

CDM-2019Q4-INFO01

Status of CDM MAP 2018–2019 implementation (1 January to 31 December 2019)

Version 01.0



United Nations
Framework Convention on
Climate Change

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1. Introduction

1. The clean development mechanism (CDM) two-year business and management plan 2018–2019, adopted at the ninety-seventh meeting of the Executive Board of the CDM (hereinafter referred to as the Board), documents the goals and objectives of the CDM and the approach, activities and resources required to support the effective execution of the goals and objectives in 2018 and 2019.¹
2. This document describes the status of implementation of the CDM management plan (MAP) 2018–2019 for year two, covering the period from 1 January through 31 December 2019, the activities and projects undertaken and the financial and human resources of the secretariat's Sustainable Development Mechanisms (SDM) programme, which supports the Board and operation of the CDM.
3. Section 3.2 (Expenditure from 1 January to 31 December 2019) of this document includes a comparison of the biennium budget 2018–2019 and the expenditure for the 24-month period from 1 January 2018 to 31 December 2019 (in USD).
4. For the 2018 and 2019 years, the mid-year and end-year status of implementation of the CDM MAP 2018–2019, review reports are available on the CDM website.²

2. Progress report on operational activities, projects and resources utilized

5. The 2019 end-year review reports on the 58 operational activities and six projects. Of the total of 64 CDM MAP activities, 31 have volume data forecasts associated with them (e.g. number of expected cases, assessments, stakeholder queries). For these 31 activities, table 2 in the Appendix lists both the projected annual volume data in the approved CDM MAP 2018–2019 and the actual volumes processed during the 12-month reporting period (1 January to 31 December 2019) under consideration.
6. The following section is a comprehensive reporting on the work performed, progress made and products delivered under each of the 58 operational activities and six projects in the CDM MAP 2018–2019.

2.1. Goal 1: Enable the implementation of mitigation activities and ensure the trusted certification of their outcomes efficiently and transparently

2.1.1. Objective 1a: Operate efficient project and entity assessment processes

CDM registry

7. As shown in figure 1, during the reporting period 8,564 requests for registry transactions³ were processed against the 2019 annual forecasted volume of 3,350. Thus, at year-end,

¹ See CDM-EB97-A01-INFO <<https://cdm.unfccc.int/Reference/Notes/index.html>>.

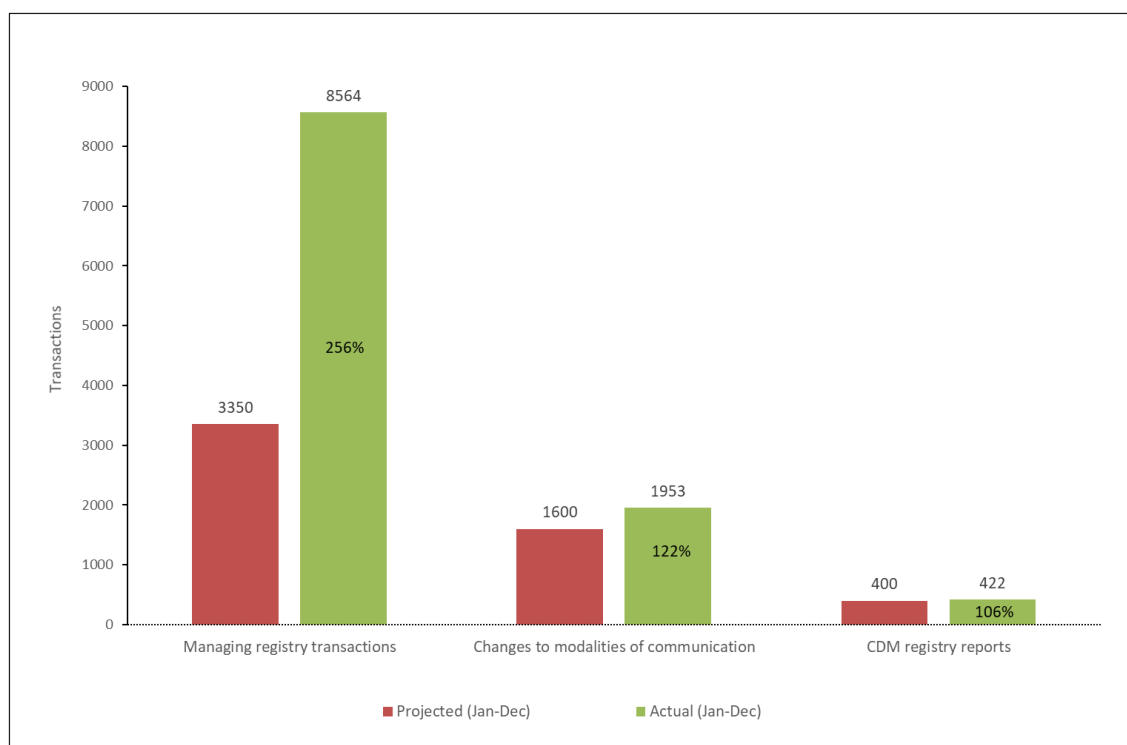
² See CDM-EB100-AA-A01 (mid-year 2018 review report), CDM-EB102-AA-A01 (end-year 2018 review report), CDM-2019Q2-INFO01 (mid-year 2019 review report) <<https://cdm.unfccc.int/EB/report/>>.

³ Includes requests or orders for issuances, forwarding and cancellation of certified emission reductions (CERs) and the opening of accounts in the CDM registry.

the volume processed corresponds to 256 per cent of the annual forecast. Additionally, 1,953 changes to modalities of communication (MoC) were processed against the annual forecasted volume of 1,600, corresponding to 122 per cent of the annual forecast.

8. Overall, the CDM registry operational volumes were significantly higher than the linearly projected volumes for the reporting period. With respect to CDM registry transactions, the main driver was the growing use of the voluntary cancellation platform. The MoC numbers were largely driven by submissions from the World Bank, which was updating information for projects financed by its climate funds. Comparing the volumes for the 12-month reporting period to the same period in 2018, there was an increase in processed transaction requests (5,636 transaction requests by December 2018 versus 8,564 for the reporting period) and a decrease in the changes to MoC (2,112 by December 2018 versus 1,953 change requests for the reporting period).
9. In relation to the CDM registry reporting function, 422 reports (106 per cent), including designated national authority (DNA) reports, CDM Executive Board monthly reports and reports to the World Bank, were produced against the annual forecasted volume of 400 reports. Comparing the volume data of 2019 to the volume data of 2018, there was an increase in the reports produced (from 389 reports in 2018).

Figure 1. CDM registry operations (January–December 2019)



10. In 2019, 16 voluntary cancellation seller accounts were opened, and one account was closed, bringing the total number of accounts to 73 against a forecasted volume of 105 active seller accounts by the end of 2019. The CERs available for listing on the platform through the current accounts exceeded 7 million at the end of the period, which is sufficient for the current level of operations.
11. The cancellations through the voluntary cancellation platform reached 795,866 CERs during 2019, as compared to 347,853 CERs in 2018 (more than a twofold increase).

12. Looking at all voluntary cancellations recorded during the reporting period through both tracks (CDM registry regular track and the voluntary cancellation platform), a comparison against 2018 shows an increasing number of cancellation requests, while the total number of CERs cancelled has decreased (from 11.5 million CERs in 2018 to 10.6 million CERs in 2019). This reflects the growing proportion of voluntary cancellations through the platform, where transaction sizes are considerably smaller in comparison to the regular track transactions.
13. Regarding the project dealing with “stranded CERs” for which the share of proceeds for administration remains outstanding (PROJ255), the Board, at its 102nd meeting, considered a concept note providing options for dealing with CERs that have accumulated in the pending account of the CDM registry. The Board decided not to undertake further work on the options and on the matter for the time being.

Project assessments

14. The total CERs issued over the reporting period is 50,995,101, of which 6,591,134 were issued for programmes of activities (PoAs) and 44,403,967 were issued for project activities.
15. In terms of caseload, details of the project assessments processed during the reporting period are included in table 1 and figure 2.

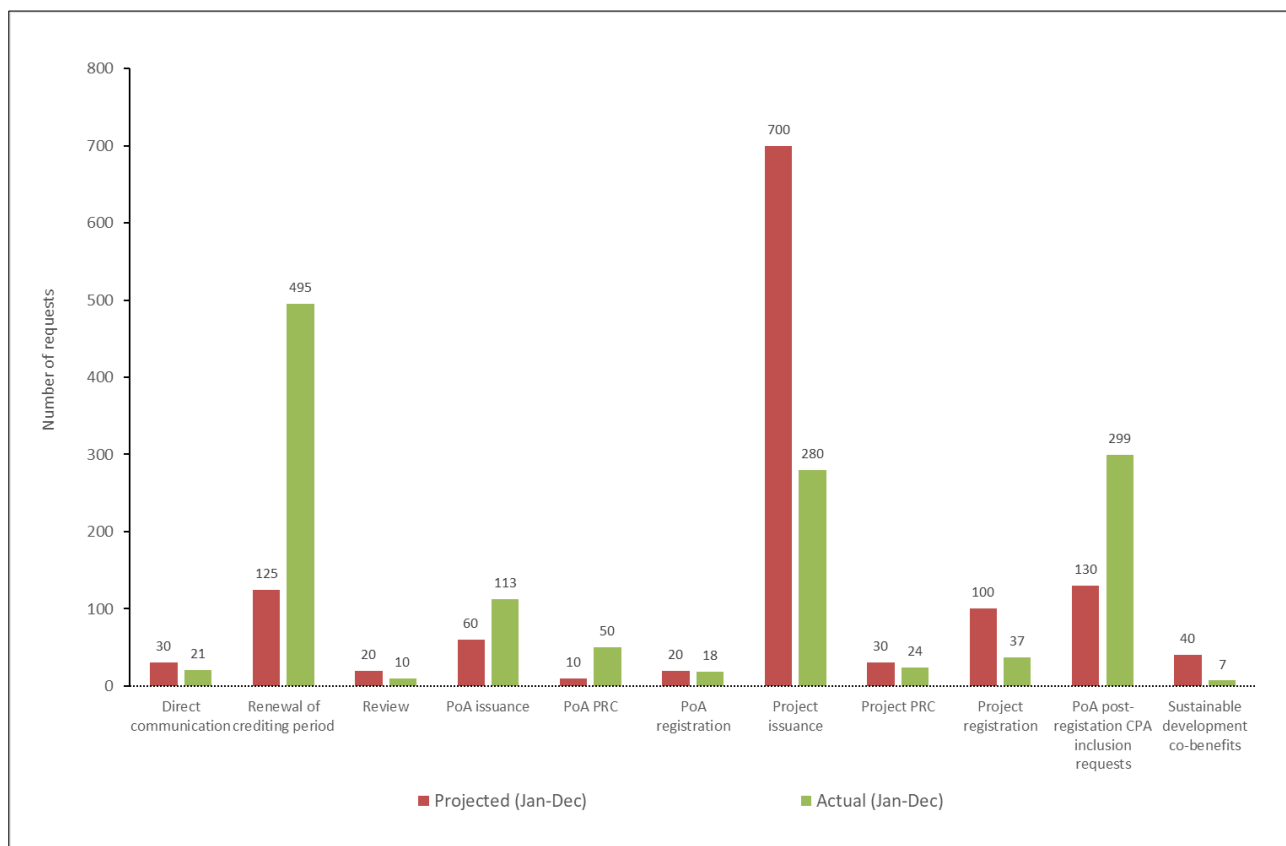
Table 1. Project assessments (January–December 2019)

Activity	Projected annual volume MAP 2019	Actual volume (Jan–Dec 2019)
Requests for project issuance	700	280
Requests for programme of activities (PoA) issuance covering component project activities (CPAs)	60	113 ⁴
Requests for project registration	100	37
Requests for PoA registration	20	18
Requests for project post-registration changes (PRCs)	30	24
Requests for PoA PRCs	10	50
Requests for renewal of crediting period of projects and PoA period	125	495 ⁵
Requests for review (all types)	20	10
Requests for direct communication	30	21
PoA post-registration CPA inclusion requests	130	299

⁴ Figure includes the processing of 708 CPAs.

⁵ Figure includes the processing of 20 PoA renewal requests.

Figure 2. Type and number of project assessments processed against annual forecasts and the linear projected volume for the period under review (January–December 2019)



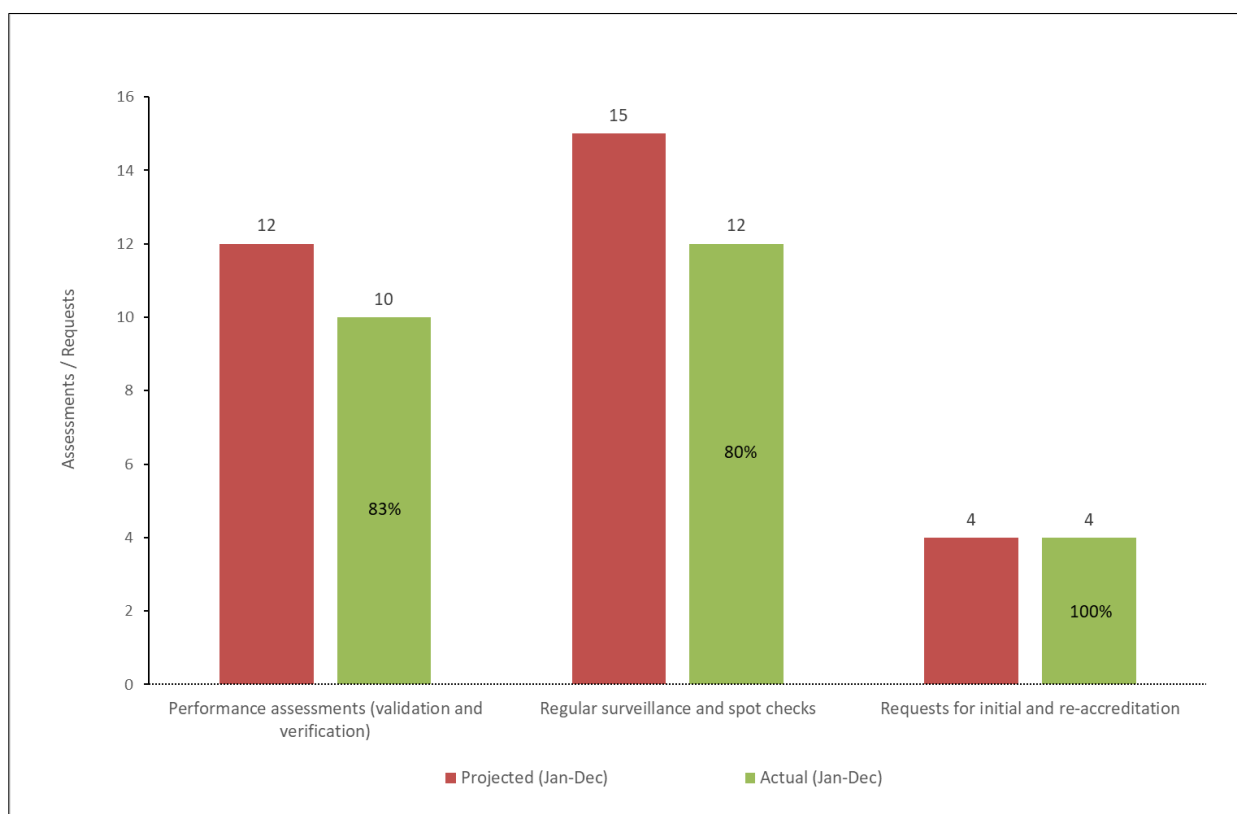
16. As seen from table 1, some activities such as requests for PoA issuance, PoA PRC, renewal of crediting period and CPA inclusion have higher volume data reported against the linearly projected volumes, whereas some activities such as project registration and issuance have lower volumes. Notably high are the requests for PoA issuance, which are among the most complex and effort-intensive requests to process, and the requests for renewal of crediting period, following the change of the rules and the introduction of an ultimate deadline for renewal.
17. During the reporting period, the waiting time for commencement of project assessments for registration and issuance was, for most of the year, below the 15 days mandated by the Board and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), except for a few weeks in July, August and December, owing to a sudden increase in the number of submissions and operational exigencies.
18. Seven sustainable development co-benefit reports were received and published during the reporting period against the annual forecast of 40 reports.

Entity assessments

19. There are currently 30 Designated Operational Entities (DOEs).

20. As shown in figure 3, during the reporting period, 10 performance assessments were conducted⁶ against the annual forecasted volume of 12 assessments (83 per cent). Twelve regular surveillance assessments and spot checks were conducted against the annual forecasted volume of 15 regular surveillance assessments and spot checks (80 per cent). Four re-accreditation assessments for DOEs were under process during the reporting period against the annual forecasted volume of four requests (100 per cent).⁷

Figure 3. Type and number of entity assessments processed against annual volumes and the linear projected volume for the period under review (January–December 2019)



21. During the reporting period, a two-day DOE calibration workshop took place in Seoul, Republic of Korea on 22 and 23 October 2019. The workshop, attended by 20 participants from 11 DOEs, provided an opportunity to share with the DOEs the recent changes in the CDM regulations, as well as to ensure a common understanding of the regulations by discussing real-life cases. The workshop also enabled participants to share experiences and best practices and allowed for the UN Climate Change secretariat to receive feedback that can be used in future revisions of the regulatory documents.

⁶ The figure includes nine verification performance assessments.

⁷ For assessments involving on-site visits (e.g. verification performance assessments, regular surveillance assessments and re-accreditation assessments), the reporting figures include only those assessments for which the last day of the on-site visit falls within the reporting period. In the case of desk reviews (e.g. validation performance assessments), the reporting figures include only those contained in the draft assessment report completed during the reporting period.

22. Activities related to the calibration of the CDM accreditation roster of experts for Lead Assessors were conducted in conjunction with the 85th meeting of the CDM Accreditation Panel (CDM-AP-85) in October 2019. Activities included organizing the calibration sessions, providing training on accreditation standards and procedures and recent changes in the CDM regulations, and updating Lead Assessors on the CDM regulations.
23. In summary, in relation to objective 1a, table 1 of the CDM MAP 2018–2019 allocates 18 per cent of the annual approved budget to the 17 operational activities and one project activity delivering services and products in support of this objective.⁸ Table 1 in the Appendix shows that, as at 31 December 2019, 15 per cent of the annual budgeted resources were utilized against the activities associated with this objective.

2.1.2. Objective 1b: Operate an effective regulatory framework resulting in reduced transaction costs for participants in the mechanism

Communications

24. Communications focused on showcasing the CDM as a functioning, evolving and improving tool available to Parties and non-Party stakeholders – for example, as part of communication efforts to increase use of CERs through the Climate Neutral Now initiative. Tables 3 and 4 of the Appendix list the stories created or sourced and published on the UNFCCC Newsroom and UNFCCC CDM website. These stories were further promoted using social media.

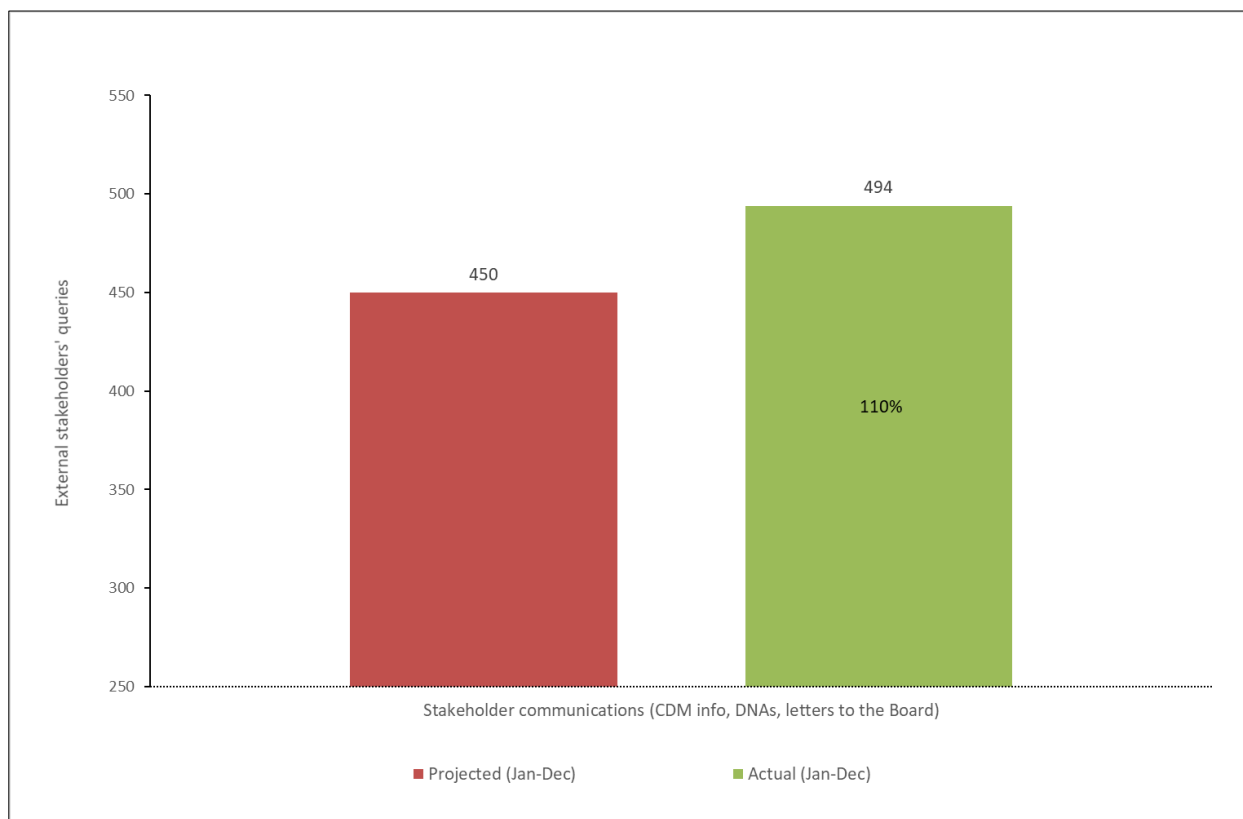
External queries

25. As shown in figure 4, during the reporting period, a total of 494 CDM-related queries from stakeholders were processed, including 22 communications addressed to the Board and 472 communications addressed to the secretariat.⁹ This corresponds to 110 per cent of the annual forecasted volume. An additional 560 queries of an administrative nature (e.g. log-in troubleshooting, updating contact database) were processed by the secretariat.

⁸ For the indicative allocation of resources by objective, see CDM-EB97-A01-INFO, appendix, tables 1 and 2 at <<http://cdm.unfccc.int/Reference/Notes/index.html>>.

⁹ See annual regular reports on stakeholder communications at <https://cdm.unfccc.int/EB/report/>.

Figure 4. External stakeholder queries processed against the annual forecast and a linear projected volume for the period under consideration (January–December 2019)



Market and policy analysis

26. During the reporting period, the secretariat continued to gather intelligence on developments in global carbon markets. The secretariat used this intelligence to update the Board on developments in the UNFCCC process in relation to the Kyoto Protocol and Paris Agreement, including updates on carbon-pricing mechanisms globally, recent policy developments in different regions and international sectors, and the potential role of the CDM. Regular updates were provided to the Board at EB 103 and EB 105.¹⁰ This information allows decisions by the Board across its work programme to be informed by broader on-going developments.
27. At EB 104, the Board considered a request for information received from the International Civil Aviation Organization (ICAO).

¹⁰ See the powerpoint slides provided at EB103 at <https://unfccc-events.azureedge.net/media/pdfs/133ba1a4-552e-4049-b6e1-c75b16af81f2/6e61d6fd-1dce-42fd-a2a2-967071df4755.pdf> and, at EB 105 at <https://unfccc-events.cloud.streamworld.de/files/media/pdfs/90a290b5-c6a8-4c6a-9d71-ddb4f744c4a4/5e42b9d6-2ce4-4168-9b4e-141e082abfd7.pdf>.

Interactions with stakeholders

28. On behalf of the Board and its support structures, 25 calls for public input were sought relating to methodological issues and issues included in the annotated agenda and related annexes prepared for EB 102, EB 103, EB 104 and EB 105.¹¹
29. During the reporting period, the Board met with representatives of the DNA Forum (at EB 103 and EB 105) and the DOE/AIE Coordination Forum (at EB 102, EB 104 and EB 105) and took note of forums' inputs.
30. The 20th Global DNA Forum and technical workshop on new carbon credit opportunities took place from 12 to 14 June 2019 in Bonn, Germany.
31. The Board, at its 105th meeting, interacted with one registered observer who requested the extension of the grace period for submission of renewal requests for overdue cases.

Servicing of the regulatory body and its panels and working groups

32. At its first meeting of the calendar year, the Board adopted its workplan and that of its panels and approved the calendar of meetings. During 2019, four meetings of the Board (EB 102, EB 103, EB 104 and EB 105), three of the CDM Accreditation Panel (CDM-AP 83, CDM-AP 84 and CDM-AP 85) and three of the Methodologies Panel (MP 78, MP 79 and MP 80) were organized. Table 8 of the Appendix includes information on the number of documents considered by the Board during the reporting period.
33. In addition to the activities in the approved CDM MAP 2018–2019, the workplan covers the two additional requests¹² to the Board from the CMP at its fourteenth session (see table 5 of the Appendix). These additional CMP requests were absorbed into the work streams approved in the CDM MAP 2018–2019.
34. As per the workplan approved by the Board at EB 102,¹³ 62 products were forecasted to be delivered in 2019. During the 12-month reporting period, the Board provided eight additional mandates (see table 6 of the Appendix), resulting in three additional products for delivery in 2019. Considering the adjustments made to the workplan at EB 103, EB 104 and EB 105, the number of products forecasted to be delivered in 2019 was 64.
35. As shown in table 9 of the Appendix, as at 31 December 2019, a total of 64 products were delivered against the workplan.
36. At EB 103, the Board appointed five experts as members of the CDM-AP, 12 experts as members of the MP and 23 experts for the Registration and Issuance Team (RIT), with terms of service from 1 September 2019 to 31 December 2021.
37. At EB 103, the Board also agreed to extend the terms of office of the members of the Afforestation and Reforestation Working Group and the Carbon Capture and Storage Working Group, as originally appointed by the Board at its eighty-fifth meeting, to 31 December 2021.

¹¹ See Call for public inputs archives at <http://cdm.unfccc.int/public_inputs/index.html>.

¹² Decision 4/CMP14, paragraphs 4–5.

¹³ See CDM-EB102-A01 at <<http://cdm.unfccc.int/UserManagement/FileStorage/1Z37BMO2G6RD5V9INY4KW8CQJXLTHF>>.

38. At EB 104, the Board participated in a capacity-building workshop regarding gender under the UNFCCC.

Accreditation system

39. During the reporting period, 31 entities were supported, including the handling of one complaint. The support included day-to-day activities related to the administration of the accreditation workflow.
40. During the reporting period, 22 accreditation assessments were launched, of which six were regular surveillance assessments, four were re-accreditation assessments, 11 were performance assessments and one was an assessment for the extension of accreditation for additional sectoral scopes. Their corresponding workplans were processed in accordance with the CDM accreditation procedure.
41. During the reporting period, the Board accredited one new entity and re-accredited eight entities. The Board presented these recommendations for consideration by the CMP at its 15th session.
42. At EB 102, the Board considered a concept note, prepared in consultation with the CDM-AP and the DOE/AIE Coordination Forum, on the simplification of information to be collected from DOEs for the DOE annual activity reports. The Board agreed to revise the DOE annual activity report form (CDM-AAR-FORM) based on the proposals included in the concept note.
43. At EB 105, the Board considered a concept note jointly prepared by the secretariat and CDM-AP regarding options to revise the “Procedure: performance monitoring of designated operational entities”. The Board agreed to the solution proposed in the concept note and requested the secretariat to revise the procedure in consultation with the CDM-AP and the DOE/AIE Coordination Forum.
44. During the reporting period, the Board took note of two synthesis reports of the annual activity reports submitted by the DOEs for the period 1 July 2017 to 30 June 2018 and for the period 1 July 2018 to 30 June 2019.¹⁴

Registration and issuance system

45. Information system support activities for project activity and PoA cycles, including uploading of monitoring reports, summary notes, Board member objections, rejections rulings, updated documents related to direct communication, and queries from project participants, were carried out according to the established procedures.
46. The CDM information system continues to be enhanced with additional capabilities and workflows. On-going activities in this regard include: defining requirements; testing and handling of deployments; overseeing the implementation of change requests; and managing relations with the Information and Communication Technology (ICT) department.

¹⁴ CDM-2018SYN-INFO01 and CDM-2019SYN-INFO01 Synthesis report of the annual activity reports submitted by the designated operational entities 2018–2019 available at <https://cdm.unfccc.int/EB/report/>.

Regulatory framework management

47. At EB 102, the Board reclassified the guideline on establishment of standardized baselines for afforestation and reforestation project activities under the CDM and adopted it as a standard.
48. Also at EB 102, the Board decided that for the purpose of resubmission of a request for registration, issuance, post-registration changes or renewal of crediting period that applied the previous version of the CDM project standards, validation and verification standards and project cycle procedures for project activities and PoAs (version 01.0) in the initial submission, such resubmission may continue to apply the previous version if it was made by 30 June 2019; otherwise, the resubmission shall apply the latest version.
49. At EB 103, the Board agreed that the renewal of the PoA period is not a precondition for issuance of CERs of CPAs whose crediting periods have not expired by the end of the PoA period. The Board clarified that a request for issuance of a PoA may cover the monitoring results of such CPAs in any monitoring period until the expiry of their crediting periods, irrespective of the timing of the renewal of the PoA period.
50. At EB 104, the Board adopted the amendments to version 02.0 of the CDM project standard, validation and verification standard and project cycle procedure for PoAs as well as the revised glossary of CDM terms to clarify the implications of PoA period renewal on CPA inclusion, renewal and post-registration changes, among others.
51. At EB 105, the Board agreed to extend the deadline for overdue cases for submissions of renewal of crediting period requests from 31 December 2019 to 30 September 2020.
52. Also at EB 105, the Board adopted the revised standard “Sampling and surveys for CDM project activities and programmes of activities” to include additional guidance for DOEs to verify sampling surveys conducted by project participants or coordinating/managing entities.
53. In summary, in relation to objective 1b, table 1 of the CDM MAP 2018–2019 allocates 27 per cent of the annual approved budget for 2019 to the 17 operational activities delivering services and products in support of this objective.¹⁵ Table 1 in the Appendix shows that, as at 31 December 2019, 19 per cent of the total budgeted resources for 2019 were utilized against the activities associated with this objective.

¹⁵ For the indicative allocation of resources by objective, see CDM-EB97-A01-INFO, Appendix, tables 1 and 2 at <<http://cdm.unfccc.int/Reference/Notes/index.html>>.

2.1.3. Objective 1c: Develop simplified and user-friendly standards and procedures that increase efficiency and ensure environmental integrity

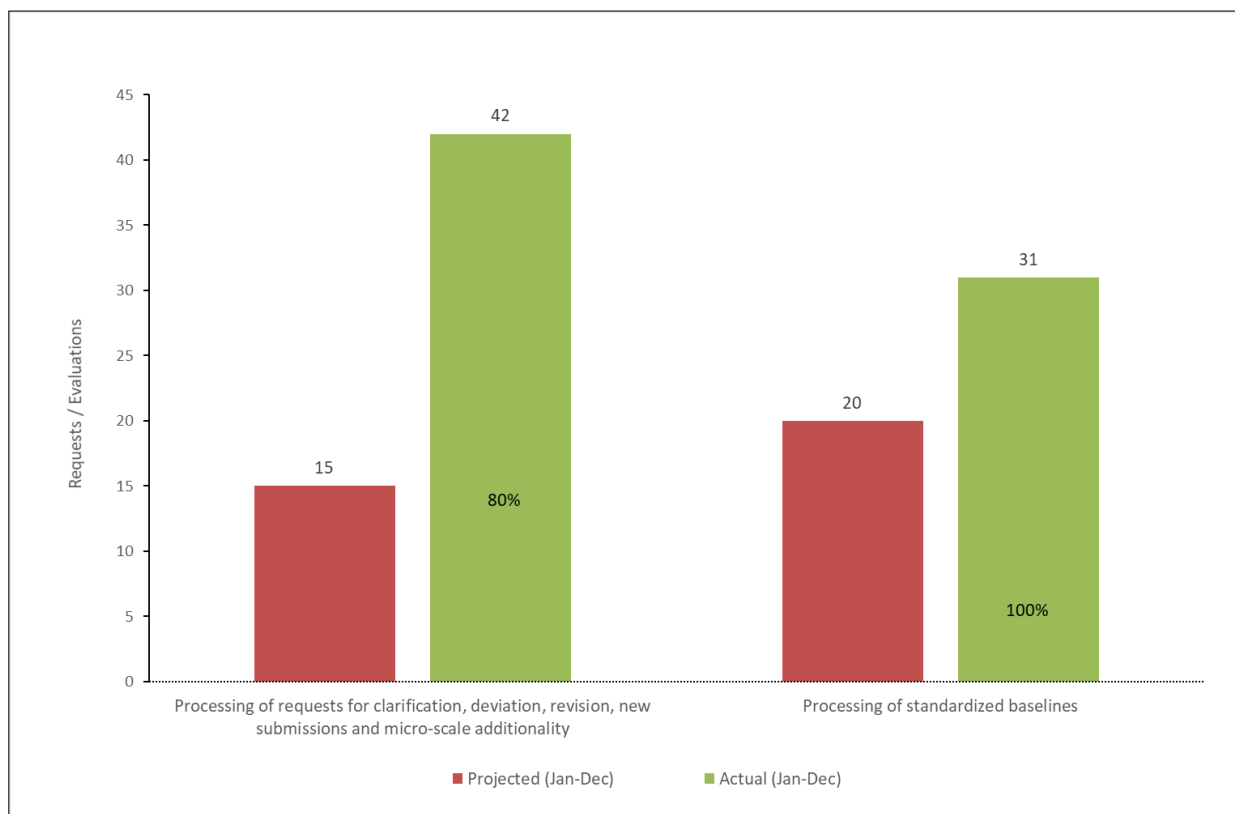
Methodologies

54. During the reporting period, the Board adopted two new methodologies¹⁶ and approved the revisions of 20 methodologies and tools.¹⁷
55. Figure 5 below provides data relating to methodologies work for the 12-month reporting period.

¹⁶ AMS.III.BN: Efficient operation of public transportation; AMS-III.BO: Trip avoidance through equipment improvement of freight transport.

¹⁷ AM0086: Distribution of low greenhouse gas-emitting water purification systems for safe drinking water; TOOL06: Project emissions from flaring; TOOL30: Calculation of the fraction of non-renewable biomass; AMS-III.AV: Low greenhouse gas-emitting safe drinking water production system; AMS-II.T: Emission reduction through reactive power compensation in power distribution network; ACM0001: Flaring or use of landfill gas; ACM0014: Treatment of wastewater; AM0031: Bus rapid transit projects; AM0117: Introduction of a new district cooling system; AMS I.A: Electricity generation by the user; AMS-I.C: Thermal energy production with or without electricity; AMS-III.G: Landfill methane recovery; AMS-III.H: Methane recovery in wastewater treatment; AMS-I.E: Switch from non-renewable biomass for thermal applications by the user; AMS-II.G: Energy efficiency measurement in thermal applications of non-renewable biomass; AM0103: Renewable energy power generation in isolated grids; ACM0002: Grid-connected electricity generation from renewable sources; TOOL21: Demonstration of additionality of small-scale project activities; TOOL32: Positive lists of technologies; TOOL27: Investment analysis.

Figure 5. Methodology requests and processing of standardized baselines against annual forecast (January–December 2019)



56. During the reporting period, the following numbers of new methodologies, requests for clarification and revisions were processed or are under process:
- (a) Two proposed new methodologies were processed¹⁸ and four¹⁹ proposed new methodologies are under process;
 - (b) Thirty-two requests for clarifications²⁰ were fully concluded and two requests for clarification are under process;²¹

¹⁸ SSC-NM103 was approved and SSC-NM102 was not approved (both cases submitted in 2018 and finalized in 2019).

¹⁹ SSC-NM104, NM0377, NM0378 and NM0379 are under process.

²⁰ AM_CLA_0280, AM_CLA_0281, CLA_TOOL_0027, CLA_TOOL_0028, CLA_TOOL_0029, CLA_TOOL_0030, CLA_TOOL_0031, CLA_TOOL_0032, SSC_744, SSC_745, SSC_746, SSC_747, SSC_748, SSC_749, SSC_751, SSC_752, SSC_753, SSC_754, SSC_755, SSC_756, SSC_757, SSC_758, SSC_759, SSC_760, SSC_761, SSC_762, SSC_763, SSC_764, SSC_765, SSC_767, SSC_768, SSC_770.

²¹ SSC_766, and SSC_769.

- (c) One request for revision was finalized and one is under process.²²
57. A total of 31 methodology requests²³ were processed against the annual forecasted volume of 20 requests.²⁴
58. During the reporting period, the following numbers of standardized baselines were processed or under process:
- (a) Five standardized baseline submissions were approved during the reporting period;²⁵
 - (b) 14 standardized baselines were under process.²⁶
59. The approved projects under objective 1(c) delivered the following:
- (a) **PROJ256: Digitization of methodologies for web-based generation of project design documents and monitoring templates.** At EB 102, the Board took note of a progress report on the digitization of the methodology “ACM0002: Grid-connected electricity generation from renewable sources” and requested the secretariat to undertake the road-testing of the tool. Progress on products associated with this project is shown in table 2 below.

Table 2. PROJ256: Digitization of methodologies for web-based generation of project design documents and monitoring template (January–December 2019)

Product title/short description	% complete	Forecasted delivery
Progress report on implementation of information technology (IT) elements	100	EB 102
Digitalization of ACM0002 up to preparation of the project design document by single user	100	EB 102

²² SSC_750 was finalized and REV_TOOL_0004 is under process. In addition, there are other on-going requests for revision of methodologies that were requested by the Board which have not been counted here.

²³ Requests completed: six submitted in 2018: AM_CLA_280, AM_CLA_281, CLA_TOOL_0027, SSC_744, SSC_745 and SSC_746; and ten submitted in 2019 reporting period: AM_REV_0259, CLA_TOOL_0028, CLA_TOOL_0029, SSC_747, SSC_748, SSC_749, SSC_751, SSC_752, SSC_753 and SSC_754. Requests under process: three submitted in 2019 reporting period: REV_TOOL_0004, SSC_750 and SSC_755.

²⁴ The number also includes submissions from earlier reporting periods but still under process. This is because these items require additional work during the current reporting period.

²⁵ See Approved Standardized Baselines ASB0042-2019, ASB0043-2019, ASB0044-2019, ASB0045-2019, ASB0046-2019 at <https://cdm.unfccc.int/methodologies/standard_base/2015/sb4.html>.

²⁶ See standardized baselines under process:

- (a) Bottom-up: PSB0013, PSB0021, PSB0031(submitted during previous reporting periods and under process); PSB0048, PSB0050, PSB0051, PSB0052 and PSB0053 (submitted during the reporting period) at https://cdm.unfccc.int/methodologies/standard_base/2015/sb2.html.
- (b) Top-down: TSB0002, TSB0006, TSB0008 and TSB0013 (submitted during previous reporting periods and under process); TSB0014 and TSB0015 (submitted during the reporting period) at <https://cdm.unfccc.int/methodologies/standard_base/2015/sb5.html>.

- (b) **PROJ244: Development of new methodologies to broaden the applicability of the CDM.** During the reporting period, the Board approved the new methodology “AMS.III.BN: Efficient operation of public transportation” and considered three concept notes on the use of the CDM in the urban sector. Progress on products associated with this project are shown in table 3 below.

Table 3. PROJ244: Development of new methodologies to broaden the applicability of the CDM (January–December 2019)

Product title/short description	% complete	Forecasted delivery 2019
Use of the CDM in the urban sector	95	EB105 [through panel/working group (WG)]
Improved operation of public transportation	100	EB102 [through panel/WG]

- (c) **PROJ223: Simplification of methodologies.** During the reporting period, the Board considered three concept notes on the methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in households, and provided guidance to the MP. Progress on products associated with this project is shown in table 4 below.

Table 4. PROJ223: Simplification of methodologies (January–December 2019)

Product title/short description	% complete	Forecasted delivery 2019
Methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in households	100	EB105 [through MP report]
Revised methodological TOOL27 “Investment analysis”	100	EB105 [through MP report]
Various top-down revised/new methodologies and tools and best-practice examples mandated by the Board	100	EB105 [through MP report]

60. In relation to objective 1c, table 1 of the CDM MAP 2018–2019 allocates 5 per cent of the 2019 approved budget to the two operational activities and four projects delivering services and products in support of this objective.²⁷ Table 1 in the Appendix shows that, as at 31 December 2019, 5 per cent of the total budget resources for 2019 were utilized against the activities associated with this objective.

²⁷ For the indicative allocation of resources by objective, see CDM-EB97-A01-INFO, Appendix, tables 1 and 2 at <<http://cdm.unfccc.int/Reference/Notes/index.html>>.

2.2. Goal 2: Nurture the demand for, and participation in, the clean development mechanism

Partnerships and engagement activities

61. During the reporting period, activities relating to partnerships and engagement activities in support of the CDM MAP 2018–2019 goals and objectives included:

- (a) Strategic missions, including participation in:
 - (i) International Standards Organisation working group meetings relevant to the CDM;
 - (ii) ICAO working group meetings to ensure that the development of the Carbon Offsetting and Reduction Scheme for International Aviation rulebook takes into consideration the CDM;
 - (iii) Innovate4Climate (formerly Carbon Expo);
 - (iv) Meetings of the G7 Carbon Markets Platform;
 - (v) Meeting of the Organisation for Economic Co-operation and Development's Climate Change Expert Group;
 - (vi) Meeting of the World Bank's Partnership for Market Readiness;
 - (vii) Congress on energy transition and climate change in the Caribbean to support CDM stakeholder bottom-up and top-down standardized baselines, use of the CDM tool and finance for CDM projects, and to respond to CDM queries and promote Climate Neutral Now;
 - (viii) Green Finance as mandated by the Board under agenda item "Financing and use of the CDM by international finance institutions";
 - (ix) Outreach meetings to Climate Neutral Now signatories in sports, fashion and tourism sectors;
 - (x) Africa Climate Week, Latin America and the Caribbean Climate Week, and Asia-Pacific Climate Week.
- (b) Interactions during planned secretariat events, meetings and missions (for example, meetings with carbon market policymakers, CDM project developers and bilateral development agencies involved in CDM development);
- (c) Telephone and video calls;
- (d) Other exchanges with intergovernmental organizations, non-governmental organizations, governments, financial institutions and businesses.

Nairobi Framework coordination and regional activities

62. During the reporting period, the Nairobi Framework²⁸ coordination and regional activities focused on building and enhancing the capacity of DNAs to become fully operational and to develop CDM project activities and PoAs, promote investment opportunities for CDM

²⁸ See Nairobi Framework at <http://cdm.unfccc.int/Nairobi_Framework/index.html>.

project activities and PoAs, improve information-sharing, outreach and training, and strengthen inter-agency coordination, and included:

- (a) A series of coordination meetings held on-line and on the side-lines of the Africa Climate Week in Accra, Ghana in March 2019. The objective of the meeting convened during Africa Climate Week was to bring together partners and cooperating organizations, including senior directors, to review the results achieved during the event and agree on practical and operational arrangements to improve the delivery of work under the Nairobi Framework Partnership (NFP);
- (b) A meeting in June 2019 in Bonn, Germany, on the side-lines of the subsidiary bodies. The objectives of the meeting were to take stock of the lessons learned at the Africa Climate Week, discuss operational issues requiring attention to ensure the success of the remaining climate weeks, and to plan for the climate weeks in 2020;
- (c) A coordination meeting held at the United Nations Environment Programme-Danish Technical University Partnership's premises in Copenhagen in October 2019. The meeting was attended by directors from DTU, IETA, United Nations Development Programme, UNEP, UNFCCC and the World Bank with the objectives to assess the current partnership, identify a new governance and membership structure and pursue consensus on the way forward;
- (d) The NFP partners and cooperating organizations reaffirming their commitment to continue the partnership and agreeing to continue broadening the demand for, and participation in, the CDM by showcasing the CDM to a wider audience – for example, through the regional climate weeks;²⁹
- (e) The publishing of the NFP Annual Report 2018, documenting the activities completed by partner agencies and cooperating organizations of the NFP during 2018;³⁰
- (f) Joint efforts of NFP partners and cooperating organizations, including organizing the Africa Climate Week, the Asia-Pacific Climate Week in Bangkok from 2 to 6 September 2019 and the Latin American and Caribbean Climate Week in Salvador from 19 to 23 August 2019. During these events, sessions, side events and workshops about the CDM and carbon markets are held involving the Chair and Vice-Chair of the Board, other Board members/alternates from the respective region, DNAs, project participants, potential investors and regional experts.

Support to stakeholders/capacity-building

63. During the reporting period, the support provided to DOEs, DNAs and other stakeholders included:
- (a) Four conference calls with the DOE/AIE Coordination Forum that took place after EB 101, EB 102, EB 103 and EB 104;
 - (b) CDM-related events organized during the regional climate weeks;

²⁹ For the regional climate weeks, see <<https://www.regionalclimateweeks.org/>>.

³⁰ The report is available at <<https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20190207182511909/2018%20NFP%20Status%20Report.pdf>>.

- (c) Global DNA Forum meeting and technical workshop on new carbon-crediting opportunities held from 12 to 14 June 2019 in Bonn, Germany;
- (d) Side event entitled “CDM for ambitious climate policy” held on 17 June 2019 at the fiftieth session of the UNFCCC subsidiary bodies. The event reflected on the role of the CDM for ambitious climate policy, whether in domestic climate policies or through emission reduction facilities, and also examined the implication and ratification status of the Doha Amendment;
- (e) Calibration Workshop for Leads Assessors for accreditation assessments held from 14 to 15 October 2019 in Bonn, Germany;
- (f) Side event entitled “The role of CDM in decarbonizing cities and its co-benefits” held on 2 December 2019 at COP25 in Madrid, Spain. The event showcased CDM activities implemented in cities, highlighting the potential for implementing mitigation project in cities, as well as the co-benefits which can be achieved from such projects.

Public policy development

64. During the reporting period, the secretariat continued to gather and analyse reports and information regarding the evolution and direction of carbon-pricing instruments globally. This work was undertaken through direct engagement with policymakers, attendance at relevant global and regional carbon market events, and review of formal and informal policy documents and announcements by various regulatory authorities. The main focus of this engagement was to support the potential use of the CDM in emerging emission trading systems and in the aviation and maritime transport sectors. As part of this work, the secretariat continued to develop its contacts with policymakers and relevant experts globally to ensure that the Board is informed of the latest developments having an impact on the operation of the CDM.

Operation and further development of the voluntary cancellation platform

65. The platform for voluntary cancellation of CERs operates online 24/7.³¹ So far, the platform has been visited by most of the countries in the world, with purchasers from 95 countries cancelling 795,850 CERs in the reporting period. The total number of CERs cancelled through the platform since its launch in September 2015 is 1,340,876.
66. In March 2019, the platform was released in Spanish, in addition to the English and French versions. By May 2019, the bank transfer payment process had been significantly enhanced through dedicated pathways for purchasers and providers of offsets and through automated payment instruction processes. The significant increase in the number of orders necessitated the automation of the transaction approval process and attestation issuance, with respective work being carried out on the CDM registry and the platform. The automation deployed in June 2019 resulted in operational effort gains, enabling the existing resources to continue to support the platform efficiently at growing order numbers and customer support requests in the second half of the reporting period. Also in the second half of the year, the service provider released French and Spanish versions of the 2018 online quiz for a social media campaign relaunch and completed various optimization requests.

³¹ The platform is available at <<https://offset.climateneutralnow.org/>>.

67. During the reporting period, the Board took note of a progress update on, and a demonstration of, the online platform for voluntary cancellation of CERs version 2.0. The Board also took note of an information note on the operational costs related to the platform.

Improvement of the CDM to make it attractive for results-based finance

68. During the reporting period, work was undertaken to facilitate the use of the CDM beyond the compliance regime. The digitization of methodologies was pilot-tested on the most widely used methodology (ACM0002). It is expected that the digitization will reduce the complexity of the CDM for its users. The broadening of applicability of existing methodologies with high greenhouse gas (GHG) mitigation potential was undertaken in the areas of waste management, including recovery and recycling. Improvements were made to existing methodologies for low GHG-intensive water-purification and standardized baselines for afforestation and reforestation, including updates to the tool to calculate fraction of non-renewable biomass. Work to improve the methodologies for GHG mitigation in the urban context was concluded. Related guidelines and illustrative examples will be shared in the CDM methodology booklet, which is expected to be published for EB 106.

Financing and use of the CDM by international finance institutions

69. At EB 103 and EB 105, the Board considered two information notes³² on financing and use of the CDM by international finance institutions and noted the progress of on-going support provided by the secretariat in collaboration with the Regional Collaboration Centres. (RCCs).

Nurturing demand for the CDM and voluntary cancellation of CERs

70. During the reporting period, activities to nurture demand for the CDM and voluntary cancellation of CERs included:
- (a) Support to the implementation of the United Nations (UN) system's climate-neutral commitment, with a focus on compensating unavoidable emissions through the cancellation of CERs. The effort to make the UN system climate-neutral has been on-going for several years, supported by UNFCCC and coordinated by the Greening the Blue initiative³³ in UN Environment. The UN Secretary-General requested full achievement of the climate-neutral goal for all 68 UN organizations at the Secretary-General's Climate Summit in September 2019. Some 90 per cent of the emissions of the UN system for 2018 were ultimately cancelled in 2019, a significant increase from the previous year, amounting to approximately 1.7 million CERs (about 300,000 more than was estimated to be needed to meet the Secretary-General's goal);
 - (b) Collaboration with the Alliance for Development and Climate,³⁴ an initiative hosted by the German federal government to encourage German companies and

³² See CDM-EB103-AA-A01 at <http://cdm.unfccc.int/UserManagement/FileStorage/6E3VO8C4ZXSHPF0UDMW9BK5G12AJT> and CDM-EB105-AA-A01 at <http://cdm.unfccc.int/UserManagement/FileStorage/50KD4FINMJEP1YT639QSHV7X8ROGZA>.

³³ See <<http://www.greeningtheblue.org>>.

³⁴ <https://allianz-entwicklung-klima.de/>.

organizations to become climate-neutral, including through the use of CERs. The Alliance was launched in June 2019 and has since received some 330 commitments, including from major German corporations. Discussions are underway to seek to replicate this approach to other countries, as a voluntary approach for companies and organizations to support climate action. CERs have been included among the accepted types of offsets to be used in the Alliance, and the Voluntary Cancellation Platform has been included as a source of offsets;

- (c) Continuous outreach to companies and organizations to commit to climate neutrality and to compensate for unavoidable emissions with CERs. 2019 saw a significant increase in pledges of climate neutrality among all types of stakeholders. A total of 239 organizations made a commitment in this period to Climate Neutral Now, bringing the total number of participants to 355, representing approximately 1.3 million CERs cancelled to date. Outreach efforts have been targeted at sports organizations, which resulted in new commitments, including from Eisbären Berlin, French Tennis Federation Roland Garros, International Federation of Association Football, International Olympic Committee, International Paralympic Committee, Los Angeles Galaxy, National Basketball Association, Paris 2024, Rugby League World Cup 2021, Tennis Australia (Australian Open), Tokyo 2020, US Tennis Association (US Open), Wimbledon, World Sailing Federation and the Yankees to promote climate action, including through use of CERs to compensate for unavoidable emissions;
- (d) Collaboration with the fashion sector to develop decarbonization pathways by building on existing tools and solutions, including through possible use of CERs to compensate for unavoidable emissions. The collaboration in 2019 involved numerous leading companies, including Adidas, Burberry, C&A Foundation, H&M, Hugo Boss, Kering, Levi Strauss & Co., Nike, Puma and VF Corporation;
- (e) Preparation of the second iteration of a social media campaign to encourage individuals to become climate-neutral by measuring, reducing and offsetting their climate footprint. Building on lessons learned from the first iteration in 2018, a new video ad was produced and the online quiz was translated into French and Spanish to reach a wider audience, following the 2019 translation of the Voluntary Cancellation Platform website. Following a new restriction imposed by Facebook on campaigns – namely the categorization of the issue of climate change as a social and/or political issue as per the wishes of a list of countries – the secretariat re-worked its strategy to overcome these issues. The sponsored video campaign was subsequently implemented on YouTube and LinkedIn, while the quiz was advertised organically (without payment/sponsorship) on Facebook, Instagram and Twitter;
- (f) Cooperation with Airport Council International (ACI) to encourage airports to reduce and offset their carbon footprints with CERs. At the annual general meeting of ACI in June 2019, the ACI committed to reaching full climate neutrality for all participating airports by 2050, thereby aligning itself with the Paris Agreement. A total of 1,209,000 CERs have been cancelled by airports through this collaboration;
- (g) Cooperation with the credit card company, Doconomy, to launch its new credit card for which emissions from every purchase are calculated and every cardholder is invited to offset their carbon footprint with CERs from the Voluntary Cancellation Platform. Launch of the credit card, planned for September 2019, and the associated App was delayed, but the collaboration continues;

- (h) Promoting climate neutrality including through innovative use of CERs. The UN Global Climate Action Awards, the focus of UNFCCC's Momentum for Change initiative, recognizes the world's most innovative, scalable and replicable examples of action to tackle climate change. Selected activities under the climate neutrality category were recognized and celebrated at COP25: MAX Burgers, a Swedish restaurant chain that has created the world's first "Climate Positive" menu; Natura, a Brazilian cosmetics manufacturer that has measured and reduced emissions across its entire value chain; Apple, which is a leader in its field, for reducing emissions through clean energy and innovative product design; and Infosys, India's second-largest information technology (IT) company and one of the first companies of its type to commit to carbon neutrality, while investing in local carbon-offsetting projects;
 - (i) Collaboration with Costa Rica Climate Neutral programmes, Huella Chile, Huella Perú, Lvdoaya (China), W Foundation (Republic of Korea), and most recently Ecuador, to promote climate action through the cancellation of CERs. The exploration of cooperation/partnerships to promote voluntary cancellation of CERs as part of national programmes continues;
 - (j) Cooperation with organizers of events to encourage them to measure, reduce and offset with CERs the climate impact of their events (e.g. meetings, concerts, festivals). A number of events were made climate-neutral through the cancellation of CERs during the reporting period, within and outside the UN system, resulting in cancellation of 1,200 CERs. A collaboration with two external partners has been set up to support further events to become more climate-friendly and climate-neutral. This collaboration is expected to bear fruit in 2020.
71. During the reporting period, the Board took note of two updates on the results of the social media campaign for the voluntary cancellation of CERs, at EB 104 and EB 105.

Regional Collaboration Centre operations

72. The RCCs continue to prioritize the work in least developed countries and underrepresented countries in the CDM (i.e. with 10 or less registered CDM projects as at 31 December 2010).³⁵
73. The annual RCC Global Forum meeting, held from 20 to 21 October 2019 in Dubai, on the side-lines of the World Green Economy Summit, saw the official launch of the newest collaboration centre, RCC Dubai, serving countries in the Middle East, North Africa and South Asia. The forum was attended by representatives of the host partners of the six RCCs located in Bangkok, Dubai, Kampala, Lomé, St-George's-Grenada and Panama. Also joining the forum were representatives from RCC collaborating organizations, including: UN Environment, UN Economic and Social Commission for Asia Pacific, UN Economic and Social Commission for Western Asia, and Deutsche Gesellschaft für Internationale Zusammenarbeit. At that same meeting, the partners proposed that, in addition to the continuous support to the CDM as the RCC primary function, other major areas of work for the RCCs in 2020 would include: support to activities under Article 6 of the Paris Agreement; adaptation; facilitating the mobilization of climate finance and regional capacity-building on transparency; climate finance; and, nationally determined contributions under the Paris Agreement.

³⁵ See Biannual regular reports on RCC operation at <https://cdm.unfccc.int/EB/report/>.

Regional Collaboration Centre support to projects and programmes of activities

74. During the reporting period, direct technical support was provided at the regional level to increase participation in the CDM. As at 31 December 2019, the RCCs had supported 275 CDM projects and PoAs against the annual forecasted volume of 214 projects and PoAs. The support resulted in 13 projects progressing at least one step in the CDM project cycle. In addition, the RCCs responded to 243 queries received from stakeholders requesting clarifications on CDM requirements.
75. From the beginning of the RCCs' operations in 2013 until 31 December 2019, the RCCs directly supported 1,291 CDM project activities and PoAs, contributing to 234 CDM project activities and PoAs progressing at least one step forward in the CDM project cycle. In addition, through the provision of technical advice and capacity-building, 115 new CDM project activities and PoAs were identified and their notification of CDM prior consideration submitted.

Regional Collaboration Centre support to standardized baselines

76. During the reporting period, the RCCs supported the development of 40 bottom-up standardized baselines against the annual forecasted volume of 20 requests,³⁶ of which approximately 71 per cent originated from DNAs of underrepresented countries in the CDM.³⁷ As a result of the support provided by the RCCs in the previous years, seven proposed standardized baselines³⁸ were successfully submitted to the secretariat, and the Board approved five standardized baselines.³⁹
77. In addition, the RCCs continued to support the work for five top-down standardized baselines for which the work started in 2018. From the beginning of the RCCs' operations in 2013 until 31 December 2019, the RCCs directly supported the development of 205 standardized baselines, of which 46 were approved by the Board.
78. In summary, in relation to goal 2 and its three objectives on nurturing demand for, and participation in, the CDM, table 1 of the CDM MAP 2018–2019 allocates 24 per cent of the 2019 budgeted resources to the 11 operational activities delivering services and products in support of this goal.⁴⁰ During the reporting period, 24 per cent of the 2019 budgeted resources were spent on the activities associated with this goal, which is in line with the projected linear rate for the twelve-month reporting period.

2.3. Cross-cutting activities

Communications engagement and marketing

79. In addition to stories being published on the UN Climate Change main website and UNFCCC CDM website (see tables 3 and 4 in the Appendix, respectively), all CDM-related

³⁶ 10 new and 30 continuations from the previous reporting period.

³⁷ The list of countries with 10 or fewer registered CDM projects as at 31 December 2010 is available at <https://cdm.unfccc.int/methodologies/standard_base/cdmprojects.pdf>.

³⁸ PSB0048–54.

³⁹ ASB0042–46.

⁴⁰ For the indicative allocation of resources by objective, see CDM-EB97-A01-INFO, Appendix, tables 1 and 2 at <<http://cdm.unfccc.int/Reference/Notes/index.htm>>.

- stories published on the main website were promoted via the secretariat's main social media account and select advisories were promoted on the UN CarbonMechs account.
80. The secretariat's main social media accounts and website are the major online assets used to promote the CDM, principally the work on raising demand and promoting the CDM in the context of promoting climate neutrality, with the message: measure, reduce, compensate, repeat. The UN CarbonMechs social media channels are maintained for those with a special interest in the CDM, including media. As at the end of 2019, UN CarbonMechs had 7,900 Twitter followers and 10,360 Facebook "likes".
 81. News items relevant to the work of the Board were collected and incorporated in the daily news email compiled by the secretariat's Communications and Outreach programme.
 82. Communications work was carried out in support of key events, including the regional climate weeks and the sessions of the Convention's subsidiary bodies and COP25.⁴¹
 83. Communications engagement and marketing carried out by the RCCs during the reporting period, especially their support to the regional climate weeks, regular e-newsletters, workshop support and capacity-building work related to the CDM, are described elsewhere in this report.
 84. In 2016, the secretariat launched Momentum for Change,⁴² an initiative to recognize and promote climate action. Under the Momentum for Change Climate Neutral Now category, organizations, companies and governments achieving real results transitioning to climate neutrality, including through use of offsets, are invited to submit their work for consideration.⁴³ The most inspiring, innovative and successful activities are selected as Momentum for Change Lighthouse Activities and are recognized and celebrated during the COP and at other key events, such as the regional climate weeks.⁴⁴
 85. Table 5 below indicates the progress achieved on communications and marketing activities during the reporting period.

Table 5. Communications engagement and marketing (January–December 2019)

Product title	% Complete	Forecasted delivery 2019
1. Communication in support of Africa Climate Week	100	March 2019
2. Communication in support of Latin America and Caribbean Climate Week	100	August 2019
3. Communication in support of Asia-Pacific Climate Week	100	September 2019
4. Communication in support of Climate Neutral Now pillar of the Global Climate Action Awards (Momentum for Change)	100	December 2019

⁴¹ To see a video of the Board's side event at the fiftieth sessions of the subsidiary bodies, CDM for Ambitious Climate Policy, visit <<https://bit.ly/2YdUdwV>>. To see a video of the Board's side event at COP25, The role of CDM in decarbonizing cities and its co-benefits, visit <<https://bit.ly/2uEI3Bv>>.

⁴² Momentum for Change <<https://unfccc.int/climate-action/momentum-for-change>>.

⁴³ Climate Neutral Now <<https://unfccc.int/climate-action/momentum-for-change/climate-neutral-now>>.

⁴⁴ For a latest list of winning activities in this category, please visit <<https://unfccc.int/climate-action/momentum-for-change/climate-neutral-now>>. See a short video of the 2019 winners at <<https://vimeo.com/378004470>>.

Product title	% Complete	Forecasted delivery 2019
5. Communication in support of the Voluntary Cancellation Platform and Climate Neutral Now	100	December 2019

Human resources, skills development and learning

86. During the reporting period, and in line with secretariat practice, a staff training plan was developed. The training plan included targeted capacity-building in the areas of:
- (a) Development of resource mobilization and partnerships;
 - (b) Statistical processes and quality control techniques;
 - (c) Results-based monitoring and evaluation;
 - (d) Climate and renewable energy finance;
 - (e) UNDP standard procurement training (Chartered Institute of Procurement and Supply);
 - (f) Implementing information management on SharePoint and Office 365;
 - (g) Change management for employees and managing people through change;
 - (h) Coaching on career development;
 - (i) Leadership development for supervisors and managers.
87. To maximize the outcome from capacity-building programmes, the secretariat focused on areas where a number of staff skills could be enhanced through small group training, as opposed to concentrating on individual capacity-building learning opportunities (where seven staff undertook specific individual training related to their job description in areas of administrative support, programme support, communications, regulatory development and statistical analysis).

Finance (including budget, expert payments, fee payments and procurement)

88. During the reporting period, the finance administration team processed 541 financial and procurement-related transactions and 1,200 travel-related transactions and expense reports related to the operations of the CDM. Additionally, 10 monthly monitoring reports and two reports (2018 end-year and 2019 mid-year) were produced.
89. During the reporting period, the Board considered at its 103rd and 104th meetings a comprehensive financial report on its financial situation, as requested by CMP in its decision 4/CMP.14, paragraph 5, and provided guidance to the secretariat. The report, on the present financial situation of the CDM and the foreseen budgets for CDM activities until the end of 2023, was included as annex I in the Annual report of the Board to the CMP.⁴⁵

⁴⁵ See FCCC/KP/CMP/2019/3 at <https://unfccc.int/sites/default/files/resource/cmp2019_03E.pdf>.

90. Also at EB 104, the Board approved its two-year business and management plan for 2020–2021.⁴⁶

Intra-secretariat engagement agreements (information technology)

91. During the reporting period, IT operational activities supported under the IT engagement agreement included:

- (a) **CDM systems application, maintenance and support**, including:
- (i) Authoring tool used for preparing and cataloguing the documentation of the Board and its panel and working groups (13 issues supported);
 - (ii) CDM registry operational maintenance, software maintenance and security (20 issues resolved on the CDM registry and voluntary cancellation platform Application Programming Interface assessment);
 - (iii) CDM-Information System manual interventions, operational change requests for the CDM, and roster of expert system support (5 business process activities, 25 change requests, 36 content management updates, 367 manual interventions, 77 user administration, 69 user help);
 - (iv) Simplified Processing Tool application service management for delivery of regression test and bug fixes, overall support and maintenance plus minimal cost for oversight from UNFCCC ICT;
 - (v) Sustainable Development Tool system change and maintenance, including minor bug fixes, operational maintenance such as backups and monitoring, software maintenance such as patching and upgrades, and security management;
 - (vi) Stakeholder Interaction System change and maintenance, including minor bug fixes and enhancements prioritized in the backlog (work continued from 2018);
- (b) **Meeting and workshop support:** support was provided to the meetings of the CDM-AP (3 meetings), MP (4 meetings), CDM DNA Forum (1 meeting) and the Board (4 meetings);
- (c) **Data centre hosting services:** business-as-usual and recovery services for CDM-Information System content management system, CDM-Registry and CDM mailing lists;
- (d) **Licenses:** business-as-usual services in support of desktop and specialized software (e.g. Qlik, Survey Monkey, Adobe Premiere Pro).

92. The IT project supported under the engagement agreement on the PoA lifecycle (Phase II) included the following:

- (a) The PoA accreditation assessment workflow (as part of the PoA lifecycle project) and revisions to the project renewal of crediting period and the project post-registration changes workflows were released in March 2019. In addition,

⁴⁶ See CDM-EB104-A01-INFO at <https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20190913162610355/Info_note83.pdf>.

enhancements to the PoA post-registration change submissions (when combined with issuance requests) were released in April 2019. An additional release, with further functionalities and fixes to critical issues related to the post-registration changes, clubbed with project renewal of crediting period workflow, was completed in April 2019;

- (b) The full scope planned for the PoA lifecycle project phase II was delivered by the deadline of 15 December 2019, covering: the CPA renewal of crediting period; the CPA post-registration change notification; the standard requests for review of the workflows; and the PoA registration workflow additional functionalities. The PoA period renewal functionality was completed, with exception of the review component, which is currently pending the user-acceptance testing, as the last phase of the software testing process.
93. Further details on project priorities, mandates, timelines and budgets are provided in table 7 in the Appendix.
94. Table 6 below indicates the expenditure for services received under the IT engagement agreement during the 12-month reporting period.

Table 6. Information technology services expenditure for the reporting period (January–December 2019)

Services received	Expenditure (USD)
Operational	
Application, maintenance and support to CDM systems	372 779
System infrastructure services (data hosting services)	160 389
Service desk support for workshops/meetings	27 930
Licenses	3 643
Subtotal IT Operational	564 741
Projects	
PoA lifecycle	201 461
Subtotal Projects	201 461
TOTAL	766 202

Internal communications

95. During the reporting period, 11 internal newsletters were prepared and published, informing staff of the progress under the operational activities and projects, including important milestones, achievements and goals related to the CDM MAP 2018–2019. In addition, 27 secretariat-wide news articles were prepared and published to ensure information-sharing and cross-programme collaboration.

Information, knowledge and records management

96. During 2019, the secretariat began exploring alternative means for the long-term preservation of secretariat recordings, including the CDM EB meetings on-demand webcasts. The work will continue in 2020 with the goal of safeguarding the CDM EB meeting webcasts and allowing public access to the recordings. In addition, the CDM sensitive information asset list was updated in November 2019 to include additional

sensitive records, in accordance with the classifications outlined in the UN guideline for handling sensitive information.

97. The cataloguing and indexing of the Board's regulatory documents (including the documentation of its panels and working groups) included the indexing of approximately 224 documents, which ensures transparency and access to regulatory decisions via the public Catalogue of Decisions database.⁴⁷

Management and meetings

98. Several secretariat and programme-specific meeting bodies and workflow processes contributed to the planning, implementation, monitoring and reporting of the operational activities and projects supporting the two goals and six objectives included in the CDM MAP 2018–2019.

Planning, monitoring and reporting

99. The Board receives regular reports relating to the implementation of its CDM MAP for consideration on a regular basis. These reports provide information on progress made in specific areas and are considered in between meetings. The following reports, delivered during the 12-month reporting period, are available on the UNFCCC CDM website:
- (a) Status of CDM MAP 2018–2019 implementation (1 Jan – 30 Jun 2019);⁴⁸
 - (b) Annual key performance indicators report;⁴⁹
 - (c) Regional Collaboration Centre report (1 Jan – 30 Jun 2019);⁵⁰
 - (d) United Nations platform for voluntary cancellation of certified emission reductions (1 Jan – 30 Jun);⁵¹
 - (e) Synthesis report of the annual activity reports submitted by the designated operational entities (Jul 2018 – Jun 2019);⁵²
 - (f) Annual report on stakeholder communications.⁵³

⁴⁷ Searchable Catalogue of CDM-EB decisions available at <http://cdm.unfccc.int/Reference/catalogue/search>.

⁴⁸ See CDM-2019Q2-INFO01 at <https://cdm.unfccc.int/EB/report>.

⁴⁹ See CDM-2018KPI-INFO01 at <https://cdm.unfccc.int/EB/report>.

⁵⁰ See CDM-2019RCC-INFO01 at <https://cdm.unfccc.int/EB/report>.

⁵¹ See CDM-2019VC-INFO01 at <https://cdm.unfccc.int/EB/report>.

⁵² See CDM-2019SYN-INFO01 at <https://cdm.unfccc.int/EB/report>.

⁵³ See CDM-2018SC-INFO01 at <https://cdm.unfccc.int/EB/report>.

- 100. At EB 102, the Board took note of the status of CDM MAP 2018–2019 implementation for 2018.
- 101. At EB 105, the Board provided guidance to the secretariat on the biennial survey to be conducted among project participants and the stakeholders on the status of CDM project activities.

Secretariat-wide responsibilities

- 102. During this reporting period, the SDM programme, being an integral part of the secretariat, fulfilled its secretariat-wide responsibilities, including contributions to several UNFCCC internal processes and meeting bodies.
- 103. In summary, in relation to the cross-cutting activities, table 1 of the CDM MAP 2018–2019 allocates 26 per cent of the budgeted resources for 2019 to the 11 cross-cutting operational activities and one project activity delivering services and products across the two goals and six objectives.⁵⁴ During the reporting period, 29 per cent of the annual budgeted resources were spent on the activities associated with this objective (see table 1 in the Appendix).

3. Financial update

3.1. Status of income from 1 January to 31 December 2019

- 104. Table 7 shows the balance brought forward from 2018 and the income received in the period from 1 January to 31 December 2019.

⁵⁴ See CDM-EB92-A01-INFO, Appendix, table 1 at <<https://cdm.unfccc.int/Reference/Notes/index.html>>.

Table 7. Income received in 2019, including carry-over from 2018 (in USD) ⁵⁵

Carry-over figure from 2018 (A)	83 451 173
Income received in 2019	
Accreditation fees	67 438
Fees from the accreditation process	129 576
Registration fees ^(a)	209 330
Methodology fees ^(b)	—
Share of proceeds (SOP) ^(c)	10 035 435
Subtotal – Income: 1 January–31 December 2019 (B)	10 441 779
Current balance of 2018 carry-over and 2019 income (A + B)	93 892 952

Note: USD 45 million held in reserve (EB 45, 2009) are not included in the above figures.

- (a) This fee is based on the average annual issuance of CERs over the first crediting period and calculated as an SOP to cover administrative expenses, as defined in decision 7/CMP.1, paragraph 37. Project activities with annual average emission reductions of less than 15,000 tCO₂e are exempt from the registration fee, and the maximum fee applicable is USD 350,000. This fee is a prepayment of the SOP to cover administrative expenses;
- (b) A non-refundable submission fee of USD 1,000 is payable at the time a new methodology is proposed. If the proposal leads to an approved methodology, the project participants receive a credit of USD 1,000 against the payment of the registration fee or a prepayment of the SOP;
- (c) The SOP, payable at the time of issuance of CERs, is USD 0.10 per CER issued for the first 15,000 CERs for which issuance is requested in each calendar year, and USD 0.20 per CER issued for amounts in excess of 15,000 CERs.

105. The total fees received during the reporting period, as at 31 December 2019, amounted to USD 10.4 million (see table 7). This is 116 per cent of the projected income of USD 9.0 million for 2019.⁵⁶ The total fees received during the same period last year (January–December 2018) were USD 11.2 million (124.4 per cent of the projected income).⁵⁷
106. CERs held in the CDM registry at the end of 2019 amounted to 427.6 million. The secretariat has already performed all related tasks (with the exception of forwarding) for the corresponding issuance requests. SOP for administration due on CERs held in the pending account of the CDM registry amounted to USD 54.8 million at the end of the reporting period. This is a decrease of USD 6.1 million in comparison to August 2018, when the outstanding SOP for administration peaked at USD 60.9 million. The decrease is a consequence of the rules approved by the Board in 2018 that allow partial payment of SOP on already approved issuances and upfront payment of SOP on issuances submitted after 1 June 2018.
107. In accordance with decision 3/CMP.6, paragraph 65, the accrued interest is currently earmarked to fund the CDM Loan Scheme to support the development of CDM project activities in countries with fewer than 10 such activities registered. In accordance with

⁵⁵ The data presented in this report are subject to change, as the financial period remains open at the time the report is being finalized.

⁵⁶ As per the MAP 2018–2019 (CDM-EB97-A01-INFO, table 12).

⁵⁷ As per status of MAP 2018–2019 implementation (CDM-EB102-AA-A01, table 8).

decision 3/CMP.12, paragraph 16, the CDM Loan Scheme is now in a phase of ensuring that existing loans are completed, and loan funds repaid in accordance with the terms of the loan agreements. The secretariat continues to oversee the performance of the implementing agency, the United Nations Office for Project Services (UNOPS). Based on the third quarterly report in 2019 presented by UNOPS, 191 applications were received since the inception of the CDM Loan Scheme. A total of 78 loans were approved, of which 63 loans progressed to signature of the loan agreements. Out of these 63 loans:

- (a) 29 loans are closed (funds never released or funds fully repaid);
- (b) 21 loans have been written off in accordance with the guidelines provided by the CMP;
- (c) 13 loans are deemed to be unrecoverable and will remain as debts for the loan recipients.

108. The loan scheme was operationally closed at the end of 2019. Financial closure will be carried out in 2020.

3.2. Expenditure from 1 January to 31 December 2019

109. Table 8 below shows the expenditure incurred and the utilization rate for the 2019 reporting period. The additional table 8a shows the expenditure incurred and the utilization rate for the 2018–2019 budget period (24 months).

Table 8. Comparison of budget and expenditure for the period from 1 Jan to 31 Dec 2019 (in USD)

Expenditure classification	Budget 2019	Expenditure (Jan–Dec 2019)	Difference to 2019 budget (a-b)	% Rate of expenditure vs. 2019 budget (b/a)
a	b^(a)	c	d	
Staff ^(a)	10 801 200	10 740 788	60 412	99.4
Consultants ^(b)	435 950	348 154	87 796	79.9
Expert fees ^(c)	218 200	154 136	64 064	70.6
Expert travel ^(d)	206 400	185 220	21 180	89.7
Travel of representatives ^(e)	450 800	310 074	140 726	68.8
Travel of representatives – EB ^(f)	420 500	332 504	87 996	79.1
Travel of staff ^(g)	365 100	249 698	115 402	68.4
Training ^(h)	20 000	21 311	-1 311	106.6
Operating expenses ⁽ⁱ⁾	680 950	306 662	374 288	45.0
RCC operations ^(j)	588 400	493 944	94 456	83.9
Total cost of ownership ^(k)	1 510 000	1 403 215	106 785	92.9
Engagement agreement (ICT) ^(l)	1 073 137	766 201	306 936	71.4
Mobile telecommunications ^(m)	15 100	5 848	9 252	38.7
Supplies and material ⁽ⁿ⁾	77 500	69 532	7 968	89.7
Grants (EB) ^(o)	376 500	308 000	68 500	81.8
Subtotal	17 239 737	15 695 287	1 544 450	91.0
13% programme support ^(p)	2 241 166	2 040 387	200 779	91.0
Total	19 480 903	17 735 674	1 745 229	91.0

Table 8a. Comparison of the biennium budget 2018–2019 and expenditure for the period from 1 Jan 2018 to 31 Dec 2019 (in USD)

Expenditure classification	Budget 2018 a	Budget 2019 b	Total 2018–2019 (a+b) c	Expenditure (Jan 18–Dec 19) d ^(a)	Difference to 2018–2019 budget (c-d) e	% Rate of expenditure vs. 2018–2019 budget (d/c) f
Staff ^(a)	10 801 200	10 801 200	21 602 400	21 078 692	523 708	97.6
Consultants ^(b)	424 700	435 950	860 650	647 735	212 915	75.3
Expert fees ^(c)	218 200	218 200	436 400	267 278	169 122	61.2
Expert travel ^(d)	206 400	206 400	412 800	365 130	47 670	88.5
Travel of representatives ^(e)	450 800	450 800	901 600	621 656	279 944	69.0
Travel of representatives – EB ^(f)	420 500	420 500	841 000	692 193	148 807	82.3
Travel of staff ^(g)	362 100	365 100	727 200	574 090	153 110	78.9
Training ^(h)	20 000	20 000	40 000	41 395	- 1 395	103.5
Operating expenses ⁽ⁱ⁾	684 700	680 950	1 365 650	666 718	698 932	48.8
RCC operations ^(j)	588 400	588 400	1 176 800	1 068 574	108 226	90.8
Total cost of ownership ^(k)	1 510 000	1 510 000	3 020 000	2 857 121	162 879	94.6
Engagement agreement (ICT) ^(l)	1 240 286	1 073 137	2 313 423	1 825 388	488 035	78.9
Mobile telecommunications ^(m)	15 100	15 100	30 200	12 475	17 725	41.3
Supplies and material ⁽ⁿ⁾	77 500	77 500	155 000	138 735	16 265	89.5
Grants (EB) ^(o)	376 500	376 500	753 000	655 400	97 600	87.0
Subtotal	17 396 386	17 239 737	34 636 123	31 512 580	3 123 543	91.0
13% programme support ^(p)	2 261 530	2 241 166	4 502 696	4 096 635	406 061	91.0
Total	19 657 916	19 480 903	39 138 819	35 609 215	3 529 604	91.0

- (a) Staff costs include staff salaries, general temporary assistance costs and staff-related costs such as dependency allowance, education grant, rental subsidy, home leave travel, travel on appointment and separation, and overtime payments;
- (b) Consultant costs include consultants and individual contractor fees and associated travel costs;
- (c) Expert fees refer to panel and working group attendance fees and case fees;
- (d) Expert travel refers to ticket costs and daily subsistence allowance (DSA) of panel and working group members;
- (e) Travel of representatives includes ticket cost and DSA for participants in the CDM meetings and workshops, including the DNA forum;
- (f) Travel of representatives – EB includes ticket costs, DSA and 40 per cent additional DSA for members/alternate members attending meetings of the Board and the EB events at the UNFCCC sessions;
- (g) Travel of staff includes ticket costs, DSA, terminal expenses and miscellaneous expenses;
- (h) Training includes attendance and/or course fees, ticket costs and DSA;
- (i) Operating expenses include rental of equipment, shipping and transport costs, maintenance costs and other logistical costs;
- (j) RCC operation costs include costs related to administering the RCCs, RCC staff missions, including travel and mission substantial allowance costs, RCC Global Forum and Roundtable;
- (k) Total Cost of Ownership (TCO) – Service programmes in the secretariat (ICT and Administrative Services) render services to all secretariat activities funded from both core and non-core sources of funding (such as the CDM Trust Fund). The purpose of TCO charges is to ensure the allocation of costs of these support services to the sources of funding to which they relate. In 2019, the TCO charge per capita of EUR 13,950 is applied;
- (l) Engagement agreement (ICT) includes IT costs related to the support the MAP projects and the maintenance of the operational IT infrastructure required to operate the CDM project activity cycle workflows (e.g. registry, project submission work flows);
- (m) Mobile telecommunications costs are official mobile telephone charges for mobile phone services and do not include the charges incurred on the regular office telephones (those are covered through TCO);
- (n) Supplies and material costs include the acquisition of hardware, supplies, software and subscriptions;
- (o) Grants (EB) include support to individual members/alternate members of the Board for: (i) secretarial/administrative support (temporary secretarial staff and related services, printing, stationery and consumable materials, telephone and internet costs, insurance to cover the loss or theft of laptops); and (ii) IT-related expenses (laptops and software, printers);
- (p) Programme support – In accordance with the financial procedures of the United Nations, 13 per cent of overhead charges are payable on all UNFCCC trust funds to cover administrative services provided by the United Nations Office at Geneva and the UNFCCC secretariat;
- (q) Expenditure includes obligations.

110. Column (d) in table 8 shows the rate of expenditure as a percentage of the total 2019 budget for each cost category. The linear rate of expenditure for the period 1 January to 31 December 2019 is 100 per cent. Column (f) in table 8a shows rate of expenditure as a percentage of the 2018–2019 budget for each cost category. The linear rate of expenditure for the period 1 January 2018 to 31 December 2019 is 100 per cent.
111. Staff costs amount to 99.4 per cent of the 2019 budget for this object of expenditure, which is in line with the linear rate of expenditure (100 per cent).
112. Consultant costs amount to 79.9 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). This reflects continuous efforts made by the secretariat to plan and monitor resource utilization through the effort tracking system (ETS), ensuring the full use of available staff resources over consultants or temporary hires.
113. Expert fees amount to 70.6 per cent of the projected 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects savings in experts planned for but not utilized.
114. Expert travel amounts to 89.7 per cent of the projected 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects savings in experts planned for but not utilized.
115. Travel of representatives amounts to 68.8 per cent of the projected 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects the covering of some costs for the climate weeks and forums by the partners.
116. Travel of EB members amounts to 79.1 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects the difference between the number of Board members forecasted to attend the Board meetings and the actual members in attendance.
117. Travel of staff amounts to 68.4 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). This reflects the secretariat's efforts to increase virtual participation of staff for meetings outside of Bonn and concerted efforts to reduce the number of staff assigned to a mission, as reported during the mid-year review reporting. The trend of expenditure reported at mid-year 2019 continued as the year progressed, resulting in savings under the object of expenditure.
118. Training costs amount to 106.6 per cent of the 2019 budget for this object of expenditure, which is slightly higher than the linear rate of expenditure (100 per cent). This reflects a slight change in cost of one planned training package.
119. Operating expenses amount to 45.0 per cent of the 2019 budget for this object of expenditure, which is significantly lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects savings in costs related to media relations and support and logistical costs of the DNA Forum and Climate Neutral Now planned events.
120. RCC operations costs amount to 83.9 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). This reflects cost-efficiency gains through the partnerships and resource mobilization, including significant contribution of resources by the RCC host partners to support CDM activities

and develop synergies between the work of the RCCs host partner institutions and activities of the RCCs focusing on the CDM, during the reporting period.

121. TCO costs amount to 92.9 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure is a result of lower per capita costs and the lower number of consultants on-boarded in relation to the forecast.
122. Engagement agreement costs (ICT) amount to 71.4 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects cost-efficiency gained due to migrating the hosting feature to the Azure cloud hosting, reduction in the maintenance costs of IT systems due to refinements made, and also reduction in the change requests related to PoA Lifecycle as mostly addressed through the POA Lifecycle project, during the reporting period.
123. Mobile telecommunications costs are 38.7 per cent of the 2019 budget for this object of expenditure, which is significantly lower than the linear rate of expenditure (100 per cent). This reflects a lower service agreement cost with the mobile carrier and better staff awareness on the use of mobile communications when staff are supporting meetings and events held outside of Bonn.
124. Supplies and materials costs amount to 89.7 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent).
125. The expenditure for EB grants amounts to 81.8 per cent of the 2019 budget for this object of expenditure, which is lower than the linear rate of expenditure (100 per cent). The under-expenditure reflects the difference between the forecasted support to members/alternate members of the Board and actual support requested by the members.

3.3. Summary of financial position (income and expenditure status, as at 31 December 2019)

126. Table 9 below shows the balance of the CDM Trust Fund as at 31 December 2019.

Table 9. Income and expenditure status, as at 31 December 2019 (in USD)

Carry-over figure from 2018 (A)	83 451 173
Status of funds for the period Jan-Dec 2019	
Income: 1 January–31 December 2019 (B)	10 441 779
Current balance of 2018 carry-over and 2019 income (A+B)	93 892 952
Expenditure: 1 January–31 December 2019 (C)	17 735 674
Balance available at 31 December 2019 (A+B-C)	76 157 278

Note: USD 45 million held in reserve (EB 45, 2009) are not included in the above figures.

127. Table 10 below shows the income and expenditure trend for the period January to December for the years 2017, 2018 and 2019.

Table 10. Income and expenditure trend, as at 31 December 2019 (in USD)

	As at 31 December 2017	As at 31 December 2018	As at 31 December 2019
Income	8 452 230	11 191 822	10 441 779
Expenditure	17 584 312	17 873 541	17 735 674
Income minus expenditure	(9 132 088)	(6 668 719)	(7 293 895)
Income as a rate of projected income of USD 9 million	93.9%	124.4%	116.0%
Expenditure as a rate of the annual budget	89.7%	90.9%	91.0%

4. Human resources

128. In 2019, the SDM programme had a skilled and flexible workforce comprised of 94 staff, consisting of 87 staff funded through the CDM, 4 through Joint Implementation, 2 through the core UNFCCC budget, and 1 through the Administrative 13 per cent. These resources were used to deliver the CDM MAP activities and projects, as well as other tasks for which SDM is responsible.
129. As part of the planning of resource utilization and deployment, priority continued to be to ensure the full use of available staff resources over consultants or temporary hires in 2019, resulting in lower expenditures than forecasted in consultants and experts (see table 8 and paragraph 113).
130. Additionally, in efforts to prudently manage resources and also bring new skills and experience into the secretariat, the programme recruited 42 interns and 4 fellows in accordance with UN rules and regulations to support the work on the implementation of the CDM MAP 2019.
131. The secretariat used the ETS to track and report on human resource deployment and closely monitor resource allocations against priority areas of work to ensure the full utilization of available staff in delivering high-quality products on time.

5. Conclusions and recommendations

132. The end-year review, as at 31 December 2019, indicates that approved operational activities and projects were delivered in accordance with the CDM MAP 2018–2019.
133. The Board may take note of the status of the CDM MAP 2018–2019 as at 31 December 2019.

Appendix 1. Reporting data (January–December 2019)

Table 1. Resources spent against the two goals and six objectives in the approved MAP 2018-2019 during the 12-month reporting period (January–December 2019)

Objective	Title of objective	Staff months	Non-staff costs (USD)	% of resources allocated to objective	% of resources spent
1 (a)	Operate efficient project and entity assessment processes	139.9	81,560	18%	15%
1 (b)	Operate an effective regulatory framework resulting in reduced transaction costs for participants in the mechanisms	102.8	1,257,042	27%	19%
1 (c)	Develop simplified and user-friendly standards and procedures that increase efficiency and ensure environmental integrity	46.7	1,279	5%	5%
2 (a-c)	Facilitate the acceptance of certified emission reductions (CERs) for compliance purposes; Enhance the use of the clean development mechanism (CDM) for voluntary purposes; Further develop the CDM as a key tool for monitoring, reporting and verifying the outcomes of mitigation finance	157.0	1,223,246	24%	24%
	Cross cutting activities including: communications, information technology, finance, planning, monitoring and reporting	220.1	995,182	26%	29

Table 2. Volume of operational activities and projects completed in comparison with annual forecasted volumes (January–December 2019)

Objective 1 (a) – Operate efficient project and entity assessment processes

MAP 2018-2019 activity	Units	Projected annual volume in MAP (Jan.–Dec. 2019)	Actual volume (Jan.–Dec. 2019)
Changes to modalities of communication and transactions	Registry Transactions	3350	8564
	Changes to modalities of Communication	1600	1953
CDM registry reports	Reports	400	422
Opening and maintaining VC platform seller accounts	Accounts	105	
Requests for direct communication, renewal of crediting period, and review	Requests for direct communication	30	21
	Requests for renewal of crediting period	125	495 ⁵⁸
	Requests for review (all types)	20	10
Requests for POA issuance	Requests	60	113 ⁵⁹
Requests for POA PRC	Requests	10	50
Requests for POA registration	Requests	20	18
Requests for project issuance	Requests	700	280
Requests for project PRC	Requests	30	24
Requests for project registration	Requests	100	37
POA post-registration CPA inclusion requests	CPA inclusions	130	299
Sustainable Development Co-benefits including reporting and promotional activities	Reports	40	7
Performance assessments (validation and verification)	Performance assessment (validation)	3	1
	Performance assessment (verification)	9	9
Regular surveillance and spot checks	Regular surveillance assessments	14	12
	Spot checks assessments	1	0

⁵⁸Figure includes the processing of 20 PoA renewal requests.

⁵⁹Figure includes the processing of 708 CPAs.

MAP 2018-2019 activity	Units	Projected annual volume in MAP (Jan.–Dec. 2019)	Actual volume (Jan.–Dec. 2019)
Requests for initial and re-accreditation	Requests for initial accreditation	2	0
	Requests for re-accreditation	2	4
Calibrate assessment team leads	Workshop	1	1
DOE calibration workshop	Workshop	1	1

Objective 1 (b) – Operate an effective regulatory framework resulting in reduced transaction costs for participants in the mechanism

MAP 2018-2019 activity	Units	Projected annual volume in MAP (Jan.–Dec. 2019)	Actual volume (Jan.–Dec. 2019)
Stakeholder communications (CDM info, DNAs, letters to the Board)	Transactions	450	493
Global DNA Forum	Event	1	1
Accreditation Panel	Meetings	3	3
Methodologies Panel	Meetings	3	3
Support to the Executive Board	Meetings	4	4
Entity administration	Entities	31	31
Entity assessment planning	Assessment	26	22
R&I system support	Tasks	2200	2950

Objective 1 (c) – Develop simplified user-friendly standards and procedures that increase efficiency and ensure environmental integrity

MAP 2018-2019 activity	Units	Projected annual volume in MAP (Jan.–Dec. 2019)	Actual volume (Jan.–Dec. 2019)
Processing of requests for clarification, deviation, revision, new submissions and micro-scale additionality	Clarification requests	8	34
	Deviations requests	1	0
	Processing of micro-scale additionality	2	0
	New submission request	2	6
	Revision requests	2	2
Processing of submitted standardized baselines	Evaluations	20	31

Objective 2 (a) Facilitate the acceptance of certified emission reductions (CERs) for compliance purposes; Objective 2 (b) Enhance the use of the clean development mechanism (CDM) for voluntary purposes; Objective 2 (c) Further develop the CDM as a key tool for monitoring, reporting and verifying the outcomes of mitigation finance

MAP 2019-2019 activity	Units	Projected annual volume in MAP (Jan.–Dec. 2019)	Actual volume (Jan.–Dec. 2019)
RCC Operations	Events	9	8
RCCs-On-site support to projects	Supported projects	214	202
RCC Support to Bottom-up Standardized Baselines	Supported standardized baselines	20	38

Table 3. Stories promoted on the UN Climate Change website

Story	Date (2019)	Link
1. World's First "Climate Positive" Feature Movie	7/02/2019	https://unfccc.int/news/world-s-first-climate-positive-feature-movie
2. Spanish Top-Tier Soccer Team Aims to Become Climate Neutral	13/03/2019	https://unfccc.int/news/spanish-top-tier-soccer-team-aims-to-become-climate-neutral
3. World's First "Climate Positive" Outdoor Footwear Brand	29/03/2019	https://unfccc.int/news/world-s-first-climate-positive-outdoor-footwear-brand
4. Innovative Climate Action – New Credit Card Limits Climate Impact of Users	30/04/2019	https://unfccc.int/news/innovative-climate-action-new-credit-card-limits-climate-impact-of-users
5. First Chinese Company Collaborates with UN's Climate Neutral Now Initiative	11/06/2019	https://unfccc.int/news/first-chinese-company-collaborates-with-un-s-climate-neutral-now-initiative
6. Taking Climate Action Via a Gaming App	12/06/2019	https://unfccc.int/news/taking-climate-action-via-a-gaming-app
7. Asia-Pacific Climate Week 2019 Will Be Climate Neutral	22/08/2019	https://unfccc.int/news/asia-pacific-climate-week-2019-will-be-climate-neutral
8. Latin American & Caribbean Climate Week Calls for Urgent, Ambitious Action	23/08/2019	https://unfccc.int/news/latin-american-caribbean-climate-week-calls-for-urgent-ambitious-action
9. Winners of the 2019 UN Climate Action Awards Announced	23/09/2019	https://unfccc.int/news/winners-of-the-2019-un-climate-action-awards-announced
10. CDM Passes New Milestones in Cooperative Action on Climate Change	8/10/2019	https://unfccc.int/news/cdm-passes-new-milestones-in-cooperative-action-on-climate-change
11. Climate Neutral Now Initiative Reaches 200-Participant Milestone	14/10/2019	https://unfccc.int/news/climate-neutral-now-initiative-reaches-200-participant-milestone
12. UN Awards Ceremony Celebrates Innovative Climate Solutions	10/12/2019	https://unfccc.int/news/un-awards-ceremony-celebrates-innovative-climate-solutions

Story	Date (2019)	Link
13. 2020 Regional Climate Weeks Announced at COP25	12/12/2019	https://unfccc.int/news/2020-regional-climate-weeks-announced-at-cop25

Table 4. Stories and In-Focus advisories published on the CDM website

Story	Date (2019)	Link
1. CDM Executive Board seeks members for panels and R&I team (third slide in In Focus) (links to calls for applications)	7/01/2019	https://cdm.unfccc.int/
2. CDM Executive Board elects Chair, Vice-Chair for 2019 (second slide in In Focus) (links to election notice and meeting report)	26/03/2019	https://cdm.unfccc.int/
3. View the side event CDM for ambitious climate policy (first slide in In Focus) (links to on-demand video)	17/06/2019	https://cdm.unfccc.int/
4. German government seeks CERs to offset travel emissions	19/07/2019	https://cdm.unfccc.int/
5. Asia-Pacific Climate Week 2019 will be climate neutral	22/08/2019	https://cdm.unfccc.int/
6. CDM passes two exciting new milestones	1/10/2019	https://cdm.unfccc.int/
7. CDM auditors gather in Seoul for calibration workshop	31/10/2019	https://cdm.unfccc.int/
8. COP25 event considers role of CDM in decarbonizing cities	2/12/2019	https://cdm.unfccc.int/
9. Reminder - Deadline renewal of crediting period	28/11/2019	https://cdm.unfccc.int/

Table 5. Additional mandates provided to the Board by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fourteenth session

CMP14 mandate	Mandate from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP)	Related MAP 2018-2019 project or routine activity
4/CMP.14, para. 4	Encourages the Executive Board to review methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in households;	Project 223: Simplification of methodologies
4/CMP.14, para. 5	Requests the Executive Board and the secretariat to ensure the efficient and prudent use of resources of the Trust Fund for the Clean Development Mechanism to the end of the true-up period for the second commitment period of the Kyoto Protocol, and to present a comprehensive report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its fifteenth session (December 2019) on the present financial situation of the clean development mechanism and the foreseen budgets for activities until the end of 2023.	Activity Group: Support to the Executive Board

Table 6. Additional mandates provided by the Board in 2019

Reference	2019 additional mandates	Project/routine – product 2019
EB103 report para. 8	The Board agreed on key messages to be conveyed to the CMP through its annual report and requested the secretariat to prepare the draft annual report to the CMP at its fifteenth session for consideration by the Board at its 104th meeting.	Activity Group: Support to the Executive Board
EB103 report para. 9	The Board considered the financial report on its financial situation as requested by the CMP in its decision 4/CMP.14, paragraph 5, and requested the secretariat to prepare a revised report, based on the guidance provided, for its 104th meeting.	Activity Group: Support to the Executive Board
EB103 report para. 27	The Board considered the concept note "Methodological approaches for calculating emission reductions from project activities, resulting in	Project 223: Simplification of methodologies

Reference	2019 additional mandates	Project/routine – product 2019
	the reduced use of non-renewable biomass in households" and requested the MP to conduct further work as follows: [...]	
EB103 report para. 28	[...] the Board requested the MP to recommend revised versions of the small-scale methodologies "AMS-I.E.: Switch from non-renewable biomass for thermal applications by the user" and "AMS-II.G: Energy efficiency measures in thermal applications of non-renewable biomass" for approval, together with the revised concept note above, for consideration by the Board at its 105th meeting.	Project 223: Simplification of methodologies
EB103 report para. 29	The Board considered the draft new guideline "Use of the CDM in urban sectors" and requested the MP to continue to work on the guideline, specifically:[...]	Project 244: Development of new methodologies to broaden the applicability of the CDM
EB103 report para. 33	The Board decided not to approve the proposed bottom-up methodology "SSC-III.XX: Ride-hailing services". [...] the Board requested the MP to continue work on the methodology and to recommend a revised version at a future meeting, considering the following guidance from the Board:[...]	Activity Group: Methodologies
EB103 report para. 35	The Board requested the MP to revise the methodology "AMS-II.E: Energy efficiency and fuel switching measures for buildings" to include methods and equations to calculate emission reductions for projects that do not apply "TOOL31: Determination of standardized baselines for energy efficiency measures	Project 223: Simplification of methodologies

Reference	2019 additional mandates	Project/routine – product 2019
	in residential, commercial and institutional buildings".	
EB103 report para. 38	<p>The Board considered the approach to requests for issuance for PoAs and agreed to [...]</p> <p>(a) The renewal of the PoA period is not a precondition for issuance of CERs for CPAs whose crediting periods have not expired by the end of the PoA period. [...]</p> <p>(b) The secretariat is requested to consult with the Project Developer Forum and the DOE/AIE Coordination Forum [...]</p> <p>(c) The secretariat is requested to prepare draft amendments to relevant regulatory documents [...] for consideration by the Board at its 104th meeting.</p>	Activity Group: Regulatory framework management

Table 7. Overview of the status of the ICT project approved in the MAP 2018-2019

Priority	Project	Mandate/Objective	Project History
1.	PoA Lifecycle	<p>Mandate: EB 81, paragraph 50 references IT work to implement PoA-related regulatory documents.</p> <p>The project has been implemented based on the need for a better and usable system for both internal and external stakeholders, including:</p> <ol style="list-style-type: none"> 1. Development of Workflows to enable the implementation of PoA project cycle procedure (25 to 30 processes). 2. Extranets and microsites for internal and 	<p>Phase 1 of this project was successfully completed with the deployment of two PoA workflows for:</p> <ol style="list-style-type: none"> (i) Monitoring reports; (ii) Requests for issuance. <p>With the deployment of the new PoA workflows, the efficiency of processing PoA issuance submissions increased considerably and the manual interventions were reduced, thus reducing the occurrence of errors.</p> <p>Phase 2 commenced in 2018 and continued in 2019 in line with the 2019 MAP allocation. Phase 2 subsumed additional work needed on the project related workflows to reflect procedural changes adopted by EB.</p> <p>(a) Further deliverables in 2018 included:</p> <ol style="list-style-type: none"> (i) Q1: Partial payment of SOP for CERs held in the pending account of the CDM registry; (ii) Q2: Upfront collection of SOP in the issuance workflow to ensure that issuance requests move forward in the pipeline only after SOP is collected;

Priority	Project	Mandate/Objective	Project History
		<p>external stakeholders.</p> <p>3. Support for automated email messages for workflows.</p> <p>4. Checklists for CC/IRC and other checks as required by procedures.</p>	<p>(b) Deliverables in 2019 included:</p> <p>(i) Q1: Completion of PoA post-registration changes (PRC);</p> <p>(ii) Q1: Renewal of crediting period for project activities, including PRCs submitted with request for issuance;</p> <p>(iii) Q3: Renewal of PoA period;</p> <p>(iv) Q3: Notification of change for CPA;</p> <p>(v) Q4: Enhanced PoA registration workflow with completeness check, information reporting check and Summary Note functionalities;</p> <p>(vi) Q4: Unified review process for: PoA Registration workflow, PoA issuance workflow, PoA Renewal workflow, and Project Activities Renewal Workflow.</p>

Table 8. Documents under consideration by the Board for the reporting period under review (January–December 2019)

Meeting body	No. of meetings	Product	Total documents
CDM Executive Board	4	Annotations, annexes (information notes, concept notes, CDM regulatory documentation, etc.), regular reports (financial reports, synthesis reports, KPIs, etc.)	41
CDM Accreditation Panel	3	Meeting reports (plus electronic consultations) and annexes (information notes and concept notes)	8
Methodologies Panel	3	Meeting reports (plus electronic consultations) and annexes (standards, tools, methodologies, information notes and concept notes)	43
TOTAL			92

Table 9. Products delivered against the Board 2019 workplan (January–December 2019)

2019 Objective	Product	Products delivered
1 (a) - Operate efficient project and entity assessment processes	<ul style="list-style-type: none"> Options to deal with CERs that have accumulated in the pending account of the CDM registry - Concept EB102 Consideration of cases for registration, issuance and other project and PoA related submissions - Final EB102 Consideration of cases for registration, issuance and other project and PoA related submissions - Final EB103 Consideration of cases for registration, issuance and other project and PoA related submissions - Final EB104 Consideration of cases for registration, issuance and other project and PoA related submissions - Final EB105 	5
1 (b) - Operate an effective regulatory	<ul style="list-style-type: none"> 2019 workplans of panels and WGs - Final EB102 Calendar of meetings - Final EB102 	38

2019 Objective	Product	Products delivered
framework resulting in reduced transaction costs for participants in the mechanisms	<ul style="list-style-type: none"> • Calendar of meetings - Draft EB105 • Carbon market and policy update - Info EB103 • Carbon market and policy update - Info EB105 • DOE performance monitoring - Concept (CDM-AP input) EB102 • DOE performance monitoring – Concept (secre. /CDM-AP joint) EB105 • EB report to CMP - Concept EB103 • EB report to CMP - Final EB104 • EB financial report to CMP - Draft EB103 • EB financial report to CMP - Final EB104 • EB workplan 2019 - Final EB102 • EB workplan 2019 - Info EB103 • EB workplan 2019 – Info EB104 • EB workplan 2019 – Info EB105 • Interaction with DNA Forum Co-Chairs – Info EB103 • Interaction with DNA Forum Co-Chairs – Info EB105 • Interaction with DOE Forum Chair – Info EB102 • Interaction with DOE Forum Chair – Info EB103 • Interaction with DOE Forum Chair – Info EB104 • Interaction with DOE Forum Chair – Info EB105 • Panel and WG meeting reports – Final EB102 • Panel and WG meeting reports – Final EB103 • Panel and WG meeting reports – Final EB105 • Selection of Chair/Vice Chair for EB – Final EB102 • Selection of Chairs/Vice Chairs for panels and working groups – Final EB102 • Selection of members for RIT roster of experts' performance evaluation group – Final EB102 • Selection of panel/WG members – Final EB103 • Selection of CDM RIT members – Final EB103 • Synthesis report of the annual activity reports by DOEs – Info EB102 • Synthesis report of the annual activity reports by DOEs – Concept (CDM-AP input) EB102 • Synthesis report of the annual activity reports by DOEs – Info EB105 • Biennial survey on CDM project status – Concept EB105 • CDM two-year business and management plan 2018–2019 – Info EB102 • CDM two-year business and management plan 2020–2021 – Draft EB104 • Integration of gender perspectives – Info EB104 • Post-registration changes in CDM project activities and PoAs – Info EB105 • Regulatory provisions for requests for issuance for PoAs – Final EB104 	
1 (c) - Develop simplified and user-friendly standards and procedures that increase efficiency and ensure	<ul style="list-style-type: none"> • Project 223: Methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in household - Concept EB102 • Project 223: Methodological approaches for calculating emission reductions from project activities, resulting in the 	12

2019 Objective	Product	Products delivered
environmental integrity	<ul style="list-style-type: none"> reduced use of non-renewable biomass in household – Concept (through MP report) EB103 Project 223: Methodological approaches for calculating emission reductions from project activities, resulting in the reduced use of non-renewable biomass in household – Final (through MP report) EB105 Project 223: Revised methodological TOOL27 “Investment analysis” – Final (through MP report) EB105 Project 223: Various top-down revised/new methodologies and tools mandated by the Board - Final (through MP report, preceded by call) EB102 Project 223: Various top-down revised/new methodologies and tools mandated by the Board - Final (through MP report, preceded by call) EB103 Project 223: Various top-down revised/new methodologies and tools mandated by the Board - Final (through MP report, preceded by call) EB105 Project 244: Use of the CDM in urban sectors - Final (through MP report, preceded by call) EB102 Project 244: Use of the CDM in urban sectors - Final (through MP report) EB103 Project 244: Use of the CDM in urban sectors - Final (through MP report) EB105 Project 244: Improved operation of public transportation – Final (through MP report, preceded by call) EB102 Project 256: Digitization of methodologies for web-based generation of project design documents and monitoring templates – Progress report – Info EB102 	
2 (a-c) Facilitate the acceptance of CERs for compliance purposes; Enhance the use of the CDM for voluntary purposes; Further develop the CDM as a key tool for monitoring, reporting and verifying the outcomes of mitigation finance	<ul style="list-style-type: none"> Further development of the voluntary cancellation platform to make it more user-friendly - Info EB102 Further development of the voluntary cancellation platform to make it more user-friendly - Info EB104 Support to international climate finance institutions (IFI) - Info EB103 Support to international climate finance institutions (IFI) - Info EB105 Social media campaign to increase the voluntary cancellation – Info 104 Social media campaign to increase the voluntary cancellation– Info 105 	6
Cross-cutting	<ul style="list-style-type: none"> Nairobi Framework Partnership update – Info EB104 Implementation report of CDM loan scheme – Info EB102 Implementation report of CDM loan scheme – Info EB104 	3
Total		64

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Document information

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