

**CDM-EB115-AA-A02**

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# Status of CDM MAP 2022–2023 implementation (1 January – 30 June 2022)

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

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## **1. Progress report on operational activities, projects and resources utilized**

1. The clean development mechanism (CDM) two-year business and management plan 2022–2023 (CDM MAP 2022–2023), adopted at the 113<sup>th</sup> meeting of the Executive Board of the CDM (hereinafter referred to as the Board) (EB 113), 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 2022 and 2023.<sup>1</sup>
2. This document describes the status of implementation of the CDM MAP 2022–2023 for the period 1 January through 30 June 2022, the activities and projects underway and the financial and human resources of the secretariat’s Mitigation Division, which supports the Board and operation of the CDM.<sup>2</sup>

### **1.1. Goal 1: Ensure the full and efficient delivery of support to the true-up period of the second commitment period of the Kyoto Protocol**

#### **1.1.1. Objective 1a: Operate efficient project and entity assessment processes**

##### **CDM registry**

3. As shown in figure 1 below, during the reporting period, 3,168 requests for forwarding and cancellation transactions for certified emission reductions (CERs) were completed against the 2022 annual forecasted volume of 7,500 transactions. This corresponds to 42.4 per cent of the forecasted volume. Additionally, 1,219 changes to modalities of communication (121.9 per cent) were completed against the annual forecasted volume of 1,000 change requests.
4. The CDM registry operational volumes are higher than the projected volumes for all activities in the reporting period, with the exception of the orders placed on the voluntary cancellation platform (VC platform). Comparing the operations for 2022 against the same period of the previous year, there is an overall decrease in completed requests for forwarding and cancellation transactions for CERs (3,168 transactions for the reporting period compared to 3,390 over the same period in 2021) due to a decrease on the VC platform (1,741 orders placed in the reporting period versus 2,301 in the same period of 2021), partially compensated by an increase in transactions in the CDM registry (1,422 transactions requests other than VC platform orders processed in the reporting period versus 1,089 in the same period of 2021). However, the decrease in transactions on the platform is accompanied by an increase in the average CERs cancelled per transaction. The reporting period marked the highest number of CERs cancelled in any biannual period to date with 1,439,673 CERs cancelled in total.<sup>3</sup>
5. During the reporting period, two new voluntary cancellation seller accounts were opened, bringing the total number of accounts at the end of June 2022 to 89 against a forecast of 90 vendor accounts by the end of 2022. Seventy-nine accounts remain active, with current

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<sup>1</sup> See CDM-EB112-A01-INFO <https://cdm.unfccc.int/Reference/Notes/index.html>.

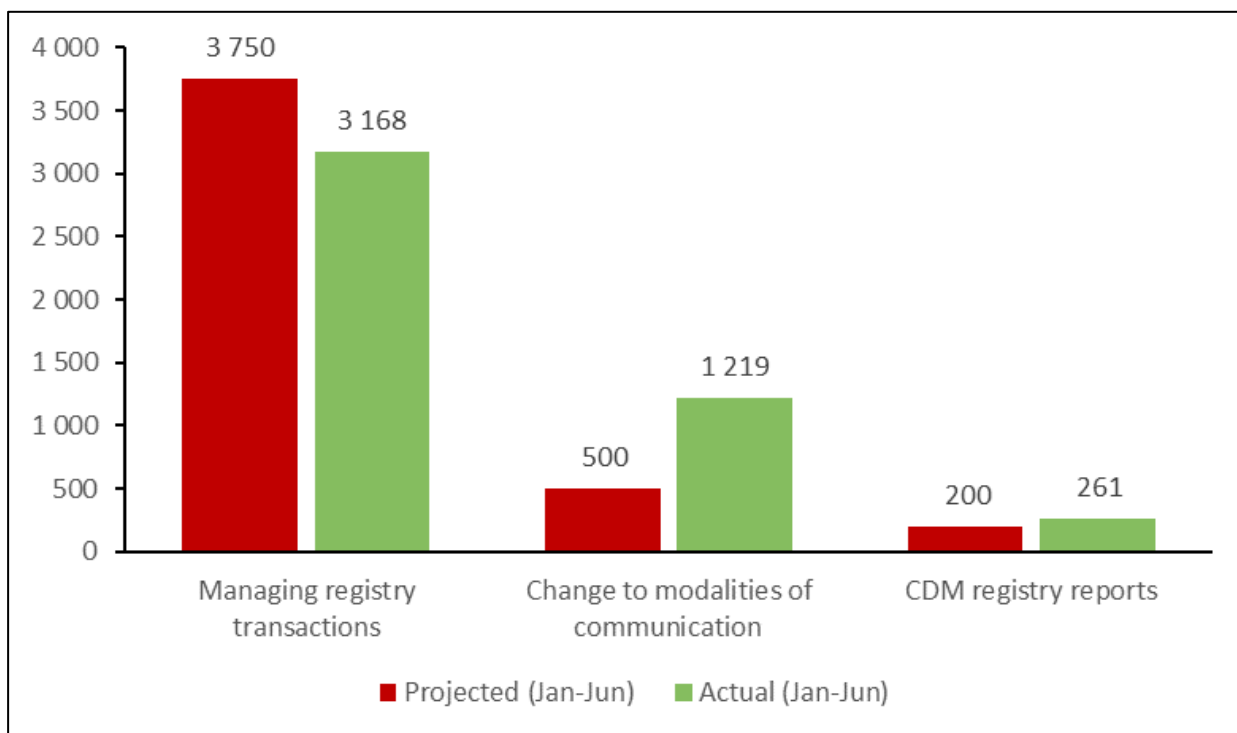
<sup>2</sup> Prior end-year and mid-year status of implementation of the CDM MAP review reports are available on the CDM website. See for example: CDM-2021Q4-INFO01 (end-year review report for 2021) and CDM-2021Q2-INFO01 (mid-year review report for 2021) [https://cdm.unfccc.int/EB/report/index\\_2019.html](https://cdm.unfccc.int/EB/report/index_2019.html).

<sup>3</sup> Detailed information on the United Nations platform for voluntary cancellation of CERs is available on an annual basis at <https://cdm.unfccc.int/EB/report/index.html>

listings of CERs. Four projects were added to existing seller accounts or published new offers. The CERs, available for listing on the VC platform, were close to 7.5 million at the end of the reporting period, which is sufficient for the current level of operations. Supply-side activities are tailored according to short-term forecasts to ensure a stable supply of units.

6. Changes to modalities of communication transactions have increased by 74 per cent compared to the previous year (1,219 changes processed for the reporting period compared to 702 over the same period in 2021) and were processed with additional capacity allocated to this function.
7. In relation to the CDM registry reporting function, 261 reports (65 per cent), including designated national authority (DNA) reports, CDM Board monthly reports and reports to the World Bank, were produced against the annual forecasted volume of 400 reports. Comparing the volume data of 2022 to the volume data of 2021, there was a slight increase in the reports produced (from 247 reports over the same period in 2021).

**Figure 1. CDM registry operation against the linear projected volume for the period under review (January–June 2022)**



**Project assessments**

8. The total CERs issued over the reporting period is 67,170,040, of which 3,339,705 CERs were issued for programmes of activities (PoAs) and 63,830,335 were issued for project activities.
9. 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–June 2022)**

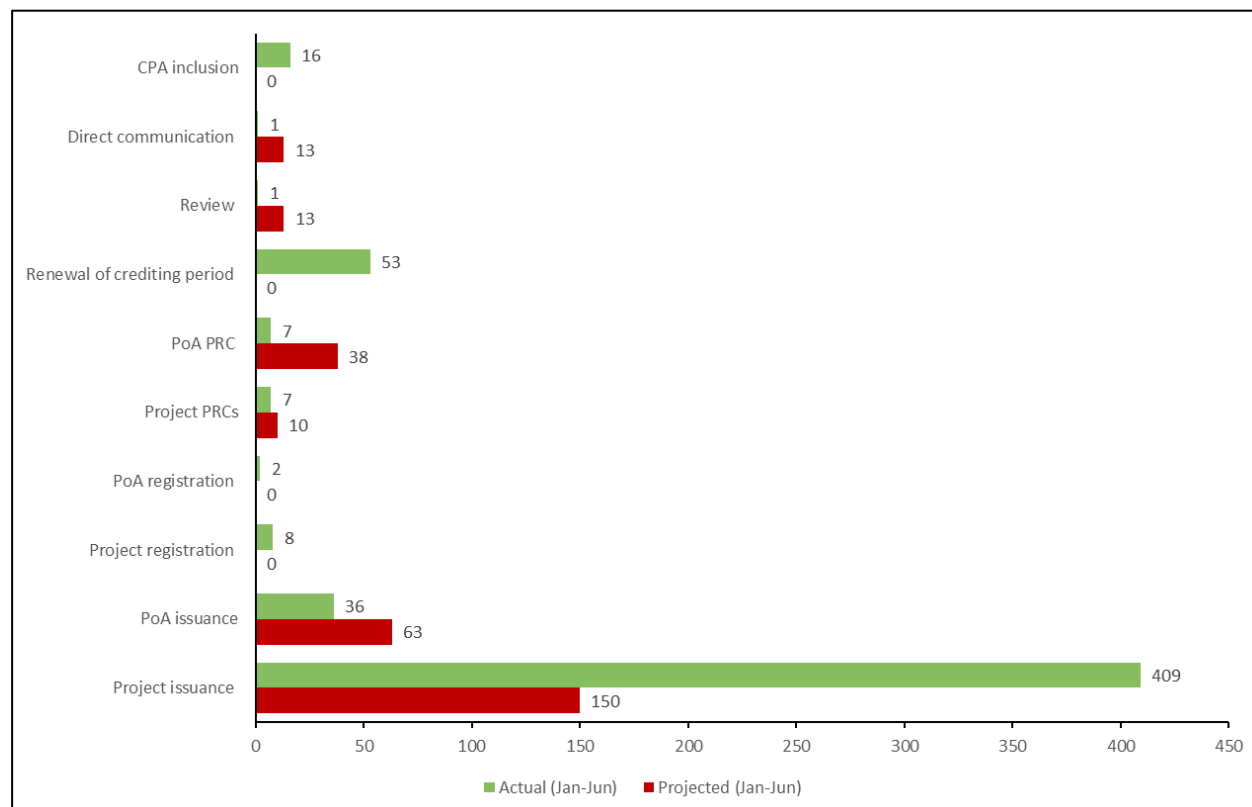
| Activity   | Projected volume<br>Jan.-Jun. 2022 | Actual volume<br>Jan.–Jun. 2022 |
|--|------------------------------------|---------------------------------|
| Requests for project issuance  | 150                                | 409                             |
| Requests for programme of activities (PoA) issuance covering component project activities (CPAs) | 63                                 | 36 <sup>(a)</sup>               |
| Requests for project registration  | 0                                  | 8                               |
| Requests for PoA registration  | 0                                  | 2                               |
| Requests for project post-registration changes (PRCs)  | 10                                 | 7                               |
| Requests for PoA PRCs  | 38                                 | 7                               |
| Requests for renewal of crediting period   | 0                                  | 53 <sup>(b)</sup>               |
| Requests for review  | 8                                  | 1                               |
| Requests for direct communication  | 13                                 | 1                               |
| PoA post-registration CPA inclusion requests   | 38                                 | 16 <sup>(c)</sup>               |

(a) These included the processing of 94 CPAs.

(b) These included the processing of 4 PoA renewal requests.

(c) These include 10 renewal of crediting periods of CPAs.

**Figure 2. Type and number of project assessments processed against the linear projected volume for the period under review (January–June 2022)**



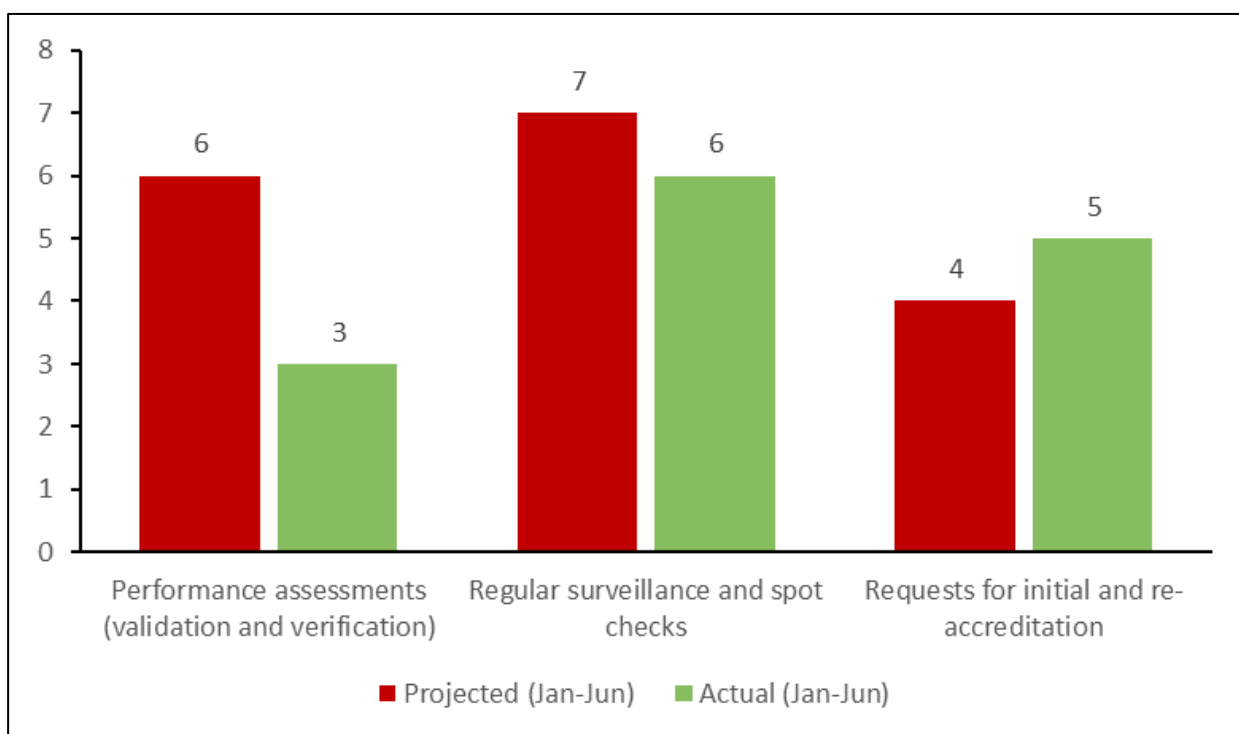
Note: CPA = component project activity; PoA = programme of activities; PRC = post-registration changes.

10. During the reporting period, the waiting times for the commencement of project assessments for registration and issuance were below 15 days, as mandated by the Board and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), except for five weeks during March and June owing to short-term periods of high submission rates.
11. No sustainable development co-benefit reports were received and published during the reporting period.

**Entity assessments**

12. There are currently 28 accredited designated operational entities (DOEs) and four applicant entities (AEs) as at 30 June 2022.
13. As shown in figure 3, during the reporting period, 3 performance assessments were conducted<sup>4</sup> against the annual forecasted volume of 11 assessments. Six regular surveillance assessments and spot checks were conducted against the annual forecasted volume of 13 regular surveillance assessments and spot checks. Five initial and re-accreditation assessments were conducted<sup>5</sup> against the annual forecasted volume of 7 assessments.

**Figure 3. Type and number of entity assessments processed against the linear projected volume for the period under review (January–June 2022)**



14. During the reporting period, planning was initiated to organize an in-person calibration workshop for the CDM accreditation roster of experts for lead assessors, to be held 20–21 September 2022 in conjunction with the 93<sup>rd</sup> meeting of the CDM Accreditation Panel (CDM-AP 93). Activities include organizing the calibration sessions, providing training on

<sup>4</sup> Figure 3 includes four verification performance assessments.

<sup>5</sup> Figure 3 includes four re-accreditation assessments.

accreditation requirements and recent changes in the CDM regulations, and updating lead assessors on the CDM regulations.

15. During the reporting period, planning was initiated to organize an in-person DOE calibration workshop, to be held 18–19 October 2022. The workshop will provide 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 will also enable participants to share experiences and best practices and allow for the United Nations Framework Convention on Climate Change (UNFCCC) secretariat to receive feedback that can be used in future revisions of the regulatory documents.

### **1.1.2. Objective 1b: Operate an effective regulatory framework**

#### **Servicing of the regulatory body and its panels and working groups**

16. At its first meeting of the calendar year, the Board adopted its workplan and those of its panels and approved the calendar of meetings. During the six-month reporting period, two meetings of the Board (EB 113 and EB 114), two of the CDM Accreditation Panel (CDM-AP 91 and CDM-AP 92) and two of the Methodologies Panel (MP 87 and MP 88) were held. Table 3 in the appendix includes information on the number of documents under consideration by the Board during the reporting period.
17. As per the workplan approved by the Board at EB 113,<sup>6</sup> 56 products were forecasted to be delivered in 2022, and one additional item was added during the reporting period.<sup>7</sup> During the reporting period, a total of 33 products were delivered against the workplan.

#### **Accreditation system**

18. During the reporting period, 34 entities (i.e. 29 DOEs and five AEs) were supported. The support included day-to-day activities related to the administration of the accreditation workflow.
19. During the reporting period, 12 accreditation assessments were launched, of which 7 were regular surveillance assessments, 3 were performance assessments, 1 was an initial accreditation assessment, and 1 was a re-accreditation assessment. Their corresponding workplans were processed in accordance with the “CDM accreditation procedure”.
20. The Board re-accredited five entities and will present this recommendation for endorsement by the CMP at its seventeenth session.
21. The Board took note of the notification from the CDM-AP on the completion of regular on-site surveillance assessments and performance assessments for 11 DOEs.
22. The second iteration of the DOE performance monitoring report of the seventeenth monitoring period (1 May to 31 August 2021) and the first iteration of the DOE performance monitoring report of the eighteenth monitoring period (1 September to 31 December 2021) were published as per the “Procedure: Performance monitoring of designated operational entities” (ver. 04.0). During this reporting period, two DOE performance monitoring reports were published.

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<sup>6</sup> See CDM-EB113-A03 at <https://cdm.unfccc.int/UserManagement/FileStorage/DE49PA6QZJOCIMVXB8S2FK1W5T3GLR>.

<sup>7</sup> Biennial survey of CDM project status at EB 116.

## Methodologies

23. Figure 4 below provides data for the reporting period<sup>8</sup> relating to methodologies.
24. During the reporting period,
  - (a) Ten requests for clarifications were fully concluded<sup>9</sup> and five requests for clarification were in process;<sup>10</sup> and
  - (b) One request for revision was concluded<sup>11</sup> and 3 requests for revision were in process.<sup>12</sup>
25. During the reporting period, three new methodology requests were processed:
  - (a) Two new methodology requests were recommended for consideration by the Board;<sup>13</sup> and
  - (b) One new methodology request was in process.<sup>14</sup>
26. During the reporting period, details of the processing of standardized baselines were as follows:
  - (a) Submissions of new bottom-up standardized baselines: three requests in process;<sup>15</sup> and
  - (b) New top-down standardized baselines: three requests in process.<sup>16</sup>

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<sup>8</sup> The data in figure 4 also include submissions from earlier reporting periods that are still in process owing to these items requiring additional work during the reporting period.

<sup>9</sup> For small-scale: SSC\_818, SSC\_820, SSC\_822, SSC\_823, SSC\_824, SSC\_825 and SSC\_828; for large-scale: AM\_CLA\_0296 and AM\_CLA\_0298; for tools: CLA\_TOOL\_0046.

<sup>10</sup> SSC\_827, SSC\_830, SSC\_831, AM\_CLA\_297 and AM\_CLA\_299.

<sup>11</sup> AM\_REV\_0260.

<sup>12</sup> SSC\_826, SSC\_829 and AM\_REV\_0261.

<sup>13</sup> NM0377 (rejected at EB 113) and SSC-NM107.

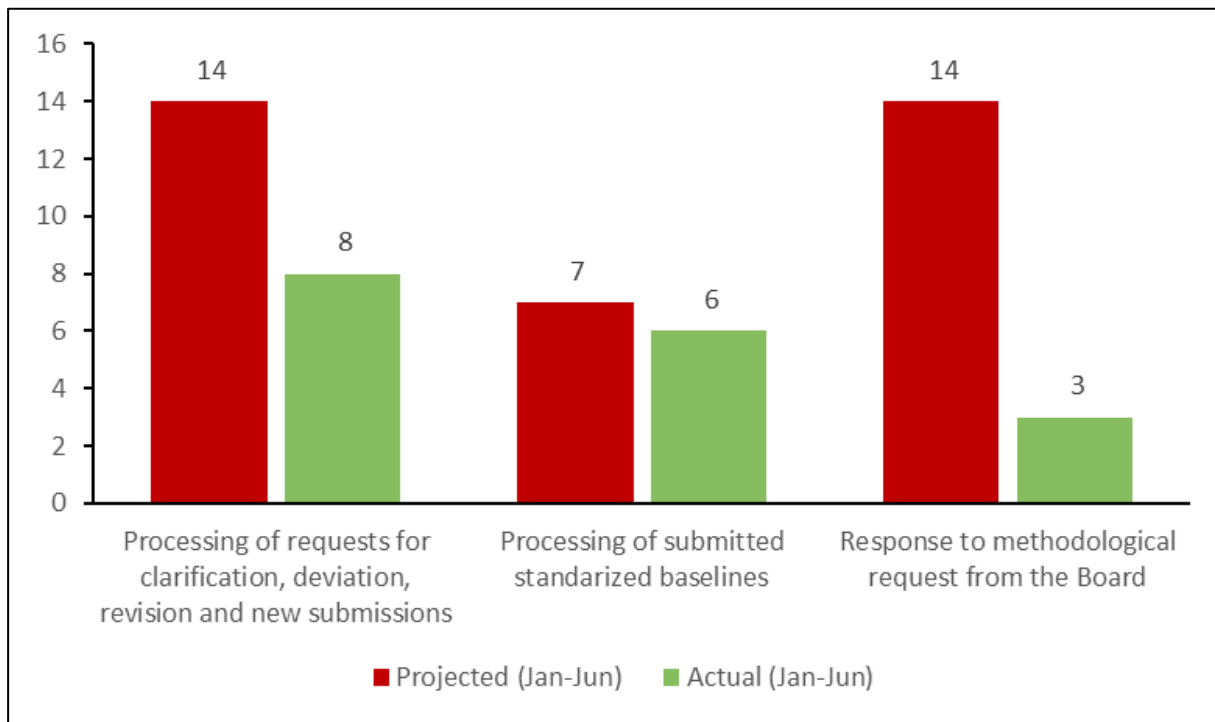
<sup>14</sup> NM0381.

<sup>15</sup> PSB0021, PSB0056 and PSB0058: work initiated during previous reporting periods and under process during the current reporting period.

<sup>16</sup> TSB0008, TSB0013, and TSB0014: work initiated during previous reporting periods and under process during the current reporting period.



**Figure 4. Methodology requests and processing of standardized baselines against the linear projected volume for the period under review (January–June 2022)**



27. During the reporting period, in response to mandates received from the Board, the following the methodologies and tools were processed:
- (a) One new tool was developed top-down;<sup>17</sup>
  - (b) Twelve requests for revision of methodologies and tools were concluded;<sup>18</sup> and
  - (c) Twelve requests for revision of methodology<sup>19</sup> and two requests for revision of tool<sup>20</sup> were under process.
28. During the reporting period, the Board considered:
- (a) The recommendation of the Methodologies Panel (MP) to approve the clarification prepared in response to the request for clarification “AM\_CLA\_0297: Clarification regarding application of ACM0002 for captive purpose”, and decided to request the MP to review the recommendation. In this regard, the Board requested the MP to revise “ACM0002: Grid-connected electricity generation from renewable sources” or develop a new methodology to clarify the applicability and requirements in relation to wheeling and banking of renewable electricity fed into the grid by the project activity before its use, and submit the revised methodology or new methodology, together with the revised response to the request for clarification AM\_CLA\_0297, for consideration by the Board at a future meeting. The Board also

<sup>17</sup> TOOL33.

<sup>18</sup> ACM0006, ACM0017, ACM0018, AM0036, AM0089, AMS-I.A., AMS-I.C., AMS-I.F., AMS-I.I., TOOL06, TOOL16, TOOL32.

<sup>19</sup> AM0122, AMS-I.A., AMS-I.B., AMS-I.E., AMS-I.F., AMS-I.L., AMS-II.G., AMS-III.AR., AMS-III.AW, AMS-III.BB., AMS-III.BG. and AMS-III.BL.

<sup>20</sup> TOOL30, and TOOL33.

- requested the secretariat to continue to apply the current practice to project assessment in relation to wheeling and banking;
- (b) The concept note “Harmonized approach for monitoring the methane concentration in biogas and landfill gas (LFG)” and requested the MP to: (a) Propose a harmonized approach to monitor the methane concentration in LFG and biogas from wastewater and manure treatment systems, taking into account best practices from approved CDM methodologies and tools, and drawing on elements from international and national standards, as required; and (b) Revise the relevant methodologies and methodological tools in order to consistently apply the proposed harmonized approach for monitoring methane concentrations;
  - (c) The concept note “Revision of the process for developing, revising and updating standardized baselines” and agreed to continue its consideration on this matter at a future meeting;
  - (d) The concept note “Revision of the process for developing, revising and updating standardized baselines” and requested the secretariat to explore the possibility of a fast-track process for the secretariat to engage with and compensate DOEs for the preparation of assessment reports to alleviate the financial and administrative burden on DNAs;
  - (e) The information note “Editorial quality, clarity and consistency of draft methodologies, methodological tools and other methodological standards” and took note of the progress made on mandates provided at the 111th meeting of the Board. In this regard, the Board agreed to approve an additional 10 person-months and a budget of USD 25,000 under the project “Enhanced clarity and consistency of CDM methodologies” under objective 1(b) of the CDM two-year business and management plan 2022–2023;
  - (f) The concept note “Modularization of the CDM methodologies” and welcomed the proposed work. The Board agreed to test the proposed approach in one sector and requested the secretariat to prepare a detailed concept note focusing on the modularization of methodologies in the energy sector for its consideration at a future meeting.

#### **Support to stakeholders/capacity-building (designated operational entities)**

- 29. During the reporting period, two conference calls took place with the DOE/Accredited Independent Entity (AIE) Coordination Forum.
- 30. A total of 7 interactions were recorded during the reporting period against the annual forecast of 11 interactions with stakeholders.

#### **Regional Collaboration Centre on-site support to projects and programmes of activities**

- 31. During the reporting period, direct technical support was provided at the regional level to increase participation in the CDM. As at 30 June 2022, the Regional Collaboration Centres (RCCs) had supported 48 CDM project activities and PoAs against the annual forecasted volume of 165 projects/PoAs. The support resulted in four CDM project activities and PoAs progressing at least one step in the CDM project cycle. In addition, the RCCs responded to 58 queries received from stakeholders requesting clarifications on CDM requirements.
- 32. From the beginning of the RCCs’ operations in 2013 until 30 June 2022, the RCCs directly supported 1,734 CDM project activities and PoAs, contributing to 259 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, 128 new CDM project activities and PoAs were identified and their notification of CDM prior consideration submitted.

### **Regional Collaboration Centre on-site site support to bottom-up standardized baselines**

33. During the reporting period, RCCs supported the development of 3 new bottom-up standardized baselines against the annual forecasted volume of 15 requests,<sup>21</sup> of which approximately 66 per cent originated from DNAs of underrepresented countries in the CDM. As a result of the support provided by the RCCs in the previous years, one proposed standardized baseline<sup>22</sup> was successfully submitted to the secretariat.
34. From the beginning of the RCCs' operations in 2013 until 30 June 2022, the RCCs directly supported the development of 346 standardized baselines, of which 57 were approved by the Board.

### **Registration and issuance system**

35. Information system support for CDM activities/cycles, including the uploading of monitoring reports, summary notes, Board member objections, rejection rulings, updated documents related to direct communication, and queries from project participants, were carried out according to the established procedures.

### **Regulatory framework management**

36. At EB 113, the Board adopted the revised "CDM accreditation procedure". The revision extends the validity of the temporary arrangement of the minimum number of mandatory performance assessments by two years (up to 28 May 2024) and includes a process for the CDM assessment team to provide any information it wishes to provide for the review process of non-conformities.
37. At EB 114, the Board considered the requirements contained in the "Clean development mechanism project cycle procedure for project activities" (PCP-PA) (ver. 03.0) and the "Clean development mechanism project cycle procedure for programmes of activities" (PCP-PoA) (ver. 03.0) regarding the process for the approval or notification of post-registration changes related to changing the start date of the crediting period. The Board agreed to clarify that for a post-registration change to delay the start date of the crediting period of a registered CDM activity or a component project activity included in a registered PoA, the request for approval or the notification of such post-registration change may only be submitted before the expiry of the first crediting period.

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<sup>21</sup> In addition, support was provided to 14 standardized baselines that were continuations from the previous reporting period.

<sup>22</sup> PSB0058 (second submission).

## **1.2. Goal 2: Enable stakeholders to understand and adjust to the evolving operating environment taking into account decisions of CMP 16**

### **1.2.1. Objective 2a: Engage with regulatory authorities using certified emission reductions for compliance purposes**

#### **External queries**

38. During the reporting period, a total of 64 CDM-related queries from stakeholders were processed, including 8 communications addressed to the Board and 56 communications addressed to the secretariat. This corresponds to 12 per cent of the annual forecasted volume. An additional 435 queries of an administrative nature (e.g. login troubleshooting, updating the contact database) were processed by the secretariat. In addition, during the reporting period, 58 queries were processed by the RCCs, the details of which are included in the RCC operation report (January–June 2022).<sup>23</sup>
39. Considering requests from stakeholders, the Board, at EB 114, clarified the conditions and process for DOEs requesting remote inspection as an alternative means to on-site inspection.<sup>24</sup>
40. Further, in response to communications from stakeholders, the Board considered, on a case-by-case basis, requests for extension of deadline for submission of the request for renewal of crediting period for CDM activities, due to difficulties faced by project participants during the global pandemic.

#### **Market and policy analysis**

41. Market and policy updates enable the Board's work programme to be informed by broader ongoing developments. During the reporting period, the secretariat continued to gather intelligence on developments in global carbon markets. The secretariat is using this intelligence to provide updates to 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.

#### **Secretariat interactions with stakeholders**

42. On behalf of the Board and its support structures, 16 calls for public input were sought on: (a) issues included in the annotated agenda and related annexes prepared for EB 113 and EB 114; and (b) issues related to tools and methodologies.<sup>25</sup>
43. The 2021 annual report on stakeholder communications, providing feedback to stakeholders, was published during the reporting period.<sup>26</sup>
44. The Board and its support structure met virtually with representatives of the Designated National Authority Forum (DNA Forum) at EB 114 and with the representative of the DOE/AIE Coordination Forum at CDM-AP 91 and at EB 112 and EB 114, and took note of forums' inputs.

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<sup>23</sup> See RCC operation report at <https://cdm.unfccc.int/EB/report/>.

<sup>24</sup> See EB 114 meeting report, paragraphs 9 and 10.

<sup>25</sup> See the archive of calls for public input at [http://cdm.unfccc.int/public\\_inputs/index.html](http://cdm.unfccc.int/public_inputs/index.html).

<sup>26</sup> See CDM-2021SC-INFO01 at [https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20220208143317796/Stakeholder\\_communications\\_annual%20report\\_2021.pdf](https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20220208143317796/Stakeholder_communications_annual%20report_2021.pdf).

45. At EB 113 and EB 114, the Board took note of the following activities undertaken related to stakeholders, DNAs, AEs and DOEs:
- (a) Side event of around 15 years of PoAs held on 3 November 2021 during the 2021 United Nations Climate Change Conference in Glasgow, United Kingdom of Great Britain and Northern Ireland;
  - (b) Virtual session of the 22<sup>nd</sup> meeting of the Global DNA Forum held on 16 December 2021 via video conference;
  - (c) In-person session of the 22<sup>nd</sup> meeting of the Global DNA Forum held on 28 and 29 March 2022, on the margins of the Middle East and North Africa Climate Week;
  - (d) The fifty-seventh DOE conference call held on 15 February 2022 via video conference;
  - (e) The fifty-eighth DOE conference call held on 4 May 2022 via video conference.

### **Partnerships**

46. During the reporting period, Nairobi Framework Partnership<sup>27</sup> coordination and regional activities continued focusing on the regional climate weeks, which kicked off in March with the Middle East and North Africa Climate Week 2022, which was held from 28 to 31 March 2022 and was hosted by the Government of the United Arab Emirates. It provided a platform for governments, cities, private sector leaders, financial institutions and civil society to discuss opportunities to build forward from the pandemic by identifying opportunities to enhance climate action. The report documenting the crucial discussions held ahead of COP 27 is available on the UNFCCC website.<sup>28</sup>
47. The annual report on the activities completed by the partner agencies and the cooperating organizations of the Nairobi Framework Partnership in 2021 was published during the reporting period.<sup>29</sup>

### **Public policy development**

48. During the reporting period, the secretariat continued to gather and analyse reports and information regarding the evolution and direction of carbon-pricing instruments globally. As part of this work, the secretariat continued to develop its contacts with policymakers and other relevant experts globally to ensure that the Board is informed of the latest developments.

## **1.2.2. Objective 2b: Engage with stakeholders using certified emission reductions for voluntary purposes**

### **Operation of the voluntary cancellation platform**

49. The VC platform has a global reach, with visits from 193 countries. The total number of CERs cancelled through the platform since its launch in September 2015 is 5,909,809. The average historical price per tonne purchased on the platform is USD 1.64, which is

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<sup>27</sup> See Nairobi Framework Partnership at <https://unfccc.int/process/the-paris-agreement/nairobi-framework-partnership>.

<sup>28</sup> [https://unfccc.int/sites/default/files/resource/MENACW22\\_OutputReport\\_18052022.pdf](https://unfccc.int/sites/default/files/resource/MENACW22_OutputReport_18052022.pdf).

<sup>29</sup> See CDM-2021NF-INFO01 at <https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20220208143126444/NFP%20Annual%20Report%202021.pdf>.

higher in comparison with the historic average at the end of the previous reporting period.<sup>30</sup>  
The average price during the first half of 2022 was USD 2.04.

50. No significant upgrades or changes to the platform’s software were conducted for the reporting period. Ongoing maintenance and support for the daily operations were stable.

#### **Use of certified emission reductions in carbon finance**

51. The Board continued its cooperation with financial institutions on facilitating the mobilization of climate finance to support developing countries in implementing priority mitigation and adaptation actions in accordance with the goals outlined in their nationally determined contributions, national adaptation plans and other relevant policies or strategies.

#### **Engaging with stakeholders on voluntary cancellation of CERs**

52. During the reporting period, activities included:
- (a) Continued outreach to companies and organizations to invite them to estimate their carbon footprint, reduce it, and compensate for the remainder with CERs. Close to 100 companies and organizations joined the Climate Neutral Now initiative in the first semester of 2022;
  - (b) Exploration of partnerships with organizations to integrate the use of the VC platform in their business models, offering compensation to their clients in business-to-business and business-to-consumer applications. This includes the exploration of several options to use the existing API of the VC platform, with ongoing discussions;
  - (c) Support to several industry initiatives to promote and facilitate the calculation, reduction and compensation of greenhouse gas emissions, including events, film and television, and tourism;
  - (d) Collaboration with national government-led initiatives that promote the approach of estimation, reduction and compensation of greenhouse gas emissions by private companies in Asia, Europe and Latin America.

### **1.3. Other activities**

#### **1.3.1. Cross-cutting activities**

##### **Communications engagement and outreach**

53. In addition to stories being published on the UNFCCC main website, the UNFCCC Climate Action Blog and the United Nations Climate Change CDM website, all CDM-related stories published on the main site were promoted via the secretariat’s main social media accounts.
54. The secretariat’s main social media accounts and websites are the major online assets used to promote the CDM in the context of climate neutrality. The messaging focuses on “Measure, Reduce, Compensate and Report”. The United Nations Climate Change social media accounts comprise: Facebook: 496,200 followers; Twitter: 929,200 followers;

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<sup>30</sup> Detailed information on the VC platform is available on an annual basis at <https://cdm.unfccc.int/EB/report/index.html>

Instagram: 814,000 followers; LinkedIn: 275,000 followers; and YouTube: 39,500 followers.

55. 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.
56. During the reporting period, communications work was carried out in support of key events, including the virtual first sessional period of June 2022 and the Latin America and Caribbean Regional Climate Week.
57. Communications engagement and marketing was carried out by the RCCs, include via their regular e-newsletters, webinars, workshop support and capacity-building related to the CDM. During the reporting period, the 2021 annual report of the RCCs was prepared and published on the UNFCCC website.<sup>31</sup>
58. During the reporting period, a total of 7 communication products were developed against the annual forecast of 20 products. Table 2 in the appendix lists the stories and information items created or sourced and published.

### **Regional Collaboration Centre operations**

59. The annual RCC Global Forum Meeting for 2022 was held in-person on 31 March 2022. At the forum meeting, each RCC's overview and update on 2022–2023 workplans showcased how RCCs are contextualizing the global climate action agenda with unique regional specificity for optimal impact. The Forum highlighted how regional partnerships are proving to be key to collaboratively move towards achieving targets set under the Paris Agreement and the Sustainable Development Goals, including through a market mechanism such as the CDM.

### **Intra-secretariat information technology engagement agreements**

60. During the reporting period, the following CDM information technology (IT) operational activities were supported under the IT engagement agreement:
  - (a) CDM systems application, maintenance and support
    - (i) Authoring tool for preparing and cataloguing the documentation of the Board and its panel and working groups: No issues were identified during the reporting period;
    - (ii) CDM registry: Continuation of operational maintenance, software maintenance and security support for processing change requests related to reporting and registry functionalities and the assessment of the VC platform application programming interface;
    - (iii) CDM Information System (CDM-IS): Ongoing activities include defining requirements and testing and handling of deployments. During the reporting period, there were 14 content management updates, 165 manual interventions, 27 user administration requests, 17 user help requests, 31 reported problems, and 1 issue on business process activities (225 service responses in total);
    - (iv) Simplified Processing Tool: Key activities included, application service management for support testing of activities with external users, and

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<sup>31</sup> <https://unfccc.int/RCCs-annual-report-2021>.

oversight of development work for improving functionalities. A new version of the tool was developed and is about to be deployed into production;

- (v) Sustainable Development Tool: No maintenance support was required;
  - (vi) Stakeholder Interaction System: Support related to change and maintenance, including minor bug fixes;
  - (vii) RCC Information Management System (RIMS): Continuation of operational maintenance;
- (b) **Meetings and workshops:** Technical support provided to the virtual meetings and workshops held during the reporting period;
- (c) **Data centre hosting services:** business-as-usual and recovery services for the CDM-IS content management system, CDM registry and CDM mailing lists and the RCC tool (RIMS);
- (d) **Licenses:** business-as-usual services in support of desktop and specialized software support.
61. During the reporting period, the CDM activity lifecycle module of the CDM information system continued to be enhanced in response to operational requirements. Development work was carried out in relation to various optimizations and fixes to the workflows and user interfaces.
62. Table 2 indicates the expenditure for services received under the IT engagement agreement during the reporting period.

**Table 2. Information technology services expenditure for the reporting period (January– June 2022)**

| Services received   | Expenditure (USD) |
|---|-------------------|
| <b>Operational</b>  |                   |
| Application, maintenance and support to clean development mechanism systems | 358,016           |
| System infrastructure services (data hosting services)                      | 187,748           |
| Service desk support for workshops/meetings                                 | 40,897            |
| Licenses  | 32,254            |
| <b>Total *</b>  | <b>618,915</b>    |

\*Includes obligations.

### Internal communications

63. During the reporting period, 5 internal newsletters were prepared and published to inform staff of the progress under operational activities and projects. In addition, 11 secretariat-wide news articles were prepared and published to ensure information-sharing and cross-programme collaboration, for a total of 16 communication products against the annual forecasted volume of 39 communication products.

### Information, knowledge and records management

64. The secretariat manages approximately 2 terabytes of digital-born information relating to the CDM. In terms of physical records, approximately 10 linear metres of physical records are managed through the established records management lifecycle.



65. During the reporting period, the cataloguing and indexing of the Board's regulatory documents, including the documentation of its supporting meeting bodies, included the indexing of 121 documents, which ensures transparency of and access to the regulatory decisions via the public CDM Catalogue of Decisions database.<sup>32</sup> Over 3,600 searchable documents are contained in the Catalogue of Decisions database, utilizing over 500 controlled vocabulary terms in the integrated taxonomy.
66. The secretariat is using SharePoint technology and, to date, the Mitigation Division, supporting the CDM work programme, has over 143 internal sites with almost 500 subsites. Each site contains libraries and lists which comprise records and information relating to work supporting the Board, its working groups and the CDM. These platforms and the information are managed using a robust taxonomy with CDM-specific keywords, thus enabling user-friendly search and retrieval.

### **Planning, monitoring, and reporting**

67. 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 between meetings. The following reports were delivered and published during the reporting period and are available on the UNFCCC CDM website:<sup>33</sup>
- (a) CDM MAP End-Year Review (1 January to 31 December 2021);
  - (b) Regional Collaboration Centres (1 July to 31 December 2021);
  - (c) Voluntary Cancellation Platform (1 July to 31 December 2021);
  - (d) Key Performance Indicators – Annual report 2021;
  - (e) Nairobi Framework Partnership report – Annual report 2021;
  - (f) Stakeholder communications – Annual report 2021.

### **Secretariat-wide responsibilities**

68. During this reporting period, the Mitigation Division fulfilled its secretariat-wide responsibilities, including contributions to several UNFCCC internal processes and meeting bodies.

## **2. Financial update**

### **2.1. Status of income from 1 January to 30 June 2022**

69. Table 3 shows the balance brought forward from 2021 and the income received from 1 January to 30 June 2022.

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<sup>32</sup> Searchable catalogue of CDM-EB decisions available at <http://cdm.unfccc.int/Reference/catalogue/search>.

<sup>33</sup> <https://cdm.unfccc.int/EB/report>.

**Table 3. Income received in 2022, including carry-over from 2021 (USD)<sup>34</sup>**

| Carry-over figure from 2021 (A)                                   | 43 003 477        |
|---|-------------------|
| <b>Income received in 2022</b>                                    |                   |
| Accreditation fees  | —                 |
| Fees from the accreditation process                               | 48 126            |
| Registration fees <sup>(a)</sup>                                  | —                 |
| Share of proceeds (SOP) <sup>(b)</sup>                            | 12 574 985        |
| <b>Subtotal – Income: 1 Jan. to 30 June 2022 (B)</b>              | <b>12 623 111</b> |
| <b>Current balance of 2021 carry-over and 2022 income (A + B)</b> | <b>55 626 588</b> |

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

<sup>(a)</sup> 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. Projects with annual average emission reductions of less than 15,000 tonnes of carbon dioxide equivalent 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.

<sup>(b)</sup> 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.

70. The total fees received as at 30 June 2022 amounted to USD 12.6 million (see table 3) and have exceed the projected income of USD 9.0 million for 2022.<sup>35</sup> The total fees received during the same period last year (January–June 2021) were USD 7.9 million.

71. CERs held in the CDM registry at the end of June 2022 amounted to 403.1 million. The secretariat has already performed all tasks (with the exception of forwarding) in relation to the CERs held. The SOP from administration due for CERs held in the pending account of the CDM registry amounts to approximately USD 47.9 million. This amount was accumulated under the old rules for SOP in which payment was due after issuance but before transactions with the CERs. The change of SOP rules in 2018, which brought the payment forward to the submission of requests for issuance, ended the accumulation of additional SOP due.

72. During the reporting period, the first international transfer giving rise to the additional levy as per the Doha Amendment to the Kyoto Protocol took place, resulting in the allocation of 1.2 million assigned amount units (AAUs) to the Adaptation Fund account with the CDM registry. This amount remains in the CDM registry at the end of the reporting period.

## **2.2. Expenditure from 1 January to 30 June 2022**

73. Table 4a shows the expenditure incurred and the utilization rate against the 2022 reporting period (12 months). Table 4b shows the expenditure incurred and the utilization rate against the 2022–2023 budget period (24 months).

<sup>34</sup> The data presented in this report are subject to change, as the financial period remains open at the time the report is being finalized.

<sup>35</sup> As per the CDM MAP 2022–2023 (CDM-EB112-A01-INFO, table 12).

**Table 4a. Comparison of budget and expenditure from 1 Jan. to 30 Jun. 2022 (USD)**

| <b>Expenditure classification</b>                | <b>Budget<br/>2022<br/>a</b> | <b>Expenditure<br/>(Jan.–Jun.<br/>2022)<br/>b<sup>(a)</sup></b> | <b>Difference<br/>to 2022<br/>budget<br/>(a – b)<br/>c</b> | <b>% Rate of<br/>expenditure<br/>vs. 2022<br/>budget<br/>(b/a)<br/>d</b> |
|--|------------------------------|---|--|--|
| Staff <sup>(a)</sup>                             | 9 388 000                    | 4 547 157   | 4 840 843  | 48.4   |
| Consultants <sup>(b)</sup>                       | 201 095                      | 97 290  | 103 805  | 48.4   |
| Expert fees <sup>(c)</sup>                       | 125 400                      | 88 802  | 36 598   | 70.8   |
| Expert travel <sup>(d)</sup>                     | 130 000                      | 44 163  | 85 837   | 34.0   |
| Travel of representatives <sup>(e)</sup>         | 279 236                      | 100 273   | 178 963  | 35.9   |
| Travel of representatives (Board) <sup>(f)</sup> | 326 700                      | 66 839  | 259 861  | 20.5   |
| Travel of staff <sup>(g)</sup>                   | 198 020                      | 72 839  | 125 181  | 36.8   |
| Training <sup>(h)</sup>                          | 14 580                       | 9 441   | 5 139  | 64.8   |
| Operating expenses <sup>(i)</sup>                | 264 996                      | 49 922  | 215 074  | 18.8   |
| RCC operations <sup>(j)</sup>                    | 361 275                      | 328 229   | 33 046   | 90.9   |
| Total cost of ownership <sup>(k)</sup>           | 1 123 000                    | 455 450   | 667 550  | 40.6   |
| Engagement agreement (ICT) <sup>(l)</sup>        | 733 000                      | 618 915   | 114 085  | 84.4   |
| Mobile telecommunications <sup>(m)</sup>         | 5 000                        | 1 990   | 3 010  | 39.8   |
| Supplies and material <sup>(n)</sup>             | 59 000                       | 204   | 58 796   | 0.3  |
| Grants (Board) <sup>(o)</sup>                    | 345 000                      | 216 700   | 128 300  | 62.8   |
| <b>Subtotal</b>                                  | <b>13 554 302</b>            | <b>6 698 214</b>  | <b>6 856 088</b>   | <b>49.4</b>  |
| 13% programme support <sup>(p)</sup>             | 1 762 060                    | 870 768   | 891 292  | 49.4   |
| <b>Total</b>                                     | <b>15 316 362</b>            | <b>7 568 982</b>  | <b>7 747 380</b>   | <b>49.4</b>  |

**Table 4b. Comparison of the biennium budget 2022–2023 and expenditure from 1 Jan. 2022 to 30 June 2022 (USD)**

| Expenditure classification                       | Budget<br>2022<br>a | Budget<br>2023<br>b | Total<br>2022-2023<br>(a+b)<br>c | Expenditure<br>(Jan 2022 –<br>Jun 2022)<br>d <sup>(q)</sup> | Difference<br>to<br>2022-2023<br>budget<br>(c-d)<br>e | % Rate of<br>expenditure<br>vs. 2022-2023<br>budget<br>(d/c)<br>f |
|--|---------------------|---------------------|----------------------------------|---|---|---|
| Staff <sup>(a)</sup>                             | 9 388 000           | 8 592 000           | 1 798 000                        | 4 547 157   | 13 432 843  | 25.3  |
| Consultants <sup>(b)</sup>                       | 201 095             | 201 095             | 402 190                          | 97 290  | 304 900   | 24.2  |
| Expert fees <sup>(c)</sup>                       | 125 400             | 77 000              | 202 400                          | 88 802  | 113 598   | 43.9  |
| Expert travel <sup>(d)</sup>                     | 130 000             | 76 500              | 206 500                          | 44 163  | 162 337   | 21.4  |
| Travel of representatives <sup>(e)</sup>         | 279 236             | 258 636             | 537 872                          | 100 273   | 437 599   | 18.6  |
| Travel of representatives (Board) <sup>(f)</sup> | 326 700             | 326 700             | 653 400                          | 66 839  | 586 561   | 10.2  |
| Travel of staff <sup>(g)</sup>                   | 198 020             | 134 080             | 332 100                          | 72 839  | 259 261   | 21.9  |
| Training <sup>(h)</sup>                          | 14 580              | 11 664              | 26 244                           | 9 441   | 16 803  | 36.0  |
| Operating expenses <sup>(i)</sup>                | 264 996             | 261 796             | 526 792                          | 49 922  | 476 870   | 9.5   |
| RCC operations <sup>(j)</sup>                    | 361 275             | 296 275             | 657 550                          | 328 229   | 329 321   | 49.9  |
| Total cost of ownership (TCO) <sup>(k)</sup>     | 1 123 000           | 1 026 000           | 2 149 000                        | 455 450   | 1 693 550   | 21.2  |
| Engagement agreement (ICT)) <sup>(l)</sup>       | 733 000             | 733 000             | 1 466 000                        | 618 915   | 847 085   | 42.2  |
| Mobile telecommunications <sup>(m)</sup>         | 5 000               | 3 750               | 8 750                            | 1 990   | 6 760   | 22.7  |
| Supplies and material <sup>(n)</sup>             | 59 000              | 53 100              | 112 100                          | 204   | 111 896   | 0.2   |
| Grants (Board) <sup>(o)</sup>                    | 345 000             | 345 000             | 690 000                          | 216 700   | 473 300   | 31.4  |
| <b>Subtotal</b>                                  | <b>13 554 302</b>   | <b>12 396 596</b>   | <b>25 950 898</b>                | <b>6 698 214</b>  | <b>19 252 684</b>                                     | <b>25.8</b>   |
| 13% programme support <sup>(p)</sup>             | 1 762 060           | 1 611 558           | 3 373 618                        | 870 768   | 2 502 850   | 25.8  |
| <b>Total</b>                                     | <b>15 316 362</b>   | <b>14 008 154</b>   | <b>29 324 516</b>                | <b>7 568 982</b>  | <b>21 755 534</b>                                     | <b>25.8</b>   |

- (a) Staff costs include staff salaries, general temporary assistance costs, fellows 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 consultant 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 costs and DSA for participants in the CDM meetings and workshops, including the Designated National Authority Forum (DNA Forum);
  - (f) Travel of representatives (Board) includes ticket costs, DSA and 40 per cent additional DSA for members/alternate members attending meetings of the Board and the Board events at sessions of the United Nations Framework Convention on Climate Change (UNFCCC);
  - (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 operations costs include costs related to administering the RCCs, RCC staff missions, including travel and mission substantial allowance costs, the RCC Global Forum and the RCC Roundtable;
  - (k) 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 2021, the TCO charge per capita of EUR 12,180 is applied;
  - (l) Engagement agreement (ICT) includes information technology (IT) costs related to the support for the management plan 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 (Board) include support to individual members/alternate members of the Board for: (i) secretarial/administrative support (e.g. 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 (e.g. laptop 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.
74. Column (d) in table 4a shows the rate of expenditure as a percentage of the 2022 budget for each cost category. The total rate of expenditure (49.4 per cent) is slightly below the linear rate of expenditure (50.0 per cent) for the reporting period.
75. Column (f) in table 4b shows rate of expenditure as a percentage of the 2022–2023 biennium budget for each cost category. The total rate of expenditure (25.8 per cent) is slightly higher than the linear projected rate of expenditure (25.0 per cent) for the reporting period.

76. Staff costs amount to 48.4 per cent of the projected 2022 budget for this object of expenditure, which is slightly lower than the projected rate of expenditure (50 per cent) for the reporting period. The expenditure is expected to align with the projections as the year progresses.
77. Consultant costs amount to 48.4 per cent of the projected 2022 budget for this object of expenditure, which is slightly below the projected rate of expenditure (50 per cent). The expenditure is expected to align with the projections as the year progresses.
78. Expert fees amount to 70.8 per cent of the projected 2022 budget for this object of expenditure, which is significantly higher than the projected rate of expenditure (50 per cent). Expenditure reflects the increase in the project assessment cases against projected volumes in 2022. This trend is expected to continue in the second half, however the excess needs will be covered from other cost categories without the need for changes in overall budget.
79. Expert travel amounts to 34.0 per cent of the projected 2022 budget for this object of expenditure, which is below the projected rate of expenditure (50 per cent). This is because the total number of meetings for the regulatory bodies and their supporting panels and working groups is not equally distributed across the year and also reflects that some attended virtually due to the travel restrictions resulting from the COVID-19 pandemic. Expenditure for expert travel in 2022 is expected to remain at a lower than projected rate of expenditure. The expected savings provide funding towards increases in expert fees.
80. Travel of representatives amounts to 35.9 per cent of the projected 2022 budget for this object of expenditure, which is lower than the linearly projected rate of expenditure (50 per cent). This is because the total number of CDM meetings and workshops is not equally distributed across the year. The expenditure is expected to align with the projections as the year progresses.
81. Travel of Board members amounts to 20.5 per cent of the projected 2022 budget for this object of expenditure, which is significantly lower than the projected rate of expenditure (50 per cent). This is because the total number of meetings is not equally distributed across the year and it also reflects that some attended virtually due to the travel restrictions due to the COVID-19 pandemic. The expenditure is expected to align more closely with the projections as the year progresses.
82. Travel of staff amounts to 36.8 per cent of the 2022 budget for this object of expenditure, which is lower than the projected rate of expenditure (50 per cent). This reflects the lower number of meetings and workshops outside Bonn and travel restrictions due to the COVID-19 pandemic. The expenditure is expected to align more closely with the projections as the year progresses.
83. Training costs amount to 64.8 per cent of the projected 2022 budget for this object of expenditure, which is higher the projected rate of expenditure (50 per cent). This reflects the training schedule in the approved training plan and includes future commitments. The expenditure is expected to align with the projections as the year progresses.
84. Operating expenses amount to 18.8 per cent of the projected 2022 budget for this object of expenditure, which is significantly lower than the linear projected rate of expenditure (50 per cent). This is because the total number of meetings for the Board and its panels is not equally distributed across the year. Expenditure is expected to align more closely with the original projections as the year progresses.

85. RCC operations costs amount to 90.9 per cent of the projected 2022 budget for this object of expenditure, which is significantly higher than the projected rate of expenditure (50 per cent). This is due to commitments covering the period to year-end. The expenditure is expected to align more closer with the projections as the year progresses.
86. TCO costs amount to 40.6 per cent of the projected 2020 budget for this object of expenditure, which is lower than the projected rate of expenditure (50 per cent). The expenditure is expected to align closer with the projections as the year progresses.
87. Engagement agreement costs (ICT) amount to 84.4 per cent of the projected 2022 budget for this object of expenditure, which is higher than the projected rate of expenditure (50 per cent). This is due to commitments covering the period to year-end. The expenditure is expected to align closer with the projections as the year progresses.
88. Mobile telecommunications costs are 39.8 per cent of the projected 2022 budget for this object of expenditure, which is lower than the linearly projected rate of expenditure (50 per cent). This reflects the lower cost of mobile communications as a result of lower number of meetings and events held outside of Bonn. The expenditure is expected to align closer with the projections as the year progresses.
89. Supplies and materials costs amount to 0.3 per cent of the projected 2022 budget for this object of expenditure, which is significantly lower than the projected rate of expenditure (50 per cent). This is because most of the subscriptions are due to be extended in the second half of the year.
90. The expenditure for EB grants amounts to 62.8 per cent of the projected 2022 budget for this object of expenditure, which is higher than the projected rate of expenditure (50 per cent). This is due to commitments covering the period to year-end. The expenditure is expected to align closer with the projections as the year progresses.

### 2.3. Summary of financial position (income and expenditure status, as at 30 June 2022)

91. Table 5 below shows the balance of the CDM Trust Fund as at 30 June 2022.

**Table 5. Income and expenditure status, as at 30 June 2022 (USD)**

|   |                   |
|---|-------------------|
| Carry-over figure from 2021 (A)                                 | <b>43 003 477</b> |
| <b>Status of funds for the period Jan–Jun 2022</b>              |                   |
| Income: 1 Jan–30 June 2022 (B)                                  | 12 623 111        |
| <b>Current balance of 2021 carry-over and 2022 income (A+B)</b> | <b>55 626 588</b> |
| Expenditure: 1 Jan– 30 June 2022 (C)                            | 7 568 982         |
| <b>Balance available at 30 June 2022 (A+B-C)</b>                | <b>48 057 606</b> |

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

92. Table 6 below shows the income and expenditure trend for the period January to June for the years 2020, 2021, 2022.

**Table 6. Income and expenditure trend, as at 30 June 2022 (USD)**

|   | As at 30 Jun<br>2020 | As at 30 Jun<br>2021 | As at 30 Jun<br>2022 |
|---|----------------------|----------------------|----------------------|
| Income  | 7 761 238            | 7 920 007            | 12 623 111           |
| Expenditure   | 7 899 726            | 8 385 483            | 7 568 982            |
| Income minus expenditure                              | <b>- 138 488</b>     | <b>- 465 476</b>     | <b>5 054 129</b>     |
| Income as a rate of projected income of USD 9 million | <b>86.2%</b>         | <b>88.0%</b>         | <b>140.3%</b>        |
| Expenditure as a rate of the annual budget            | <b>43.9%</b>         | <b>51.7%</b>         | <b>49.4%</b>         |

### 3. Human resources

93. During the reporting period, the secretariat had a skilled and flexible workforce, including 67 (78 in 2021) staff funded under the CDM Trust Fund, with a specialized focus on delivering results effectively and efficiently against the approved CDM MAP 2022-2023 activities and projects.
94. As part of the workforce planning, the priority continues to be on: (i) optimizing the organizational structure to ensure the effective use of the full range of expertise across the secretariat; (ii) adopting a strategy of natural attrition; and (iii) ensuring the full use of available staff resources over consultants or temporary hires in consideration of the expertise required. Additionally, in efforts to prudently manage resources and bring new skills and experience into the secretariat, interns and fellows are recruited in accordance with United Nations rules and regulations to support the work on the implementation of the CDM MAP 2022-2023.
95. The secretariat has systems in place to track and report on human resource deployment and closely monitors resource allocations against priority areas of work to ensure the full utilization of available staff in delivering high-quality products and services on time.

### 4. Conclusions

96. The mid-year review, as at 30 June 2022, indicates that approved operational activities and projects were delivered in accordance with the CDM MAP 2022-2023.
97. The Board may wish to take note of the status of the CDM MAP 2022-2023 as at 30 June 2022.



## Appendix. Reporting data (January–June 2022)

**Table 1. Volume of operational activities and projects completed in comparison with annual forecasted volumes in the CDM MAP 2022-2023**

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

| MAP activity   | Units   | Projected volume (Jan–Jun 2022) | Actual volume (Jan–Jun 2022) |
|--|---|---------------------------------|------------------------------|
| Changes to modalities of communication and requests for registry transactions      | Registry transactions                                   | 3750                            | 3,168                        |
|  | Changes to modalities of communication                  | 500                             | 1,219                        |
| CDM registry reports   | Reports   | 200                             | 261                          |
| Opening and maintaining Voluntary Cancellation Platform seller accounts            | Accounts  | 90                              | 89                           |
| Requests for: direct communication, renewal of crediting period, and review        | Requests  | 20                              | 55 <sup>(a)</sup>            |
| Requests for PoA issuance  | Requests  | 63                              | 36 <sup>(b)</sup>            |
| Requests for PoA PRC   | Requests  | 38                              | 7                            |
| Requests for PoA registration  | Requests  | 0                               | 2                            |
| Requests for project issuance  | Requests  | 150                             | 409                          |
| Requests for project PRC   | Requests  | 10                              | 7                            |
| Requests for project registration  | Requests  | 0                               | 8                            |
| PoA post-registration CPA inclusion requests                                       | CPA inclusions  | 0                               | 16 <sup>(c)</sup>            |
| Sustainable development co-benefits including reporting and promotional activities | Reports   | 3                               | 0                            |
| Performance assessments (validation and verification)                              | Performance assessment (validation and verification)    | 6                               | 3                            |
| Regular surveillance and spot checks   | Regular surveillance assessments and spot checks        | 7                               | 6                            |
| Requests for initial accreditation and re-accreditation                            | Requests for initial accreditation and re-accreditation | 4                               | 5                            |
| Calibrate assessment team leads  | Workshop  | 1                               | 0                            |
| DOE calibration workshop   | Workshop  | 1                               | 0                            |

<sup>(a)</sup> Included the processing of 4 PoA renewal requests.

<sup>(b)</sup> Included the processing of 94 CPAs.

<sup>(c)</sup> Included 10 renewals of crediting period for CPAs.

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

| MAP 2022–2023 activity  | Units                                 | Projected annual volume (Jan.–Jun. 2022) | Actual volume (Jan.–Jun. 2022) |
|---|---------------------------------------|--|--------------------------------|
| Media relations   | Media contact                         | 4  | 4                              |
| Stakeholder communications  | Transactions                          | 260                                      | 64                             |
| Policy analysis and reports   | Reports                               | 1  | 2                              |
| Calls for input and feedback to stakeholders  | Call for input                        | 16                                       | 16                             |
|   | Annual report                         | 1  | 1                              |
| Global and regional DNA Forums  | Events                                | 2  | 1                              |
| Accreditation Panel   | Meetings                              | 2  | 3                              |
| Methodologies Panel   | Meetings                              | 2  | 3                              |
| Roster of experts (CDM)   | Notes related to selection of experts | 1  | 2 <sup>(a)</sup>               |
| Support to the Board  | Meetings                              | 2  | 4                              |
| Entity administration   | Entities                              | 32                                       | 34                             |
| Entity assessment planning  | Assessment                            | 17                                       | 12                             |
| Entity performance monitoring system  | System                                | 1  | 1                              |
| Handling of complaints and requests for review  | Report                                | 1  | 0                              |
| Registration and Issuance system support  | Tasks                                 | 880                                      | 2 832                          |
| Maintenance of the regulatory framework (e.g. standards, procedures, forms, glossary, guidelines, checklists) | Amendments                            | 2  | 40                             |

<sup>(a)</sup> The terms of Panel/WG members and RIT experts were extended based on information presented to the Board at EB 110.

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

| MAP 2022–2023 activity   | Units       | Projected annual volume (Jan–Jun 2022) | Actual volume (Jan–Jun 2022) |
|--|-------------|--|------------------------------|
| Processing of requests for clarification, deviation, revision, new submissions | Requests    | 14                                     | 8                            |
| Processing of standardized baselines   | Evaluations | 7                                      | 6                            |
| Response to methodological requests from the Board                             | Requests    | 14                                     | 3 <sup>(a)</sup>             |

<sup>(a)</sup> In addition, a number of methodological cases are under process as indicated in paragraph 28.

**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 2022-2023 activity  | Units  | Projected annual volume (Jan–Jun 2022) | Actual volume (Jan–Jun 2022) |
|---|--|--|------------------------------|
| Partnerships and engagement to support CDM  | Missions   | 4                                      | 2                            |
| Nairobi Framework coordination and regional activities with a specific focus on Africa, LDCs and SIDS | Coordination meetings  | 1                                      | 1                            |
|   | Regional activities  | 2                                      | 1                            |
| Support to stakeholders/ capacity-building (DOEs)   | Interactions   | 6                                      | 7                            |
| Public policy development   | Countries engaged  | 2                                      | 2 <sup>(a)</sup>             |
| Nurturing demand for CDM and voluntary cancellation of CERs   | Organizations/individual cancellations on VC platform (number of orders) | 250                                    | 1,741 <sup>(b)</sup>         |
| RCC operations  | RCCs   | 6                                      | 6                            |
| RCCs: on-site support to projects   | Supported projects   | 83                                     | 48                           |
| RCC support to bottom-up standardized baselines   | Supported standardized baselines   | 8                                      | 3                            |
| Communications engagement and marketing   | Communication products   | 9                                      | 7                            |
| Intra-secretariat information technology engagement agreement   | Agreement development; portfolio managed                                 | 1                                      | 1                            |
| Internal communication  | Communication products   | 20                                     | 16                           |
| Information, knowledge and records management   | Terabytes of CDM electronic files  | 2                                      | 2                            |
| Supplies and subscriptions  | Subscriptions  | 5                                      | 4                            |
| Travel management   | Travel cases   | 275                                    | 27                           |
| Planning, monitoring and reporting  | Management plan  | 1                                      | 1                            |
|   | Reports on status of implementation                                      | 1                                      | 1                            |
|   | Effort tracking system   | 1                                      | 1                            |

<sup>(a)</sup> Additionally, engaged 2 regional carbon alliances (consisting of 23 countries) and 1 regional association (consisting of 10 countries).

<sup>(b)</sup> Regular report. UN platform for voluntary cancellation of CERs (1 January to 30 June 2022).

**Cross-cutting activities**

**Table 2. Stories promoted on the United Nations Climate Change website, on the UN Climate Action Blog and In-Focus advisories published on the CDM website**

| Story   | Date (2022) | Link  |
|---|-------------|---|
| 1. UNFCCC partners with the AirCarbon Exchange to promote carbon offsetting | 12/01       | <a href="https://cdm.unfccc.int/press/newsroom/latestnews/releases/2021/21055_index.html">https://cdm.unfccc.int/press/newsroom/latestnews/releases/2021/21055_index.html</a>                               |
| 2. New Partnership To Boost Voluntary Climate Action                        | 24/01       | <a href="https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12011_index.html">https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12011_index.html</a>                               |
| 3. Article 6 Is a Key Tool to Boost Climate Ambition – Patricia Espinosa    | 17/02       | <a href="https://unfccc.int/news/article-6-is-a-key-tool-to-boost-climate-ambition-patricia-espinosa">https://unfccc.int/news/article-6-is-a-key-tool-to-boost-climate-ambition-patricia-espinosa</a>       |
| 4. What's the Climate Neutral Now initiative?                               | 04/03       | <a href="https://unfccc.int/blog/what-s-the-climate-neutral-now-initiative">https://unfccc.int/blog/what-s-the-climate-neutral-now-initiative</a>   |
| 5. CDM Executive Board Elects New Chair and Vice-Chair at its 113th Meeting | 14/03       | <a href="https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12012_index.html">https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12012_index.html</a>                               |
| 6. CDM Executive Board Gears Up To Implement The Glasgow Mandates           | 02/06       | <a href="https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12013_index.html">https://cdm.unfccc.int/press/newsroom/latestnews/releases/2022/12013_index.html</a>                               |
| 7. New Supervisory Body Ready to Help Unleash Potential of Carbon Markets   | 21/06       | <a href="https://unfccc.int/news/new-supervisory-body-ready-to-help-unleash-potential-of-carbon-markets">https://unfccc.int/news/new-supervisory-body-ready-to-help-unleash-potential-of-carbon-markets</a> |

**Table 3. Documents under consideration by the Board for the reporting period under review (January–June 2022)**

| Meeting body                                       | No. of meetings | Product   | Total documents |
|--|-----------------|---|-----------------|
| Executive Board of the clean development mechanism | 2               | Annotations, annexes (information notes, concept notes, CDM regulatory documentation, etc.), regular reports (financial reports, synthesis reports, key performance indicators, etc.) | 21              |
| CDM Accreditation Panel                            | 1               | Meeting reports (plus electronic consultations) and annexes (information notes and concept notes)   | 5               |
| Methodologies Panel                                | 1               | Meeting report and annexes (standards, tools, methodologies, information notes and concept notes)   | 16              |
| <b>Total</b>                                       |                 |   | <b>42</b>       |

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**Document information**

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| <i>Version</i> | <i>Date</i>    | <i>Description</i>                                      |
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