


|  <b>CDM: FORM FOR SUBMISSION OF A “LETTER TO THE BOARD”<br/>(Version 01.2)</b>  |  |
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| <p>This form should be used only by project participants and other stakeholders for submitting a “Letter to the Board” in accordance with the latest version of the <i>Modalities and procedures for direct communication with stakeholders</i></p>  |  |
| Name of the stakeholder <sup>1</sup> submitting this form (individual/organization):   | <p>Jun MATSUMOTO</p> <p>Global Environment Projects Dept, Marubeni Corporation</p>   |
| Address and contact details of the individual submitting this form:  | <p>Address: 4-2 Otemachi 1-Chome, Chiyoda-ku, Tokyo, 100-8088, Japan</p> <p>Telephone number:</p> <p>E-mail address:</p>                     |
| Title/Subject (give a short title or specify the subject of your submission)   | Processing Request for Issuance  |
| Please mention whether the submitter of the form is:   | <p><input checked="" type="checkbox"/> Project participant</p> <p><input type="checkbox"/> Other stakeholder, please specify</p>             |
| Specify whether you want the letter to be treated as confidential <sup>2</sup> :   | <p><input type="checkbox"/> To be treated as confidential</p> <p><input type="checkbox"/> To be publicly available (UNFCCC CDM web site)</p> |
| Please choose any of the type(s) below <sup>3</sup> to describe the purpose of this submission.  |  |
| <p><input type="checkbox"/> <b>Type I:</b></p> <p style="padding-left: 40px;"> <input type="checkbox"/> <b>Request for clarification</b>                      <input type="checkbox"/> <b>Revision of existing rules</b> </p> <p style="padding-left: 80px;"> <input type="checkbox"/> Standards. Please specify reference<br/> <input type="checkbox"/> Procedures. Please specify reference<br/> <input type="checkbox"/> Guidance. Please specify reference<br/> <input type="checkbox"/> Forms. Please specify reference<br/> <input type="checkbox"/> Others. Please specify reference </p> <p><input type="checkbox"/> <b>Type II: Request for Introduction of new rules</b></p> <p><input checked="" type="checkbox"/> <b>Type III: Provision of information and suggestions on policy issues</b></p> |  |
| Please describe in detail the issue on which you request a response from the Board, including the exact reference source and version (if applicable).  |  |

<sup>1</sup> DNAs and DOEs shall use the respective DNA/DOE forms for communication with the Board.

<sup>2</sup> As per the applicable modalities and procedures, the Board may make its response publicly available.

<sup>3</sup> Latest CDM regulatory documents and information are available at: <http://cdm.unfccc.int/Reference/index.html> .

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We understand that Certified Emission Reduction (CER) will be issued according to the Project Cycle Procedure (PCP) and may take dates from Submission of Request as, (Days for Awaiting Scheduling: Pendency)+(Duration of Completeness Check of upto 7 days)+(Duration of Information & Reporting Check of upto 23 days)+(Period of Requesting for Review of 30 days), total Pendency period +58 days. We also learned that length of pendency once hit its maximum of 30 days in last August but it had been drastically reduced by the various measures implemented by the secretariat as short as less than 25 days at the beginning of December.

Taking maximum length of pendency of 30 days, for safety's sake, we, Marubeni setup the business plan from verification and delivery of CER for the KP's first committed period to the market, i.e.  $30+7+23+28 = 88$  days, in September, 2012.

However, processing of the requests of issuance was suddenly stopped at the end of first week of December 2012 and such situation continued up to 8<sup>th</sup> January 2013 (Japan time). Due to such situation length of pendency extended to 53 days that is almost the same length, i.e. 58 days, of processing defined in PCP as of 8<sup>th</sup> January 2013. What we understood by the paragraph 19 of the report of 70<sup>th</sup> meeting of CDM-EB that CDM-EB did not agree to stop processing of requests for issuance up to the end of last December as quoted below and the length of pendency was expected by the secretariat as short of less than 15 days at the 70<sup>th</sup> EB meeting.

(Quote from 70<sup>th</sup> Report of EB meeting: 19 The Board took note of an update by the secretariat on the current status of project-related submissions and timelines, in particular that approximately 1,900 requests for registration have been submitted to date during the second half of 2012, and that this high monthly rate has continued in November. The Board expressed its appreciation for the secretariat's effort and commitment to keep waiting times for new requests for registration and issuance as low as possible and requested the secretariat to take further measures to prioritize the processing of requests for registration until 31 December 2012.)

Delay of issuance affects a lot of damages financially to the CDM participants. As stated in EU directive, EU-ETS Phase II, which covers 80% of the entire CDM market for the compliance, will end at the end of April, 2013. Also to the Japanese market, which covers another 20% of the entire CDM market for the compliance, the damage is tremendous because its compliance period will end at the end of June, 2013. If the delay will continuously happen, the market players, or UNFCCC project participants who expect UN's normal working speed will hugely be damaged financially because they have to re-arrange their portfolio.

*Please provide any specific suggestions or further information which would address the issue raised in the previous section, including the exact reference source and version (if applicable).*

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In order to avoid critical impacts to the financial situation of the CER delivery we sincerely ask CDM-EB to further enhance the capability to process Requests for Issuance that were affected by stopping processing during from December, 2012 through beginning of January, 2013 to realize the issuance at most xxx days.

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

- [replace this bracket with text, the field will expand automatically with size of text]

**Section below to be filled in by UNFCCC secretariat**

Date when the form was received at UNFCCC secretariat 15 January 2013

Reference number 2013-216-S

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## History of document

| Version   | Date             | Nature of revision        |
|---|------------------|---------------------------|
| 01.2  | 08 February 2012 | Editorial revision.       |
| 01.1  | 09 August 2011   | Editorial revision.       |
| 01  | 04 August 2011   | Initial publication date. |
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