

**Submission by Egypt on behalf of Arab Group (includes 22 Member States)  
on  
Views on Possible Changes to CDM Modalities and Procedures**

This submission comes as a respond to the invitation made at the 39th session of the Subsidiary Body for Implementation (SBI 39) for Parties to submit their views on proposed changes to the modalities and procedures of the clean development mechanism (CDM) by April 30, 2013. This submission condenses the views of Arab Group on the review of the modalities and procedures for the CDM.

It contains elements for a potential revision of the CDM Modalities and Procedures (CDM M&P) and responds to issues raised in the technical paper prepared by the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat (FCCC/TP/2014/1), as follows:

**a) Simplification of PoA procedures**

- To include a separate section on PoAs into the CDM modalities and procedures that sets out all related issues to PoAs including interalia, key principles, definitions and rules that are specific to PoAs, validation requirements for PoAs, the inclusion of CPAs into a PoA, duration of PoAs and duration of crediting periods of CPAs, etc, and that clarifies the application of other sections in the CDM modalities and procedures to PoAs.
- Develop separate guidance for multi-country PoAs.
- Exempt CPAs using Standardised baselines or micro-scale additionality from DoE inclusion based on a pre-approved inclusion template.
- Remove the size thresholds for CPAs for micro-scale activities.

**b) Simplification of CDM project cycle**

- Exempt CDM projects using Standardised baselines or micro-scale additionality from DoE validation and use a pre-approved registration template.
- Increase the thresholds for small-scale and microscale project activities to a higher value.
- Allow for the DOE approval of the monitoring plan to take place after project registration.

**c) Requirements for the demonstration of additionality**

- Standardized approaches and positive lists can be used to facilitate the demonstration of additionality.

**d) Length of the crediting period**

- Introduce a flexible approach to determining the length of crediting periods. This could be established in individual methodologies, and/or through the use of criteria based on factors such as technology, project type, project scale, barriers, lifetime of equipment, country contexts and others.

**e) Clarification and strengthening of the role of designated national authorities (DNAs)**

- To include separate section on the role and responsibilities of the DNAs covering issuance of LoAs, withdrawal and/or suspension of LoAs, etc.
- Provide guiding tool on monitoring of Sustainable Development co-benefits to be used by DNAs on a voluntary basis.
- Elaborate the key principles in accordance with which DNAs of the Parties involved in a registered CDM project activity or PoA may withdraw or suspend letters of approval for the project activity or PoA.
- Strengthening the capacity of DNAs with regard to Standardized Baselines development.
- Provide that a DNA that wish to do so and on a voluntary basis may undertake the validation function for certain types of project activities and PoAs (e.g. those that are deemed automatically additional) using a checklist, on condition that the DNA is able to satisfy the standards required of DOEs, while also ensuring that the project participants or the coordinating/managing entities can choose whether to use a DNA or a DOE, and the DOE can use the same checklist.
- Provide guiding tool on local stakeholders consultation to be used by DNAs on a voluntary basis.

**f) Enhancing Demand on Certified Emission Reductions (CERs)**

- Allow the use of CERs by non annex I parties that are parties to Kyoto protocol for fulfilling any mitigation actions under any future regime.
- Increased interactions and synergies between CDM and other mechanisms are needed to avoid double counting of emission reductions.