



## Stakeholder Communication Form (Version 01.0)

*This form shall be used for any CDM-related communication with the UNFCCC secretariat or the CDM Executive Board. All the questions are mandatory unless otherwise indicated.*

*The completed form and any supplemental documents shall be submitted electronically to [cdm-info@unfccc.int](mailto:cdm-info@unfccc.int), or via fax to +49-228-815-1999 or via post to: Sustainable Development Mechanism (SDM) Programme, UNFCCC secretariat, P.O. Box 260124, D-53153 Bonn, Germany.*

### SECTION 1: COMMUNICATION HEADER

*Please provide your contact information.*

**Title:** Mr.                      **First Name:** Alexis                      **Last Name:** Leroy

**Name of Organization:** ALLCOT Group                      **E-mail Address:** all@allcot.com

**Postal Address:** Steinhäuserstrasse 74, 6300 Zug                      **Phone Number:** 41791294960  
**Country:** Switzerland                      *Include country code (e.g. +49-228-815-1999)*

**Stakeholder Type:** CDM Project Participant (PP)                      If other:

*Please indicate from whom you would like to get an answer.*

**This communication is addressed to<sup>1</sup>:** Chair of CDM Executive Board (normal track)

### SECTION 2: PROJECT ACTIVITY OR PROGRAMME OF ACTIVITIES (PoA)

*If this communication refers to a specific CDM project activity/PoA, please answer questions in this section (otherwise proceed to Section 3).*

**Project/PoA Ref. Number**                      3347                      If applicable, CPA Ref. Number:  
*5-digit# format 01234*                      *8-digit# format 0123-4567*

**Project Cycle Stage**                      Issuance                      If other:

*If there is no specific CDM Reference Number, please answer the remaining questions in this section (otherwise proceed to Section 3).*

**Host Country(ies)**                      Colombia

**Project/PoA Title**                      Caruquia 9.76 MW Hydroelectric project

**Technology Type**                      Renewable electricity                      If other:

### SECTION 3: YOUR COMMUNICATION

**Title/Subject**                      New CDM issuance rules penalise developers and discriminate against smaller companies  
*Maximum 250 characters*

**Communication Text**                      UNFCCC's Clean Development Mechanism (CDM) has enjoyed great success in deploying more than \$300 billion of investment into clean technology in developing countries around the world.  
*Include background, details, and conclusion (unlimited length)*

But recent decisions by the UNFCCC risk alienating many of the companies whose activities support this mechanism and discriminate against smaller enterprises.

Returns on CDM investments have fallen far short of expectations after prices for CERs collapsed and demand plunged. Project developers face shrinking returns but their costs remain high.

Unfortunately, the UNFCCC's reaction to the drop in demand and prices for CERs has been to

<sup>1</sup> In accordance with the "Procedure: Direct communication with stakeholders" (version 02.0), stakeholders may address communications either (a) to the secretariat, in order to seek a fast-track technical or operational explanation regarding the implementation of existing CDM rules, or (b) to the CDM Executive Board, in order to communicate to the Board their views on CDM rules and their implementation, or to seek official clarifications of CDM rules.

	<p>penalise project developers by requiring them to pay their Share of Proceeds before submitting their Request for Issuance rather than after the CERs have been generated and possibly, monetised.</p> <p>This means that smaller developers have to divert precious cashflow to the UN before they have realised the assets. Bigger companies with greater financial resources naturally don't find this a problem.</p> <p>What's more, the UNFCCC has introduced financial penalties for developers who withdraw requests for issuance or whose request is rejected. Developers stand to lose up to \$30,000 for each issuance that is withdrawn after it has been published or that is rejected.</p> <p>Such financial penalties will act as a powerful deterrent to developers from requesting issuance, and could even kill off remaining interest in the CDM. Project developers take on enormous risk when setting up CDM projects in terms of time, money and resources, and to face a new, additional risk from the mechanism's administrator is unacceptable.</p> <p>Again, larger companies can devote greater resources to ensuring requests for issuance are compliant, so this decision also discriminates against small and medium sized enterprises which have fewer resources to devote to administration.</p> <p>These new financial demands act as a deterrent to new investment and development and as a punitive tax on their activities, which benefit both the UNFCCC as well as the entire planet.</p> <p>We kindly request the EB to reconsider these measures: remove penalties as well consider option to lessen the burden from upfront payment to small scale developer or dedicated project developers professionals at least.</p>
<p><b>Supplemental Documents</b> If applicable, list the title(s) of any attached file(s) or link(s)</p>	
<p><b>This communication may be made public</b></p>	Yes

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### Document information

Version	Date	Description
01.0	02 March 2015	This form supersedes and replaces the following: <ul style="list-style-type: none"> <li>• F-CDM-RtB: <i>Form for submission of Letters to the Board</i> (version 01.2)</li> <li>• F-CDM-RtB-DOE: <i>Form for communication on policy issues initiated by AEs/DOEs</i> (version 01.1)</li> <li>• CDM-RtB-DNA: <i>Form for communication on policy issues initiated by DNAs</i> (version 01.1)</li> </ul>
Decision Class: Regulatory Document Type: Form Business Function: Governance Keywords: communications		