

DRAFT TEXT
on
CMP 20 agenda item 5
Matters relating to the clean development mechanism
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[Draft decision -/CMP.20

I. Guidance relating to the clean development mechanism

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

Recalling Articles 3 and 12 of the Kyoto Protocol,

Also recalling that participation in a clean development mechanism project activity is voluntary,¹

Further recalling 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,

Acknowledging the contribution to global efforts to address climate change of the clean development mechanism, which, as at xx November 2025, was responsible for xx² project activities being registered, xx³ programmes of activities being registered and more than xxx million certified emission reductions being issued, of which more than xx million had been voluntarily cancelled either in national registries or in the clean development mechanism registry, {Paragraph and associated footnotes to be updated later}

Cognizant of decisions 2/CMP.17, 1/CMP.18 and 1/CMP.19 and their annexes,

1. *Welcomes the 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 for 2025;⁴*

2. *Takes note of the work undertaken by the Executive Board, its panels and the secretariat in overseeing the implementation of the clean development mechanism and maintaining stakeholder engagement in its operations;*

3. *Also takes note of the status of funds available in the trust fund for the clean development mechanism and the assessment of the costs and available resources associated with the different end dates as per paragraph 5 and 6 below;*

4. *Designates as operational entities those entities that have been accredited and provisionally designated as such by the Executive Board to carry out sectoral scope-specific validation and/or verification functions as set out in the annex {Paragraph and associated annex to be added later};*

¹ As per decision 3/CMP.1, para. 28.

² The total number of project activities registered as at xx November 2025 was xx, of which xx had been deregistered. Additionally, xx project activities were recorded as provisional with a crediting period starting on or after 1 January 2021.

³ The total number of programmes of activities registered as at xx November 2025 was xx; additionally, xx programmes of activities were recorded as provisional with a programme of activity period starting on or after 1 January 2021.

⁴ FCCC/KP/CMP/2025/2

II. Functioning of the clean development mechanism beyond the end of the second commitment period of the Kyoto Protocol

5. *Decides* that the following operations and processes under the clean development mechanism (CDM) shall be discontinued as of the following end dates:

Issuance, transfer and cancellation of CERs:

(a) For submitting requests for issuance of certified emission reductions for CDM project activities or programmes of activities: [30 June 2026] [31 December [2026] [2027]];

(b) For submitting requests for transfer of certified emission reductions to the registry for the mechanism established by Article 6, paragraph 4, of the Paris Agreement pursuant to paragraph 18 of annex I to decision 7/CMA.4: [31 December 2026] [30 June 2027] [31 December 2027] [31 December 2028];

(c) For cancelling certified emission reductions and any other transactions in the CDM registry: [31 December 2026] [30 June 2027] [31 December 2027] [31 December 2028];

Post-registration changes:

(d) For submitting requests for approval of post-registration changes: [30 June 2026] [31 December [2026] [2027]];

Approval of and revisions to, and issues related to, methodologies and methodological tools:

(e) For submitting proposals for new CDM methodologies and requests for revisions to CDM methodologies and methodological tools under the bottom-up process in accordance with the relevant procedures: [with immediate effect] [31 December [2025] [2026]];

(f) For submitting requests for approval of and revisions to CDM methodologies and methodological tools under the top-down process in accordance with the relevant procedures: [with immediate effect] [the earlier of 31 December [2025] [2026] [2027] or the approval by the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement of a methodology or methodological tool covering the same scope];

(g) For submitting requests for clarification of approved CDM methodologies and methodological tools: 31 December [2025] [2026] [2027];

(h) For submissions from DNAs on automatic additionality of microscale technologies, and for recognition of a special underdeveloped zone: [with immediate effect] [31 December [2025] [2026]];

(i) For submissions from DNAs on changes to the definition of forest: [with immediate effect] [31 December [2025] [2026]];

Accreditation of designated operational entities:

(j) For submitting requests pertaining to the initial accreditation and reaccreditation of designated operational entities: [with immediate effect] [31 December [2025] [2026]];

Stakeholder interactions:

(k) For maintaining stakeholder interactions related to the operations, processes and institutions under the CDM referred to in paragraph 55 (a–j) above: to continue for as long as those operations and processes continue;

6. *Requests* the Executive Board of the clean development mechanism to:

(a) Cease operations related to designated operational entities accreditation, including regular surveillance, spot checks and performance monitoring, as of 31 December [2026] [2027] [2028];

(b) Allow DOEs accredited under the mechanism established by Article 6, paragraph 4, of the Paris Agreement to perform validation and verification functions under the CDM, if necessary;

(c) Cease the operations of its panels and working groups [with the final meeting of the panels and working groups to take place in 2026] [as soon as their functions are no longer required in accordance with the end dates set out in paragraph 5 (e–g) and (j) above];

(d) Report, in its annual reports to the CMP, on arrangements made in relation to the end dates set out in paragraph 5 above;

(e) Reduce the number of its meetings to one or two per year, conduct those meetings virtually and adjust its budget allocated to conducting the meetings accordingly;

(f) Hold its final meeting once all operations and processes have been discontinued as set out in paragraph 5 above;

7. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement to delegate to the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement the responsibility for maintaining all stakeholder interactions related to the clean development mechanism, and *requests* the Supervisory Body to continue such interactions for two years following the discontinuation of all the operations and processes under the CDM as set out in paragraph 5 above;

8. *Also requests*:

(a) The administrator of the CDM registry to:

(i) Administratively cancel on [1 July 2027] [1 January 2028] [1 January 2029] any certified emission reductions for which no share of proceeds to cover administrative expenses has been paid and that are remaining in pending accounts in the CDM registry;

(ii) Disconnect the CDM registry from the international transaction log while maintaining the functions of issuance and cancellation in the CDM registry by no later than [31 December 2025] [1 July 2026] [2027] [2028] [one year after transactions have commenced in the registry for the mechanism established by Article 6, paragraph 4, of the Paris Agreement]];

(iii) Stop operating the CDM registry once the relevant operations and processes referred to in paragraph 5 (a–c) above have been discontinued;

(iv) Make arrangements for safeguarding the data from the CDM registry for at least 15 years after the end of its operation;

(b) The CDM Executive Board to notify CDM project participants, designated operational entities, designated national authorities, owners of certified emission reductions and other stakeholders of the end dates referred to in paragraphs 5–6 above as soon as possible;

(c) The secretariat to make arrangements for safeguarding regulatory documents and information pertaining to CDM project activities and programmes of activities for at least 15 years after the final meeting of the CDM Executive Board, as referred to in paragraph 6 (f) above;

III. Management of financial resources

9. *Recalls* its request⁵ to the CDM Executive Board and the secretariat to ensure the efficient and prudent use of resources from the trust fund for the clean development mechanism;
10. *Requests* the CDM Executive Board to review and reduce its expenditure [consistently with the provisions and end dates set out in to in paragraphs 5–6 above] [to X million for 2026 and Y million for 2027];
11. *Also requests* the secretariat, following the final meeting of the CDM Executive Board, as referred to in paragraph 6 (f) above, to report to the CMP on the arrangements made for the closure of the CDM, including for the resources remaining in the trust fund for the clean development mechanism, for consideration by the CMP at its relevant session;
12. *Decides* to authorize a transfer of USD [xx] million from the trust fund for the clean development mechanism to the Adaptation Fund;
13. *Also decides* to authorize a transfer of USD [xx] million from the trust fund for the clean development mechanism to the trust fund for supplementary activities for capacity-building-related activities under Article 6 of the Paris Agreement to support developing countries for applying the Article 6, paragraph 4, mechanism;
14. *Further decides* to authorize a transfer of USD [xx] million from the trust fund for the clean development mechanism to the trust fund for the mechanism established by Article 6, paragraph 4, of the Paris Agreement, to be considered as a loan to be repaid after the mechanism has become self-financing;
15. *Strongly encourages* the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement to allocate the amount equivalent to that transferred to the trust fund for the mechanism established by Article 6, paragraph 4, of the Paris Agreement referred to in paragraph 14 above¹⁴ to the Adaptation Fund after the mechanism has become self-financing.

{Text related to ITL from SBSTA 62 draft conclusions will be covered under the SBI agenda item for ITL}

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⁵ Decision 2/CMP.17, para. 13.

Annex

Entities accredited and provisionally designated by the Executive Board of the clean development mechanism

[English only]