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Item 7 of the provisional agenda
Issues relating to the clean development mechanism

**Annual report of the Executive Board of the clean development
mechanism to the Conference of the Parties serving as the
meeting of the Parties to the Kyoto Protocol**

Part II

Contents

	<i>Page</i>
Annexes	
I. Deliverables of the Executive Board of the clean development mechanism to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session.....	3
II. List of regulatory documents approved and/or revised by the Executive Board of the clean development mechanism.....	8
III. Meetings of the Executive Board of the clean development mechanism, its regulatory bodies, its forums and other workshops in 2011.....	12

Annex I

Deliverables of the Executive Board of the clean development mechanism to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session

Table 1

Deliverables of the Executive Board of the clean development mechanism to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session

<i>Decision 3/ CMP6 paragraph reference</i>	<i>CMP request: Action to be taken by the Executive Board of the clean development mechanism</i>	<i>Status of implementation</i>
3	Make available training and information materials to stakeholders/observer organizations on ongoing improvements/changes to modalities, rules, guidelines and methodologies.	Completed/on-going: learning materials provided; IT-based tools to be part of Learning Management System; interaction with agencies on designing courses: World Bank, UNITAR and UNEP RISOE; training events (designated national authorities, practitioner, methodologies, assessment teams' training, etc.).
4 (a)	Further clarify the application of existing rules regarding the demonstration of additionality for programmes of activities (PoA) and the definition of eligibility criteria for the inclusion of component project activities in a programme of activity.	Completed: the Board adopted the "Standard for demonstration of additionality of GHG emission reductions achieved by a programme of activities" (EB 63, annex 2); and the "Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under a PoA" (EB 63, annex 3).
4 (b)	Simplify the application of programme of activities to activities applying multiple methods and technologies, including for possible city-wide programmes.	Completed: the Board adopted the "Standard for application of multiple CDM methodologies for a programme of activities" (EB 63, annex 4).
12	Ensure that rulings contain explanations of, and the rationale for, the decisions taken and that they include the sources of information used.	Completed/ongoing: improvements to clarity in outcomes of requests for registration/issuance; improved clarity in EB and panel reports.
13	Continue to improve the transparency and consistency of the regulatory framework of the clean development mechanism by continuing to revise its official documentation in order that it complies with the hierarchy of decisions adopted by the Executive Board.	Completed: the Board revised the "Framework for hierarchy of decisions" (EB 61, annex 25); revised structure of agenda (as of EB 63), inclusion of information in catalogue of decisions.
14	Provide greater clarity regarding the timing and implications of the introduction of new rules and decisions.	Completed: assessment of project cycle process undertaken. Partially completed: assessment of methodology consideration process underway (to be finalized at EB 65);

<i>Decision 3/ CMP6 paragraph reference</i>	<i>CMP request: Action to be taken by the Executive Board of the clean development mechanism</i>	<i>Status of implementation</i>
		development of the Validation and verification standard (VVS), Project standard (PS) and the Project cycle procedure (PCP) (to be finalized at EB 65).
15	Adhere to the principle that any decision, guidance, tool and rule shall not be applied retroactively.	Completed: continuously adhering to request.
16	Assess, as necessary, the decision-making processes contained in its current rules of procedure and make recommendations for changes, as appropriate.	Completed: the Board considered the draft revised rules and an analysis of its decision-making process and agreed not to recommend to the CMP to change its rules of procedure (EB 63).
21	Enhance its communications with project participants and stakeholders, including through the establishment of modalities and procedures for direct communication between the Executive Board and project participants in relation to individual projects.	Completed: the Board adopted Modalities and procedures for direct communication with stakeholders (EB 62, annex 15). Partially completed: development of the PCP (to be finalized at EB 65).
22	Develop and implement modalities and procedures with a view to enhancing direct communication with stakeholders and project proponents in relation to issues related to registration, issuance and methodologies work streams	Completed: the Board adopted Modalities and procedures for direct communication with stakeholders (EB 62, annex 15). Partially completed: development of PCP (to be finalized at EB 65).
25	Adopt, taking into consideration the views of stakeholders, and subsequently apply a procedure to address significant deficiencies in validation or verification reports.	Partially completed: development of procedures to address significant deficiencies (to be finalized at EB 65).
29	Continue to monitor the activities of designated operational entities, in particular with regard to the timelines for the validation and verification processes, and to publish a compilation of information on such activities and timelines.	Completed/on-going: continuous DOE performance monitoring (next information to be presented at EB 65).
35	Reduce substantially overall waiting time for consideration of new methodologies.	Completed: backlog removed. Partially completed: assessment of methodology consideration process underway (to be finalized at EB65).
36	Continue to thoroughly assess the environmental integrity of all baseline and monitoring methodologies and methodological tools.	Completed: continuously done – part of methodological development; several methodologies, for large-scale, Small-Scale and Afforestation Reforestation approved by the Board, together with tools.
37	Finalize guidance on the use of the first-of-its-kind barrier and the assessment of common practice.	Completed: the Board adopted Guidelines on additionality of first-of-

<i>Decision 3/ CMP6 paragraph reference</i>	<i>CMP request: Action to be taken by the Executive Board of the clean development mechanism</i>	<i>Status of implementation</i>
		its-kind project activities (EB 63, annex 11) and Guidelines on Common Practice (EB 63, annex 12).
38	Continue to simplify the modalities for demonstrating additionality for project activities up to 5 megawatts that employ renewable energy as their primary technology and for energy efficiency project activities that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year based on experience gained and to expand, as appropriate, their applicability to type III projects that reduce emissions by less than 20,000 tonnes of carbon dioxide equivalent per annum.	Completed: the Board agreed on simplification and expansion.
40	Examine alternative approaches to the demonstration and assessment of additionality.	Completed: through work on standardized baselines; the Board adopted Guidelines on additionality of first-of-its-kind project activities (EB 63, annex 11); positive list of technologies for additionality for SSC project activities.
41	Develop procedures for the use of nationally established grid emission factors as approved by the host country designated national authority.	Completed: the Board adopted the Procedure for submission and consideration of standardized baselines (EB 63, annex 28).
46	Develop standardized baselines in consultation with relevant designated national authorities, prioritizing methodologies that are applicable to least developed countries, small island developing States, Parties with 10 or fewer registered clean development mechanism project activities as of 31 December 2010 and underrepresented project activity types or regions, inter alia, for energy generation in isolated systems, transport and agriculture.	Completed: the Board adopted the Procedure for submission and consideration of standardized baselines (EB 63, annex 28), agreed guidelines for the framework on standardized baseline; procedures and workplan; standardized baselines adopted.
48	Periodically review, as appropriate, the standardized baselines used in the methodologies.	Not yet applicable. Reviews will be conducted after a period of implementation.
49	Explore different financial sources for least developed countries, small island developing States, Parties with 10 or fewer registered clean development mechanism project activities to cover the costs of developing and establishing standardized baselines, including direct resources from the annual budget of the clean development mechanism.	Completed: the Board adopted the Procedure for submission and consideration of standardized baselines (EB 63, annex 28).
52	Report to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session on its work on standardized	Completed: the Board included relevant information in this annual report to the CMP (EB 64).

<i>Decision 3/ CMP6 paragraph reference</i>	<i>CMP request: Action to be taken by the Executive Board of the clean development mechanism</i>	<i>Status of implementation</i>
	baselines.	
55	Continue to seek ways in which to streamline the process for the registration of clean development mechanism project activities and the issuance of certified emission reductions which result in reduction in the waiting time for the project participants.	Completed: assessment of project cycle process undertaken. Partially completed: development of VVS, PS, PCP (to be finalized at EB 65).
56	Revise the procedures for registration to allow the effective date of registration and therefore the possible start date of the crediting period of a clean development mechanism project activity to be the date on which a complete request for registration has been submitted by the designated operational entity where the project activity has been registered automatically.	Completed: the Board adopted the Procedure for requests for registration of proposed CDM project activities (EB 59, annex 12).
57	Take measures to enhance a common understanding between the secretariat and designated operational entity of issues raised in the completeness checks stage and their impact on validation and verification, with a view to maximizing understanding of the validation and verification requirements by designated operational entity and project participants and minimizing rejection rates at the completeness check stage.	Completed: publication of completeness checklists and reasons for rejection of submissions at the completeness check stages; interaction and discussion with stakeholders at various events.
58	Keep under review the completeness checklists in order to ensure they relate to clear reporting requirements in respect of validation and verification.	Completed: checklists kept under review and revised as appropriate.
59	Ensure that editorial errors which will not affect the assessment of compliance with validation and verification requirements do not lead to a determination that the request for registration or issuance is incomplete.	Completed: publication of completeness checklists and reasons for rejection of submissions at the completeness check stages; internal process to ensure incidents do not occur; interaction and discussion with stakeholders at various events.
60	Take the necessary measures to ensure that the average time between the receipt of a submission and the commencement of the completeness check is less than 15 calendar days in 2011, to maintain publicly available information on compliance with this request and to report on progress in this regard to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventh session.	Partially completed: actions taken to increase efficiency of operations (e.g. amount of resources, realignment of resources); on average about 20 calendar days presently being maintained.
62	Enhance its interaction with the Designated National Authorities Forum.	Completed: consultation with DNAs/organization of events; interaction twice a year (communication procedure).

<i>Decision 3/ CMP6 paragraph reference</i>	<i>CMP request: Action to be taken by the Executive Board of the clean development mechanism</i>	<i>Status of implementation</i>
		Partially completed: workplan for consideration at EB 65.
63	Accelerate the development of top-down baseline and monitoring methodologies that are applicable to underrepresented project activity types and regions, including providing support to the development and application of national grid emission factors.	Completed/ongoing: developed top-down methodologies.
68	Support the enhancement of the regional distribution of clean development mechanism project activities by intensifying the provision of focused and targeted support to assist designated national authorities, applicant entities, and project participants in underrepresented regions and countries in cooperation with the designated authorities of such Parties.	Completed: training in CDM project cycle (focus on energy and waste), training and consultation event on standardized baselines, capacity-building event for DNAs and project developers from countries with fewer than 10 projects in the Asia Pacific region; secretariat began direct communication with project developers of projects and programmes located in countries with fewer than 10 projects which have been in validation for more than one year to identify barriers and address issues being faced in project development.
69	Further explore the possibility of including in baseline and monitoring methodologies, as appropriate, a scenario in which future anthropogenic emissions by sources are projected to rise above current levels owing to the specific circumstances of the host Party.	Completed: the Board adopted "Guidelines on the considerations of suppressed demand in CDM methodologies" (EB 62, annex 6); the Board also agreed to a work programme on suppressed demand (EB 63, annex 30).
73	Adopt a management plan which ensures that the resources available are commensurate with the expected demands placed on it and its support structure.	Completed: the Board agreed to a two-year business plan (2011/2012) and a management plan for 2011 (EB 59).

Annex II

List of regulatory documents approved and/or revised by the Executive Board of the clean development mechanism¹

I. Standards²

Table 2
Standards

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
Standard for demonstration of additionality of GHG emission reductions achieved by a programme of activities	Version 01	EB63	Annex 2
Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under a PoA	Version 01	EB63	Annex 3
Standard for application of multiple CDM methodologies for a programme of activities	Version 01	EB63	Annex 4
CDM Accreditation standard for operation entities	Version 03	EB62	Annex 1

II. Procedures

Table 3
Procedures

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
Procedure for submission and consideration of standardized baselines	Version 01	EB63	Annex 28
Procedure for renewal of the crediting period of a registered CDM project activity	Version 06	EB63	Annex 29
Modalities and procedures for direct communication with stakeholders	Version 01	EB62	Annex 15
Term of reference for panels and working groups	Version 01	EB61	Annex 1
Term of reference for panels and working groups	Version 01	EB61	Annex 1
Procedures for review of erroneous inclusion of a CPA	Version 03	EB61	Annex 22
Procedure for requests for registration of proposed CDM project activities	Version 02	EB59	Annex 12
Terms of reference for a registration and issuance team (RIT)	Version 07	EB59	Annex 13
Procedure on performance monitoring of designated operational entities	Version 01.1	EB58	Annex 1

¹ The document types are defined in the “CDM Executive Board decision framework: decision hierarchy, document types and control of documentation issued by the Board”. See: <<http://cdm.unfccc.int/Reference/function/governance.html>>.

² Due to the amount of approved methodological standards, these are available at <<http://cdm.unfccc.int/methodologies/index.html>>.

III. Guidelines

Table 4
Guidelines

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
Guidelines on additionality of first-of-its-kind project activities	Version 01	EB63	Annex 11
Guidelines on common practice	Version 01	EB63	Annex 12
Guidelines for demonstrating additionality of microscale project activities.	Version 03	EB63	Annex 23
Attachment A of appendix B of the Simplified modalities and procedures for small-scale CDM project activities.	Version 08	EB63	Annex 24
Guidelines on application of specified versions of A/R CDM methodologies in verification of registered A/R CDM project activities	Version 01	EB63	Annex 26
Guidelines on accounting of specified types of changes in A/R CDM project activities from the description in registered project design documents	Version 01	EB63	Annex 27
Guidelines on the assessment of investment analysis	Version 05	EB62	Annex 5
Guidelines on the consideration of suppressed demand in CDM methodologies	Version 01	EB62	Annex 6
Guidelines for the establishment of sector specific standardized baselines	Version 01	EB62	Annex 8
Guidelines on the demonstration and assessment of prior consideration of the CDM	Version 04	EB62	Annex 13
General guidelines to SSC CDM methodologies	Version 17	EB61	Annex 21
Guidelines on the assessment of investment analysis	Version 04	EB61	Annex 13
Guidance for the development, revision and consolidation of standards and procedures related to the CDM project cycle	Version 01	EB61	Annex 23
Guidelines for demonstrating additionality of microscale project activities	Version 02	EB60	Annex 25
Guidelines for requesting a review and making decisions and objection regarding review assessments	Version 02	EB59	Annex 14
General guidelines to SSC CDM methodologies	Version 16	EB59	Annex 9
General guidelines to SSC CDM methodologies	Version 15	EB58	Annex 23

IV. Clarifications

Table 5
Clarifications

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
Clarification on the approved methodology AMS-III.C version 13 regarding the requirements for demonstrating comparability of project and baseline vehicles.	Version 01	EB62	Annex 12
Clarifications and guidance relating to the technical assessment	N/A	EB62	Paragraph 48 of

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
of seven submissions from DNAs pertaining to criteria 2 (d) of “Guidelines for the demonstration of additionality of microscale project activities”, as contained in annex 7 of the thirty-second meeting report of the Small-Scale Working Group.			meeting report
ACM0012. Clarification on the approved consolidated methodology ACM0012 version 03.2 regarding CDM project activities that recover waste energy in greenfield facilities.	Version 01	EB61	Annex 5
Clarifications regarding the Procedures for registration of a programme of activities as a single CDM project activity and issuance of certified emission reductions for a programme of activities.	Version 01	EB60	Annex 26
Clarification relating to activities using waste gas for energy generation and using methodology ACM0012.	N/A	EB60	Paragraph 93 of meeting report
Clarification relating to paragraph 4 of the “Procedures for notifying and requesting approval of changes from the project activity as described in the registered PDD”.	N/A	EB59	Paragraph 66 of meeting report
Clarification relating to responses submitted due to the incomplete notification, as per paragraphs 10 and 12 of the “Procedures for request for issuance of CERs”, and for issues raised in the request for review, as per paragraph 9 of the “Procedures for review of requests for issuance of CERs”, that result in changes of amount of emission reductions.	N/A	EB59	Paragraph 68 of meeting report

V. Information notes³

Table 6
Information notes

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
Terms of reference for the policy dialogue on the clean development mechanism	Version 01.0	EB64	Annex 1
Implementation plan for standards for programme of activities	Version 01.0	EB64	Annex 2
Work programme on suppressed demand	Version 01.0	EB63	Annex 30
Work plan of the CDM Accreditation Panel (2011)	Version 02.0	EB63	Annex 25
Status of income and expenditure and human resources to support CDM activities during 2011	Version 01.0	EB62	Annex 26
Tentative schedule of meetings of the EB and its panels and working groups for 2011	Version 06.0	EB 62	Annex 16
Comprehensive report on the status of resources and recruitment for the first quarter of 2011	Version 01.0	EB 61	Annex 24
CDM Executive Board decision framework: Decision hierarchy, document types and control	Version 03.2	EB 61	Annex 25

³ This table contains only the key information notes related to the CMP mandates.

<i>Title</i>	<i>Version</i>	<i>Adopted</i>	<i>Meeting report reference</i>
of documentation issued by the Board			
Work plan for improving format of meeting reports and documentation of the CDM EB and its panels and working groups	Version 01.0	EB 61	Annex 26
Work Plan of the Methodologies Panel (2011)	Version 01.0	EB 60	Annex 06
Work plan of the Afforestation and Reforestation Working Group (2011)	Version 01.0	EB 60	Annex 14
Work plan of the Small Scale Working Group (2011)	Version 01.0	EB 60	Annex 24
Priority areas for the forthcoming revision of the regulatory framework for programme of activities	Version 01.0	EB 60	Annex 27
The CDM Management Plan 2011	Version 01.1	EB 59	Annex 17
The CDM 2 year business plan	Version 01.1	EB 59	Annex 16
Indicative strategic priorities for the EB's workplan for 2011	N/A	EB 58	Annex 24

Annex III

**Meetings of the Executive Board of the clean development mechanism,
its regulatory bodies, its forums and other workshops in 2011**

I. Meetings of the CDM Executive Board and its regulatory bodies

A. Meetings of the Executive Board

Table 7
Executive Board meetings

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
Fifty-ninth	14–18 February 2011	Bonn, Germany
Sixtieth	11–15 April 2011	Bangkok, Thailand
Sixty-first	30 May to 3 June 2011	Bonn, Germany
Sixty-second	11–15 July 2011	Marrakesh, Morocco
Sixty-third	25–29 September 2011	Quito, Ecuador
Sixty-fourth	24–26 October 2011	Bonn, Germany
Sixty-fifth	21–25 November 2011	Durban, South Africa

B. Meetings of the panels and working groups

Table 8
Methodologies Panel (Meth Panel) meetings

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
Meth Panel 48	7–11 March 2011	Bonn, Germany
Meth Panel 49	2–6 May 2011	Bonn, Germany
Meth Panel 50	27 June to 1 July 2011	Bonn, Germany
Meth Panel 51	15–19 August 2011	Bonn, Germany
Meth Panel 52	3–7 October 2011	Bonn, Germany
Meth Panel 53	31 October to 4 November 2011	Bonn, Germany

Table 9
Afforestation and Reforestation Working Group (A/R WG) meetings

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
A/R WG 31	14–16 March	Bonn, Germany
A/R WG 32	9–11 May	Bonn, Germany
A/R WG 33	22–24 August	Bonn, Germany

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
A/R WG 34	10–12 October	Bonn, Germany

Table 10
Small-Scale Working Group (SSC WG) meetings

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
SSC WG 29	11–14 January	Bonn, Germany
SSC WG 30	15–18 March	Bonn, Germany
SSC WG 31	9–12 May	Bonn, Germany
SSC WG 32	21–24 June	Bonn, Germany
SSC WG 33	22–25 August	Bonn, Germany
SSC WG 34	11–14 October	Banjul, The Gambia

Table 11
Accreditation Panel (AP) meetings

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
AP 52	17–20 January	Bonn, Germany
AP 53	14–17 March	Bonn, Germany
AP 54	3–6 May	Bonn, Germany
AP 55	20–23 June	Bonn, Germany
AP 56	23–26 August	Bonn, Germany
AP 57	11–14 October	Bonn, Germany

II. Interaction with forums and stakeholders

Table 12
Designated National Authorities Forum

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
Tenth meeting of the DNA Forum	27–28 November 2010	Cancun, Mexico
Eleventh meeting of the DNA Forum	10–11 March 2011	Bonn, Germany
Training on the CDM project cycle for DNAs from the Asia Pacific and Eastern Europe regions	9–10 March 2011	Bonn, Germany
Training on the CDM project cycle for DNAs from the African region	7–8 July 2011	Marrakesh, Morocco
Regional meeting of the DNA Forum, African region	8–9 July 2011	Marrakesh, Morocco
Regional meeting of the DNA Forum, Asia Pacific Region	5–6 September	Kathmandu, Nepal
Twelfth meeting of the DNA Forum	26–27 November	Durban, South Africa

Table 13
Meetings in which the secretariat facilitated the participation of Designated National Authorities representatives

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
African Carbon Forum (Africa region)	4–6 July 2011	Marrakesh, Morocco
Standardized baselines (Asia Pacific region)	6–7 September 2011	Kathmandu, Nepal
Latin American and Caribbean Carbon Forum (Latin American and Caribbean region)	27–29 September 2011	San José, Costa Rica

Table 14
Designated Operational Entities Forum

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
Validation and Verification Manual (VVM) workshop	18–19 November 2010	Cancun, Mexico
DOE Forum	29 November 2010	Cancun, Mexico
Regional calibration workshop for DOEs/AEs	8–9 June 2011	Pune, India
Regional calibration workshop for DOEs/AEs	15–16 June 2011	Beijing, China

Table 15
Meetings of project participants and other stakeholders

<i>Meeting</i>	<i>Date</i>	<i>Location</i>
Joint Coordination Workshop (JWS)	2–13 March 2011	Bonn, Germany
Practitioners' workshop on the Improvement of CDM Methodologies for Transportation	3 March 2011	Bonn, Germany
Practitioners' workshop on the Standards for baseline scenario identification and baseline emission calculations	4–5 March 2011	Bonn, Germany
Practitioners' workshop on Standards	8–10 June 2011	Bonn, Germany
CDM round table	10 April 2011	Bangkok, Thailand
Workshop on Programme of Activities under the Clean Development Mechanism: challenges and the road ahead	7–8 May 2011	Bonn, Germany
A/R Workshop on the Identification of constraints for the application of approved A/R CDM methodologies	12 May 2011	Bonn, Germany
Integrated Workshop on Project Standard, Validation and Verification Standard, Project Cycle Procedure and Programme of Activities Standards	24–26 August 2011	Bonn, Germany
Standardized Baselines Workshop ^a	4–5 September 2011	Kathmandu, Nepal
Carbon Capture and Storage Workshop ^a	7–8 September 2011	Doha, Qatar

^a Workshops under the Subsidiary Body for Scientific and Technological Advice.