

## **Stakeholder Communication Form**

(Version 01.0)

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

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

via post to. Gastamable Beveloph	ioni viconamioni (obivi) i rogrammo, orvi c	5000 Secretariat, 1.0. Box 200124, B-03103 Borni, Germany.
	SECTION 1: COMMUN	ICATION HEADER
	Please provide your co	ontact information.
Title: Mr. Firs	t Name: Marc	Last Name: Sadler
Name of Organization: The V	Vorld Bank	E-mail Address: msadler@worldbank.org
Postal Address: 1818 H Stre Country: The United States o	et N.W., Washington, D.C. 20433 f America	Phone Number: 2024731000 Include country code (e.g. +49-228-815-1999)
Stakeholder Type: Organizat	ion	If other:
	Please indicate from whom you	would like to get an answer.
This communication is ac	ddressed to1: Chair of CDM Executi	ve Board (normal track)
s	ECTION 2: PROJECT ACTIVITY OR PR	ROGRAMME OF ACTIVITIES (POA)
If this communication refers to	a specific CDM project activity/PoA, pleas	te answer questions in this section (otherwise proceed to Section 3).
Project/PoA Ref. Number	5-digit# format 01234	If applicable, CPA Ref. Number: 8-digit# format 0123-4567
Project Cycle Stage	[Choose an item]	If other:
If there is no specific CDM	Reference Number, please answer the ren	naining questions in this section (otherwise proceed to Section 3).
Host Country(ies)		
Project/PoA Title		
Technology Type	[Choose an item]	If other:
	SECTION 3: YOUR C	OMMUNICATION
Title/Subject Maximum 250 characters	Continuation of CDM post-2020	
Communication Text Include background, details, and conclusion (unlimited length)	Please see attachment.	
Supplemental Documents If applicable, list the title(s) of any attached file(s) or link(s)	NA	
This communication may be made public	Yes	

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

Version 01.0 Page 1 of 2

\_

----

## **Document information**

Version	Date	Description
01.0	02 March 2015	<ul> <li>This form supersedes and replaces the following:</li> <li>F-CDM-RtB: Form for submission of Letters to the Board (version 01.2)</li> <li>F-CDM-RtB-DOE: Form for communication on policy issues initiated by AEs/DOEs (version 01.1)</li> <li>CDM-RtB-DNA: Form for communication on policy issues initiated by DNAs (version 01.1)</li> </ul>
Documen Business	Class: Regulatory t Type: Form Function: Governance :: communications	

Version 01.0 Page 2 of 2

1818 H Street N.W. Washington, D.C. 20433 U.S.A. (202) 473-1000

Cable Address: INTBAFRAD Cable Address: INDEVAS

September 16, 2020

CDM Executive Board c/o UNFCCC Secretariat P.O. Box 260124 D-53153 Bonn Germany

## **RE: Continuation of CDM post-2020**

Honourable Members of the CDM Executive Board,

The Climate Funds Management Unit of the World Bank Climate Change Group manages several Trust Funds that purchase CERs from their respective CDM project portfolios.

While for most of these Funds purchases are limited to CERs from emission reductions generated prior to December 31, 2020, the Carbon Initiative for Development (Ci-Dev) has contracted CER vintages for emission reductions to be generated until Dec 31, 2024.

Ci-Dev intends to transition its portfolio to a standard under Article 6 Paris Agreement for emission reductions achieved from January 1st, 2021 on. For that purpose, Ci-Dev has started to support countries implementing Ci-Dev programs to develop Standardized Crediting Frameworks and seek their recognition under Article 6.2 or 6.4 once possible.

So far, our Trust Funds have operated under the assumption that the CDM would remain operational until Article 6 is operationalized and at least until the end of the true-up period of the second commitment period of the Kyoto Protocol, i.e., a date in 2023.

It is therefore with great concern that we learned about recent EB review requests related to CDM project activities that reach into the post-2020 period. We understand that the following issues led to these review requests: lack of an explicit CMP decision to issue credits for emission reductions generated in the post-2020 period; unavailability of updated global warming potentials for non-CO2 greenhouse gases beyond the second commitment period; and unavailability of an identifier in the serial number of each CER to specify the commitment period post-2020.

We understand that these review requests concern exclusively cases of issuance of CERs for emission reductions generated post-2020 and that the CDM will remain fully operational for issuance of CERs for emission reductions generated prior to December 31, 2020 until at least a date in 2023 and for all required CDM project cycle steps, including, e.g., renewals of crediting periods. Otherwise the consequences for our CDM project portfolios would be severe, jeopardizing the expected issuance of 1.08 million CERs generated prior to 2021 from nine programmes of activities (POAs), as per table 1 below.

On CER issuance and CDM operational availability for emission reductions generated from January 1st, 2021 on we would like to suggest consideration of an interim CDM procedure until a CMP decision is taken. Such an interim procedure should at a minimum enable retroactive CER issuance for post-2020 vintages in case of a positive CMP decision. The CDM EB could for example consider registration of issuance requests for post-2020 vintages through a new, interim CDM procedure until CMP has made a final decision. Correcting such issuance requests for revised GWPs – if and where needed – and updating related CER serial numbers seems technically possible.

Such an interim CDM procedure would enable issuance of CERs for post-2020 vintages in case of a positive future CMP decision. For our Ci-Dev portfolio, the availability of such an interim CDM procedure would be most important as the Ci-Dev Standardized Crediting Frameworks will take several years to develop and as Ci-Dev intends to adjust existing CDM methodologies for crediting its post-2020 vintages. Table 2 below shows 13 Ci-Dev POAs and 4.02 million post-2020 CERs that would be affected if the CDM ceased to be operational post-2020. Table 3 below shows the expected and currently underway CDM project cycle steps that would be affected as well.

We are looking forward to hearing from you about a possible clarification on post-2020 continuation of all CDM functionalities for emission reductions generated prior to December 31, 2020 and on a possible new interim CDM procedure to enable retroactive issuance of CERs for post-2020 vintages following a no-regret approach.

This is a public submission that can be posted on the UNFCCC CDM page.

Your Sincerely

Marc Sadler Practice Manager

Climate Funds Management Unit

The World Bank

Table 1: Pre-2020 CERs yet to be certified

Ref#	PoA Name	Pre-2020 Monitoring Period	Expected CER Volume (,000)
6606	CDM: KTDA Small Hydro Programme of Activities	01/01/2017-12/31/2020	49
7359	CDM: PoA for the Reduction of emission from non-renewable fuel from cooking at household level	06/01/2019-12/31/2020	113
8239	CDM: African Clean Energy Switch - Biogas (ACES-Biogas)	N/A	0
9626	CDM: DelAgua Public Health Program in Eastern Africa	N/A	0
9977	CDM: West African Biodigester Programme of Activities	07/01/2019-12/31/2020	43
10186	CDM: Accelerating Electrification through Grid Extension and Off-Grid Electrification in Rural Areas of Uganda	01/01/2018-12/31/2020	537
10268	CDM: Ethiopia - Clean Cooking Energy Program	04/01/2018-12/31/2020	118
10285	CDM: Ethiopia Off-Grid Renewable Energy Program	11/01/2017-12/31/2020	131
10411	CDM: Senegal Rural Electrification Program	01/01/2016-12/31/2020	56
10429	CDM: Mali Rural Electrification Program	01/01/2018-12/31/2020	15
10440	CDM: Sustainable Fuelwood and Microgasification Cooking Solutions for rural and urban Households	N/A	0
10515	CDM: Kenya Solar Lighting CDM Programme of Activities	01/01/2020-12/31/2020	19
TBD	CDM: Lao PDR Clean Cooking Program	N/A	0
		Total	1,081

Table 2: Post-2020 CERs projected to be generated and certified

	TBD	10515		10440	10429	10411	10285	10268		10186	9977	9626	8239		7359	6606	Ref#
	CDM: Lao PDR Clean Cooking Program	CDM: Kenya Solar Lighting CDM Programme of Activities	urban Households	CDM: Sustainable Fuelwood and Microgasification Cooking Solutions for rural and	CDM: Mali Rural Electrification Program	CDM: Senegal Rural Electrification Program	CDM: Ethiopia Off-Grid Renewable Energy Program	CDM: Ethiopia - Clean Cooking Energy Program	Electrification in Rural Areas of Uganda	CDM: Accelerating Electrification through Grid Extension and Off-Grid	CDM: West African Biodigester Programme of Activities	CDM: DelAgua Public Health Program in Eastern Africa	CDM: African Clean Energy Switch - Biogas (ACES-Biogas)	household level	CDM: PoA for the Reduction of emission from non-renewable fuel from cooking at	CDM: KTDA Small Hydro Programme of Activities	PoA Name
Total	01/01/2021-12/31/2022	01/01/2021-12/31/2024		01/01/2021-12/31/2023	01/01/2021-12/31/2024	01/01/2021-12/31/2024	01/01/2021-12/31/2024	01/01/2021-12/31/2024		01/01/2021-12/31/2024	01/01/2021-05/31/2024	01/01/2021-12/31/2022	01/01/2021-12/31/2024		01/01/2021-05/31/2024	01/01/2021-12/31/2024	Post-2020 Monitoring Period
4,023	50	168		129	96	138	284	282		1,447	179	135	200		668	247	Expected CER Volume (,000)

Table 3: CDM project cycle steps underway and/or expected

planned		CDM: Lao PDR Clean Cooking Program
		CDM: Kenya Solar Lighting CDM Programme of Activities
		urban Households
	<u>nd</u>	CDM: Sustainable Fuelwood and Microgasification Cooking Solutions for rural and
	planned	CDM: Mali Rural Electrification Program
		CDM: Senegal Rural Electrification Program
		CDM: Ethiopia Off-Grid Renewable Energy Program
		CDM: Ethiopia – Clean Cooking Energy Program
		Electrification in Rural Areas of Uganda
		CDM: Accelerating Electrification through Grid Extension and Off-Grid
ed	planned	CDM: West African Biodigester Programme of Activities
ed	planned	CDM: DelAgua Public Health Program in Eastern Africa
rwa	Underway	CDM: African Clean Energy Switch - Biogas (ACES-Biogas)
	1 12	household level
	+	CDM. Do A for the Deduction of emission from non-consult for from non-line
		CDM: KTDA Small Hydro Programme of Activities
Renewal	Rei	
Period	Pe	
diti	Crediting	PoA Name