Name of the stakeholder submitting this form (individual/organisation): Gareth Phillips
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Title/Subject (give a short title or specify the subject of your submission):
Letter relating to additions/changes already proposed on the PS, VVS and PCP

Please mention whether the Submitter of the Form is:
X Project participant
☐ Other Stakeholder, please specify

Specify whether you want the Letter to be treated as confidential:
☐ To be treated as confidential
X To be publicly available (UNFCCC CDM web site)

Purpose of the Letter to the Board:
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)

☐ Type I: Request Clarification
☐ Request Clariﬁcation
☐ Revision of Existing Rules
X Revision of Existing Rules
☐ Standards. Please specify reference
☐ Project Standard and Validation and Verification Standard
☐ Procedures. Please specify reference
☐ Project Cycle Procedure
☐ Guidance. Please specify reference
☐ Forms. Please specify reference
☐ Others. Please specify reference

☐ Type II: Request for Introduction of New Rules
☐ Type II: Request for Introduction of New Rules

☐ Type III: Provision of Information and Suggestions on Policy Issues
☐ Type III: Provision of Information and Suggestions on Policy Issues

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).

1 Note that DNAs and DOEs shall not use this form to submit letter to the Board.
2 Note that the Board may decide to make this Letter and the Response publicly available

Version 01/ 02 August 2011
[Mr. Martin Hession,
Honorable Members of the CDM Executive Board,

We welcome the EB63 decision by the EB in para 77, 78 and 111 to revise the PS, VVS and PCP taking into account stakeholder comments to “help improve the clarity as well as...consistency of the document”.

In addition, “The Board agreed that stakeholders’ comments that propose new requirements or modify existing requirements shall be noted for future consideration by the Board.”

As a result of the ambiguity of this statement regarding when these additions and changes would be considered by the EB, we would be grateful that the PS, VVS and PCP include these additions and changes by EB65 as well, rather than at a “future” unspecified time.

In fact, there were several additions and changes recommended by the PD Forum including the following that, if not considered, would also result in inconsistencies between the three documents (slight clarifications on the PD Forum input are highlighted in yellow):

**In the PS:**

**Paragraph 198, 199, 214 and 215**
We strongly recommend rewording paragraphs 214 and 215 as the proposed procedures will act to penalise projects for events which are often beyond their control and will have a disproportionate effect upon projects in LDCs and distributed projects such as cook stove projects.

Automatically setting the baseline emissions to zero and the project emissions to 100% and 110% in case of electricity consumption, can cause excessive penalties for projects that have high safety capacities installed (e.g. flares). Assuming that cook stoves for which monitoring data has been lost are operated at maximum capacity for the full period of the missing data is totally inappropriate, and this may completely eliminate emission reductions from that stove. The approach contradicts the basic premise that emission reductions = baseline emissions – project emissions – leakage.

Instead, we propose that 214 and 215 are replaced by the following text:

214. Where there is missing verifiable monitoring data in compliance with the monitoring methodology, project participants shall use interpolated data, conservatively calculated and corroborated by other sources of data, to estimate the values of the missing data. DOEs shall accept these data if the aggregated value of all of the estimated data in a monitoring report divided by the aggregated value of total baseline, project and leakage emissions reported in the monitoring report in question is less than or equal to the thresholds in paragraph 215 below. If the aggregated value of the missing data divided by the aggregated value of baseline, project and leakage emissions exceeds the threshold, the DOE shall seek prior approval of the Board.

215. The following thresholds shall apply to paragraph 214:
(a) [X1] [0.5] per cent of the emission reductions [or removals] for project activities achieving a total emission reduction [or removal] of more than [Y] [500,000] tonnes of carbon dioxide equivalent per year;
(b) [X2] [2] per cent of the emission reductions [or removals] for large-scale project activities achieving a total emission reduction [or removal] of [Y] [500,000] tonnes of carbon dioxide equivalent per year or less;
(c) [X3] [5] per cent of the emission reductions [or removals] for small-scale project activities other than projects covered under paragraph 215(d) below;
(d) [X4] [10] per cent of the emission reductions [or removals] for the type of project activities that are referred to in decision 3/CMP.6, paragraph 38.

X1, X2, X3 and X4 shall be set at 5% for an initial trial period.

This is a much more practical way of approaching the challenge of missing data which brings transparency, credibility and fairness to the CDM process whilst ensuring conservativeness, and thereby enhances the CDM’s environmental integrity. This would need to be reflected in the VVS as well.

Furthermore, the PD Forum wishes to point out the term “registered monitoring plan” is not accurate. There is a registered PDD which contains, as per paragraph 49 of the PS and the PDD template, a description of the monitoring plan. There is no such thing as a “registered monitoring plan”. This terminology needs to be addressed throughout the PS.

Please see PD Forum input to the VVS, where further and important descriptions of the relationship between...
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).

If necessary, list attached files containing relevant information (if any)

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**History of document**

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