via post to: Sustainable Development Mechanism (SDM) Programme, UNFCCC secretariat, P.O. Box 260124, D-53153 Bonn, Germany.*

SECTION 1: COMMUNICATION HEADER

Please provide your contact information.

Title: Mr.	First Name: Ambachew Fekadeneh	Last Name: Admassie
Name of Organization: Ethan Bio-Fuels PLC		E-mail Address: ethanbiofuelsltd@gmail.com
Postal Address: Country: Ethiopia		Phone Number: +251-911-218626 <i>Include country code (e.g. +49-228-815-1999)</i>
Stakeholder Type: CDM Project Participant (PP)		If other: from Underrepresented Region

Please indicate from whom you would like to get an answer.

This communication is addressed to¹: Chair of CDM Executive Board (normal track)

SECTION 2: PROJECT ACTIVITY OR PROGRAMME OF ACTIVITIES (PoA)

If this communication refers to a specific CDM project activity/PoA, please answer questions in this section (otherwise proceed to Section 3).

Project/PoA Ref. Number	5-digit# format 01234	If applicable, CPA Ref. Number:	8-digit# format 0123-4567
Project Cycle Stage	[Choose an item]	If other: Comments on two agenda items in EB 90	

If there is no specific CDM Reference Number, please answer the remaining questions in this section (otherwise proceed to Section 3).

Host Country(ies)			
Project/PoA Title			
Technology Type	Other	If other: Stakeholder Input	

SECTION 3: YOUR COMMUNICATION

Title/Subject <small>Maximum 250 characters</small>	Comments on two agenda items of EB 90 dated 08/07/16
Communication Text <small>Include background, details, and conclusion (unlimited length)</small>	We have comments on Agenda Item 2.2 Para 7 and Agenda item 5 Para 50 of the anoted agenda for EB 90
Supplemental Documents <small>If applicable, list the title(s) of any attached file(s) or link(s)</small>	Comments are attached to this form
This communication may be made public	Yes

¹ In accordance with the "Procedure: Direct communication with stakeholders" (version 02.0), stakeholders may address communications either (a) to the secretariat, in order to seek a fast-track technical or operational explanation regarding the implementation of existing CDM rules, or (b) to the CDM Executive Board, in order to communicate to the Board their views on CDM rules and their implementation, or to seek official clarifications of CDM rules.



Date (dd/mm/yyyy): 08/07/2016

Ref.No: EBF/ CDMEB-002/ 2016

Number of Pages: 2

Dear Honorable Chair of the CDM Executive Board

We thank you for this opportunity for us to comment on agenda items of the EB 90th meeting.

Our firm is a non-party climate actor in sustainability operations from Ethiopia, a CDM underrepresented region. We have the following comments on the two agenda items below.

1. Agenda item 5 : “Relations with forums and other stakeholders”; Para 50

We could not understand how stakeholder letter INQ-04942 could be brought to this EB-90 meeting while stakeholder letters INQ-04859 and INQ-04879 available publicly and clearly evident from their sequence that they were sent earlier than INQ-04942, are kept waiting for subsequent sessions.

<https://cdm.unfccc.int/stakeholder/submissions/index.html>

Although we do not know contents of letter INQ-04942 or its level of urgency compared to these others, many believe it should always be morally compelling and widely exercised attribute to follow a “first-come first-serve” approach in every process.

2. Agenda item 2:2 Para 7: “concept note on the analysis of the need for measures to ensure the continued participation of DOEs, in particular in regions underrepresented in the CDM”.

The agenda refers to the 6/CMP.11 paragraph 11 mandate which reads; “Requests the Executive Board to analyse the need for measures to ensure the continued participation of designated operational entities in the clean development mechanism, in particular in the regions underrepresented in the clean development mechanism”.

We have the following objection to its inclusion, conclusion as well as proposition in the above agenda item prepared by Secretariat.

- A. *Representativeness of the survey*: The conclusion of the proposal to the Board has been made based on a survey response of 32 respondents out of 500 requested. Clearly only 6% representative. Hence it is not representative of views of stakeholders on the CDM world and hence conclusion is not valid.
- B. *Exceeds the above CMP Mandate and prejudicing outcome of future negotiation elements*: The above CMP mandate clearly reads “continued participation of designated operational entities in the clean development mechanism”. On contrary the proposal is to “giving them security that their work will continue with the Paris Agreement” (Para 5) and “linkages between the CDM and the emerging carbon markets” (13a). We therefore request for removal of policy measures not related to and texts other than the CDM. After all, many believe there is a big conceptual and hence MRV divergence between CDM and Cooperative Mechanisms under Paris; for why Parties are preparing to submit their views in respect of the relevant agenda items. We can’t rush to “put a new wine in an old wine skin”.

Besides “insuring market certainty” cannot be among the first line tasks to solve our problem; as the same underrepresented regions existed at nearly same % share of CDM under-penetration (<3%), ten



years ago, when there was no issue of market uncertainty or price slump. This fact has also been clearly echoed in the recent Africa Carbon Forum regarding lessons learned in Africa; from the CDM.

- C. *Misplaced focus and/or proposed measure:* On top of inadequate statistical representation, we believe the proposal should have been based on DNA feedback than on DOEs. DOEs focus on how they maintain their business (of course not objectionable) while DNAs are tasked with how they can gain access to CDM. The top two proposals for cost effective solutions from DNAs surveyed (6a & 6b) indicate the problem in underrepresented regions will not be addressed by monopolistic prescriptions but by real measures that bring in inclusiveness. Today, 40% of existing DOEs are owned by or operated from India and 80% from Asia. Based on relative geographic proximity, African stakeholders had to depend almost 100% on the will of Indian DOEs. This is not healthy. The sustainable solution to underrepresented regions in terms of Validation, Registration, and Verification hence cannot be solved by creating and maintaining such dependence on DOEs largely originating/residing an ocean away in one country. It is by assisting underrepresented regions or removing barriers thereto, to let them have in house DOEs capacity so that they become independent when they choose to.

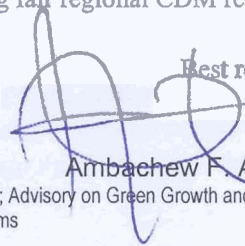
We rather believe, in the interest of inclusiveness, representation and adequate safeguard against collusive tendencies (which many observed), alternatives should be available for stakeholders to be able to choose from a menu of entities as well as individual experts of diverse cultural background in any and all critical MRV bodies. Removing barriers to let these regions have in house DOEs capacity is one among many in menu of actions needed to achieve this end.

Of course nobody prohibited existing DOEs from being established or continue operating in underrepresented regions in all the last decade and half too. So no top down flee marketing or “cost effective” spending needed. That job should just be the commercial task of these entities themselves.

- D. *Dangerous proposal:* Under “3.2.1.Summary of the cost-effective measures suggested by Stakeholders” in (f), recommendation states; “Do not to expend effort and energy on creating additional DOE capacity”.

There can be no other humble word for this “innocent” recommendation. We can call it “tool for MRV monopoly”. It breeds/maintains dependence and monopolistic MRV environment. We believe CDM has to consciously dump such type of fantastically inappropriate recommendations that adds nothing more than additional image limp to “the baby in ice”. It is not either compatible with a new Climate world tuned towards cooperation. Cost effectiveness is also ill-defined if it doesn’t consider what the intended purpose and likely outcome is.

We therefore kindly plead to Hon. EB Chair and Hon. EB Members, to reject this agenda item with its proposal and instead direct the Secretariat to focus on bringing actual registration and issuance results to underrepresented regions, as that is CMP’s exactly intended outcome. Just inserting “under represented regions” in every proposal and do something contrary will not bring fair regional CDM representation.



Best regards;

Ambachew F. Admassie
Resident, Advisory on Green Growth and Cooperative
Mechanisms

Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	02 March 2015	This form supersedes and replaces the following: <ul style="list-style-type: none">• F-CDM-RtB: <i>Form for submission of Letters to the Board</i> (version 01.2)• F-CDM-RtB-DOE: <i>Form for communication on policy issues initiated by AEs/DOEs</i> (version 01.1)• CDM-RtB-DNA: <i>Form for communication on policy issues initiated by DNAs</i> (version 01.1)

Decision Class: Regulatory

Document Type: Form

Business Function: Governance

Keywords: communications
