

Dear CDM EB

04.05.219

We would first like to thank the CDM EB members for have taken the time to review, consider and reply to the issues raised in [INQ-08656 Payment of Share of Proceeds](#) before the CDM EB meeting 103, and before the issue has been included in any formal agenda. We would like to further thank the members of the board, including but not limited to the Chairman of the CDM EB, for having been able to address this request.

On 3<sup>rd</sup> of June, we requested INQ-08656 to be raised on the agenda for the CDM EB meeting 103, in accordance with [https://cdm.unfccc.int/public\\_inputs/2019/2905\\_01/index.html](https://cdm.unfccc.int/public_inputs/2019/2905_01/index.html). We fully understand that it might be considered redundant to have the request to have this issued raised on the agenda of the 103 CDM EB board meeting after the majority of the CDM EB Members has made a ruling on this issue. We will however stand with our request for the issue to be raised to the CDM EB meeting. This as we understand that the ruling provided to us on the 4<sup>th</sup> of June, might be challenged by some of the CDM EB board members at the CDM EB Meeting, even if the ruling presented on the 4<sup>th</sup> of June has been approved by a majority of the 10 CDM EB board members.

In the hope that at least one CDM EB Members will challenge the ruling of the majority of the board on the ruling issued on 4<sup>th</sup> of June, we would like to point out that the references that the majority of the CDM EB used as justification for the ruling issued on 4<sup>th</sup> of July is faulty. There is no reference in paragraph 221-222 or 227 in the CDM PCP version 02.0 has to be paid prior to CER being approved for issuance, regardless of what the majority of the member of the CDM EB board have concluded in the reply to INQ-08656.

The only partially relevant reference is to paragraph 221 of stated PCP states that “The secretariat shall maintain on the UNFCCC CDM website a publicly available list of all submitted requests for issuance on the UNFCCC CDM website for which the applicable share of proceeds has been received by the secretariat”. There is no statement in this or in any other paragraph in the PCP in which the CDM EB board refer to, in which it is stated that the SOP must be paid before the CERs have been approved for issuance. It is perfectly understandable that the Secretariat do not publish the available list of submitted request for issuance for which applicable share of proceed has not been paid, but this does in no way mean the issuance process may not proceed for the request for issuance in which SOP has not been paid.

Hence, I believe that all members of the CDM EB should be given a chance to argue that the rejection is given on incorrect justification and is perceived as unreasonable. Particularly as such a ruling will have substantial quantifiable cost to the host countries in question (as previously communicated directly to the CDM EB board as well as to the board through the secretariat), including the impact this will have in increased terrorist financing and potential reputable damage to the UN in general and the Clean Development Mechanism in particular.

Regardless of the ruling to INQ 08656, we retain our request that this issue be included in the formal agenda of the CDM EB meeting 103, in accordance with procedures for such request, even if the ruling has been made by a majority of the members of the CDM EB.

Best regards

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