



**Conference of the Parties serving as the meeting
of the Parties to the Kyoto Protocol**
Eleventh session
Paris, 30 November to 11 December 2015

Agenda item 4
Issues relating to the clean development mechanism

Guidance relating to the clean development mechanism

Proposal by the President

Draft decision -/CMP.11

Guidance relating to the clean development mechanism

The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling the provisions of Articles 3 and 12 of the Kyoto Protocol and decision 1/CMP.6,

Cognizant of decision 3/CMP.1 and subsequent guidance provided by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol relating to the clean development mechanism,

I. General

1. *Welcomes* the report for 2014–2015 of the Executive Board of the clean development mechanism (hereinafter referred to as the Executive Board);¹
2. *Commends* the Executive Board for the substantial work undertaken over the past year;
3. *Expresses satisfaction* with the progress of the clean development mechanism of the Kyoto Protocol, which to date has been responsible for:²
 - (a) Over 7,600 project activities being registered in over 95 countries;

¹ FCCC/KP/CMP/2015/5.

² See document FCCC/KP/CMP/2015/5 and the UNFCCC CDM website at <<http://cdm.unfccc.int/>>.



- (b) Over 1,900 component project activities being included in over 280 programmes of activities registered in over 75 countries;
 - (c) Over 1.6 billion certified emission reductions being issued and over USD 300 billion being invested;
 - (d) Over 5.7 million certified emission reductions voluntarily cancelled;
 - (e) Over 32 million certified emission reductions being transferred through the share of proceeds to the Adaptation Fund;
 - (f) Over USD 190 million of revenue for the Adaptation Fund from the sale of certified emission reductions;
 - (g) Seventy-three loans under the clean development mechanism loan scheme being approved and over USD 6 million of total commitment;
 - (h) Twenty-nine sustainable development co-benefit description reports being published using the voluntary sustainable development tool;
4. *Welcomes* the launch of the online platform for voluntary cancellation of certified emission reductions;³
 5. *Requests* the Executive Board and the secretariat to facilitate access to the section concerning sustainable development in the project and programme design documents of the project activities and programmes of activities on the online platform for voluntary cancellation of certified emission reductions referred to in paragraph 4 above;
 6. *Encourages* the Executive Board to continue the simplification process of the clean development mechanism with the aim of further simplifying and streamlining the project cycle, the registration and verification process, the development and approval of standardized baselines, the methodological standards and procedures, and the accreditation procedure;
 7. *Also encourages* the Executive Board to continue exploring options for using the clean development mechanism as a tool for other uses and report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session (November 2016);
 8. *Further encourages* the Executive Board to explore the opportunities for the financing of the clean development mechanism through international climate financing institutions, such as the Green Climate Fund, and report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session;
 9. *Invites* the Executive Board, as part of the implementation of paragraph 8 above, to consider hosting an in-session workshop at the forty-fourth sessions of the subsidiary bodies (May 2016), taking into account paragraph 28 below;

II. Accreditation

10. *Designates* as operational entities those entities that have been accredited, and provisionally designated, as operational entities by the Executive Board to carry out the sector-specific validation functions and/or sector-specific verification functions described in the annex;
11. *Requests* the Executive Board to analyse the need for measures to ensure the continued participation of designated operational entities in the clean development

³ <<https://offset.climateneutralnow.org/>>.

mechanism, in particular in the regions underrepresented in the clean development mechanism, taking into account paragraph 28 below;

III. Baseline and monitoring methodologies

12. *Decides* to allow the submission of a request for the revision of a baseline and monitoring methodology without a draft project or programme design document in cases where the Executive Board considers that the assessment of such a request can be conducted without the project-specific information;

13. *Requests* the Executive Board to implement paragraph 12 above by revising the relevant regulations;

14. *Encourages* the Executive Board to continue the development of digitized project and programme design document forms for clean development mechanism project activities and programmes of activities;

15. *Requests* the Executive Board to develop more cost-effective and context-appropriate approaches for monitoring, reporting and verification with a focus on project activities involving households and communities, addressing, inter alia:

- (a) Procedures to manage data gaps;
- (b) Regionally appropriate calibration requirements;
- (c) The use of sectoral and nationally collected data where appropriate;

16. *Encourages* the Executive Board to continue its work related to the “Application of E- policy in investment analysis for additionality demonstration and selection of baseline scenario”,⁴ and to report back to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session;

17. *Also encourages* the Executive Board to continue assessing methodologies in order to ensure environmental integrity and additionality;

IV. Registration of project activities and programmes and issuance of certified emission reductions

18. *Requests* the Executive Board to develop a stand-alone programme of activity guidance, consisting, inter alia, of a “CDM PoA standard”, a “CDM PoA validation and verification standard” and a “CDM PoA cycle procedure”;

19. *Reiterates* its request to the Executive Board, as contained in decision 4/CMP.10, to consider allowing, as an option, a simplified inclusion process for activities that satisfy microscale thresholds and are considered automatically additional; this option shall allow for inclusion on the basis of a pre-approved standardized inclusion template of component project activities carried out directly by the coordinating/managing entity without prior validation through a designated operational entity;

20. *Requests* the Executive Board to consider developing a standardized registration template using objective criteria for activities that qualify as automatically additional;

⁴ See annex 13 to the annotated agenda of the 79th meeting of the Executive Board. Available at <<http://cdm.unfccc.int/EB/index.html>>.

21. *Encourages* the Executive Board to continue its efforts in communicating the sustainable development co-benefits of clean development mechanism project activities and programmes of activities to the public;
22. *Also encourages* the Executive Board to improve the user-friendliness of the existing sustainable development co-benefits tool;
23. *Requests* the designated operational entity to confirm that the request for issuance of emission reductions is submitted only to the Executive Board;
24. *Also requests* the Executive Board to examine how the information specified in paragraph 12 of appendix D to decision 3/CMP.1 can be best made publicly available, and the implications thereof, and report back on this matter to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its twelfth session;

V. Regional and subregional distribution

25. *Welcomes* the progress made in establishing and operating the regional collaboration centres to promote the clean development mechanism in regions underrepresented in the mechanism and to support stakeholders at the regional and national levels;
26. *Requests* the Executive Board to expand, taking into account paragraph 28 below, the scope and scale of regional collaboration centres' assistance activities in developing countries by exploring the emerging technical and methodological areas in the context of the clean development mechanism where specific assistance is identified as needed by the countries underrepresented in the mechanism;

VI. Resources for work on the clean development mechanism

27. *Expresses* its appreciation to the secretariat for having ensured the prudent management of its resources and deep gratitude to the staff that have left the secretariat for their enormous contribution to the clean development mechanism;
28. *Requests* the Executive Board to ensure the transparent and prudent management of the resources of the clean development mechanism, including the spending for those serving on the Executive Board.

Annex

Designation of operational entities by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session

<i>Name of entity^a</i>	<i>Designated sectoral scopes (validation and verification)</i>
Carbon Check (India) Private Ltd. (Carbon Check) (formerly Carbon Check (Pty) Ltd.) ^b	1–5, 8–10, 13 and 14
China Building Material Test and Certification Group Co., Ltd. (CTC) ^c	1–4, 6, 9, 10 and 13
China Certification Center, Inc. (CCCI) ^c	1–15
China Classification Society Certification Company (CCSC) ^d	1–10 and 13
GHD Limited (GHD) (formerly Conestoga Rovers & Associates Limited) ^b	1, 4, 5, 8–10, 12 and 13
Hong Kong Quality Assurance Agency (HKQAA) ^d	1
KBS Certification Services Pvt. Ltd. (KBS) ^d	1, 3–5, 7, 9, 10, 12, 13 and 15

^a This table does not include entities for which accreditation has been withdrawn for some or all sectoral scopes.

^b Transfer of accreditation from another legal entity.

^c Initial accreditation granted for five years.

^d Reaccreditation granted for five years.