



United Nations
Climate Change Secretariat

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Reference: 2014-360-S, INQ-01856
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Sent by e-mail to: jimmy@enkingint.org

Re.: Change in Project participants

Dear Mr. Sah,

On behalf of the Chair of the CDM Executive Board, I would like to thank you for your letter of 5 May 2014, requesting information on how to change project participants for bundled projects. Your letter has been made available to the Board. My apologies for delay in providing this response.

With regard to your query on how to change the focal point of the registered bundled project activities, I would like to inform that, according to the current available procedure, namely the *Project Cycle Procedure (PCP)*, version 7.0, paragraph 174 (b) and 179, any project participant of the registered CDM project activity can submit a new modality of communication form (F-CDM-MOC) to change the designation of a focal point who is no longer available. For more detailed information on how to change the statement on the modalities of communication (MOC) procedure (as per paragraph 172 of PCP), please check the following link on our website: <http://cdm.unfccc.int/Registry/guidance/index.html>. Once the MOC statement has been updated, the new focal point should communicate with the DOE to find out conditions for termination of contracts. In addition, for changing the project participants, the requirements stipulated in paragraph 181 of PCP with regard to “Specific requirements on changes to project participants” will require to be complied.

As for your question on whether project bundle partners be allowed to break away from an existing project, I would like to inform you that the ‘General principles for Bundling’ (EB 66, Annex 21, version 2, paragraph 9) stipulates: “A project activity shall not be taken out of a bundle nor shall a project activity be added to the bundle after registration”. For projects that are still under validation the CDM rules do not stipulate any requirements on whether bundled components can be taken out of the bundle, but this may be subject to the contracts entered between the individual project participants.



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With regard to communications between project participants and the contracted DOE, I would like to clarify that the Board is not in a position to intervene in the contractual arrangements between these parties. Any contractual arrangements between consultancies, focal point, project participants, and individual participants of bundle project activities and DOEs, fall beyond the supervision of the Board. However, once the focal point is changed, the new focal point should communicate with the DOE to find out conditions for termination of contracts. If the contract on validation is terminated, it is the DOE's obligation to report of the termination through the UNFCCC web interface in accordance with paragraph 22(a) of the PCP.

I hope that this response has addressed your questions.

Yours sincerely,

Rajesh Sethi
Secretary to the CDM Executive Board