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Mr. John Kilani, Chair
CDM Executive Board
c/o CDM Secretariat
UN Framework Convention on Climate Change

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Subject Public input AM0001

Dear Sir,

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("Rabobank") is a project participant in the project for GHG emission reduction by thermal oxidation of HFC23, in Gujarat, India (the "Project"). Gujarat Fluorochemicals Limited has submitted a request for registration of the Project using the approved methodology AM0001.

We understand that the Executive Board at its 15th meeting in a closed session requested the Methodologies Panel to (i) review the approved methodology AM0001 thereby taking into account information that has emerged since the approval of AM0001 and (ii) make a recommendation, inter alia, for a possible revision to address potential leakage. We also understand that the Executive Board has opened a call for public input in relation to the same.

Our understanding is that a possible revision in AM0001 shall not affect the Project, since it has been validated and submitted for registration before the Executive Board requested the Methodologies Panel to review the AM0001. However, Rabobank believes that the developments regarding AM0001 raise some broader issues which could potentially have much wider implications than just the possible revision in AM0001. Therefore we would like to take this opportunity to express our point of view.

Public consultation process and putting an approved methodology on hold

Rabobank is concerned as the discussion to review the methodology was held in a closed session of the Executive Board based upon comments outside the clear defined public consultation process. We propose that such information should only be considered if, and when, submitted through the formal public consultation process in order to maintain confidence in this process.

Our concern is reinforced by the fact that in this particular case the comments were non publicly available and relate to a methodology that was already approved last year and

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which was used by two CDM projects that have undergone the public consultation process successfully and subsequent have submitted for registration prior to the decision of the Executive Board to review the methodology. As a consequence, it is unclear what the exact reasons are to review AM0001 and if there are concerns that could also affect other (approved) methodologies. We feel that more transparency, comfort and clarity on the entire process would be created if all the information was made publicly available, the discussions held in open sessions, and all issues identified at the outset. By putting an approved methodology on hold for projects which have undergone successfully the validation process and submitted for registration, the confidence in the CDM and JI process and willingness of stakeholders to develop and finance CDM and JI projects could be seriously undermined.

Non-Kyoto gases

In relation to AM0001 it is understood that the Methodologies Panel is asked to consider the issue of "leakage" of a non-Kyoto gas. If this would occur, the flexible mechanisms of the Kyoto Protocol might not be limited to the six Kyoto gases anymore. As a consequence, other CDM and JI methodologies would need to be reviewed as well in order to consider the impact of such leakages on sustainable development. This could undo all the progress made till date, set back the CDM and JI development process and undermine stakeholder's confidence in the flexible mechanisms of the Kyoto Protocol.

In view of the above, it is suggested that the Methodologies Panel and the Executive Board:

- Reaffirm their commitment to the public consultation process regarding methodologies and the validation of projects;
- Do not put approved methodologies on hold on the basis of privately obtained information that has been discussed outside the public domain; and
- Confirm that the scope of the flexible mechanisms of the Kyoto Protocol, including potential leakage, is confined to the six Kyoto gases.

We would like to thank you for giving us the opportunity to provide you with our view.

Yours faithfully,

Rabobank International
Caroline van Tilborg and Kees Beijer

Copy to Mr. Jean-Jacques Becker, Chair Methodologies Panel