




F-CDM-RtB

 <b>CDM: FORM FOR SUBMISSION OF “LETTER TO THE BOARD” (Version 01.1)</b> <i>(To be used only by the Project Participants and other Stakeholders for submitting Letter to the Board as per Modalities and Procedures for Direct Communication with Stakeholders)</i>	
Name of the stakeholder <sup>1</sup> submitting this form (individual/organisation):	Havard Norstebo Green Development AS
Address and Contact details of the individual submitting this Letter:	Address: Trosvikodden 8, 1392 Vetre, Norway Telephone number: +66 850472223 E-mail Address: <a href="mailto:Havard.Norstebo@gmail.com">Havard.Norstebo@gmail.com</a>
Title/Subject (give a short title or specify the subject of your submission)	Request for simplification to the SSC-PoA application process – exemption from requirement of Letter of Approval from Host Country
Please mention whether the Submitter of the Form is:	<input checked="" type="checkbox"/> Project participant <input checked="" type="checkbox"/> Other Stakeholder, please specify <a href="#">CDM Project Developer, and project entity</a>
Specify whether you want the Letter to be treated as confidential <sup>2</sup> :	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
<b>Purpose of the Letter to the Board:</b>	
Please use the space below to describe the purpose for submitting Letter to the Board. (Please tick only one of the four types in each submission )	
<input type="checkbox"/> <b>Type I:</b> <input type="checkbox"/> <b>Request Clarification</b> <input checked="" type="checkbox"/> <b>Revision of Existing Rules</b> <input type="checkbox"/> Standards. Please specify reference <a href="#">EB 32, Annex 39, Paragraph 3.</a> <input type="checkbox"/> Procedures. Please specify reference <input type="checkbox"/> Guidance. Please specify reference <input type="checkbox"/> Forms. Please specify reference <input type="checkbox"/> Others. Please specify reference <input type="checkbox"/> <b>Type II: Request for Introduction of New Rules</b> <input type="checkbox"/> <b>Type III: Provision of Information and Suggestions on Policy Issues</b>	
Please use the space below to describe in detail the issue that needs to be clarified/revised or on which the response is requested from the Board as highlighted above. In doing this please describe the exact reference source including the version (if any).	
>> [replace this bracket with text, the field will expand automatically with size of text]	

<sup>1</sup> Note that DNAs and DOEs shall not use this form to submit letter to the Board.

<sup>2</sup> Note that the Board may decide to make this Letter and the Response publicly available



Please use the space below to any mention any suggestions or information that you want to provide to the Board. In doing this please describe the exact reference source including the version (if any).

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Green Developmen AS, A CDM project developer, have found the process of receiving Host Country Letter of Approval a complicated, time consuming and costly process that some times provide no value to the country or towards the goal of development and reducing GHG emission. Furthermore the requirement for a Host Country Letter of Approval constitutes a transaction cost that prevents small and poor countries to benefit from CDM projects.

Many DNAs have limited resources and particularly DNAs from the Least Developed Countries and small countries where few CDM projects has been implemented has limited resources and limited experience dealing with the different aspects that has to be considered for different CDM projects. Many of these DNAs have developed processes to be followed before projects are approved and a Letter of Approval is issued. These processes are primarily designed for larger projects and include request that are both unnecessary and unreasonable costly to provide for some projects, but the DNA are unable to differentiate between the procedures for different projects. This is particularly a challenge for SSC PoA that is to include several countries.

The requirement that a Letter of Approval have to be provided from every host country before the Executive board can approve a SSC-PoA, constitute a major transaction cost that prevent good projects to be implemented in smaller and least developed countries (ref. EB 32, annex 39, paragraph 3). If provided, the process of obtaining a Letter of Approval could take as much as 6 months and cost the project applicant in excess of USD 100 000. There is of course also a substantial cost to the Host Country related to such procedures, a financial burden for small and poor countries.

Formal requirement from DNA is often designed for large-scale industry types projects. As a result they normally include requirement of identification of particular projects within their country (a challenge for PoAs which include several countries) a external Environmental Assessment report (often redundant), require that CDM application prepare a presentation in person to DNA (costly and complicated with different languages), require that all documentation is provided in local languages (costly) and provide other host country requirements. Such requirements might be reasonable for large projects but are an unnecessary barrier and transaction cost for a SSC-PoA with simple but cost effective solutions such as improved light bulbs, renewable energy for household cooking, energy efficiency at household level such as improved cooking stoves etc.

We would like to propose that SSC-PoA that meets all of the following requirement should be exempt from having to include Host Country Letter of Approval prior to program approval by the Executive Board;

- There is no or minimal negative environmental or social impact associated with the proposed SSC-PoA.
- The solutions and products implemented by the project is allowed to be implemented in the relevant host country, without any further approval if the project is not part of a CDM Project.
- The project can demonstrate to have a large degree of development effect and reduce GHG emission at household level.

Host countries would still have the option to provide objections to the project during the validation process. Furthermore host countries have the right to object to the implementation of any project regarding of its CDM status, and could hence reject implementation of any project that would be perceived as having a negative impact on their country.



If necessary, list attached files containing relevant information (if any)	<ul style="list-style-type: none"> <li>[replace this bracket with text, the field will expand automatically with size of text]</li> </ul>
<b>Section below to be filled in by UNFCCC secretariat</b>	
Date when the form was received at UNFCCC secretariat	16 September 2011

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**History of document**

Version	Date	Nature of revision
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
<b>Decision Class:</b> Regulatory <b>Document Type:</b> Form <b>Business Function:</b> Governance		