



## Stakeholder Communication Form (Version 01.0)

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

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

### SECTION 1: COMMUNICATION HEADER

*Please provide your contact information.*

**Title:** Mr.                      **First Name:** K. R.                      **Last Name:** Nair

**Name of Organization:** Indian Wind Power Association                      **E-mail Address:** iwpanrc@windpro.org

**Postal Address:** Ground Floor 28, World Trade Centre,  
Barakhamba Lane, Connaught Place, New Delhi - 110001                      **Phone Number:** 1149040260  
**Country:** India                      *Include country code (e.g. +49-228-815-1999)*

**Stakeholder Type:** Non-Governmental Organization (NGO)                      If other:

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

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

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

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

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

**Project Cycle Stage**                      [Choose an item]                      If other:

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

**Host Country(ies)**

**Project/PoA Title**

**Technology Type**                      [Choose an item]                      If other:

### SECTION 3: YOUR COMMUNICATION

**Title/Subject**  
*Maximum 250 characters*                      Transition from a fixed 10 year crediting period to 21 year crediting period

**Communication Text**  
*Include background, details, and conclusion (unlimited length)*                      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>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.

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**Document information**

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

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18<sup>th</sup> July, 2022

Ms. Patricia Espinosa,  
Executive Secretary,  
United Nations Framework Convention on  
Climate Change (UNFCCC),  
UNFCCC Secretariat,  
UN Campus, Platz der Vereinten  
Nationen 1,  
**53113 Bonn ( Germany).**

**Subject: Request to extend the crediting period of the projects registered under  
Clean Development Mechanism for 10 year fixed crediting period**

Dear Ms. Patricia,

At the outset, we on behalf of the Indian Wind Power Association send you greetings.

We introduce ourselves as **Indian Wind Power Association (IWPA)** - a representative body of the stakeholders of wind energy sector in India, which was established in the year 1996 and now having 1409 Members in our fold spread all over India. Since its inception IWPA has been working consistently towards removing barriers to wind power development and creation of an enabling regulatory and policy environment for investments in this sector.

We would like to bring to your kind notice that as on 31<sup>st</sup> March 2022, 1685 Projects were reportedly registered under the Clean Development Mechanism (CDM) in India out of which nearly 75% fall in the category of Renewable Energy which are highly capital intensive. Most of the projects belonging to our Members were registered during the initial years of development of CDM. Wind energy at that point in time was in a very nascent stage in India and hence, these projects were completely dependent upon additional carbon support for a long term sustainability. Accordingly, a significant additional revenue stream in the form of carbon proceeds had been envisaged to make these projects financially sustainable over their lifetime. However, due to various geo-political reasons, carbon prices crashed post 2012 and most of these projects couldn't realize even a small percentage of the revenue which was forecasted.

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**Indian Wind Power Association**

**NORTHERN REGIONAL COUNCIL**

Ground Floor 28, World Trade Centre,  
Barakhamba Lane, Connaught Place, New Delhi - 110001

**National Council: Chennai**

**Regional Council: New Delhi; State Councils: Ahmedabad, Bengaluru, Hyderabad, Jaipur, Mumbai**

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**IWPA**

helping mankind with energy from nature

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The abysmally low Return on Investment for the project developers has made the entire proposition unviable. It is only because of the employment opportunities these projects created and the larger socio-economic responsibilities of the project developers that they infused additional funds to keep the projects surviving. However, the whole mandate and purpose of CDM, which was to incentivize clean energy projects has been lost. The financial viability of these projects has been further hampered because of abysmal financial condition of the State Utilities to whom the electricity generated by the clean energy projects is being supplied. This has led to unending delays in tariff payments from the Utilities to the investors.

To make matters worse, it has been proven beyond reasonable doubt that the commitment that the rich nations had made back in 2009 towards mobilizing \$100 billion a year by 2020 and through 2025 to support climate efforts in developing countries has miserably failed. As poignantly noted in the Glasgow Climate Pact, the total climate finance had reached only \$79.6 billion in the year 2019 (OECD estimates). CDM Projects in India also have clearly been on the receiving end and have suffered all through.

It is pertinent to note that most of these projects were registered under a ten-year fixed crediting period and some of them have already completed their respective crediting periods. As explained above, since these projects could never really get the additional CDM support and had to depend on external infusions for survival, **we request that these projects be given an opportunity to transition from a fixed ten year crediting period to 21 (7 X 3) years crediting period.** This provision of 21 years crediting period is already embedded in the Constitution of Kyoto Protocol and hence, this flexibility will not disturb the basic constitutional framework under which CDM operates. If this flexibility is accorded to projects, huge losses which these projects had to incur because of the crash of the global carbon markets could be mitigated to some extent. Of course, these projects may be subject to re-validation so that additionality each and every case can again be re-established and none of the basic tenets of CDM and environmental integrity are compromised.

While we understand that currently, there is no provision for extension of crediting period for the projects that have been registered under the fixed crediting period, the fact remains that the world is at a critical juncture to honour its commitment towards climate change mitigation. The lacklustre carbon support that several CDM registered projects have faced can have a crippling effect on the commitment that the potential project developers would like to extend to the proposed successor of CDM as per Clause 6.4 of the Paris Accord. In fact we resonate the woes of project developers from other parts of the Asia Pacific region that represent over 83% of the worldwide distribution of registered projects under CDM.

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## Indian Wind Power Association

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In view of the foregoing, at the behest of all our Members, we request that our submissions and pleadings may please be put before the Hon'ble CDM Executive Board and deliberated upon at COP 27 scheduled to be held in Egypt later this year, given the context and the background for taking a favourable view.

A positive response to our request would go a long way in strengthening the investor confidence in the robustness and flexibility of global carbon markets and it would also provide a reassurance that UNFCCC can promptly respond to the genuine demands for policy intervention to ensure a long term sustainability of the global carbon markets.

**In Solidarity,**

**Yours sincerely,  
For Indian Wind Power Association (NRC)**



**(K.R.Nair)  
President**

**Indian Wind Power Association**

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