

DNA approval and authorization in CDM

RCC Bangkok

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UNFCCC Secretariat

Mitigation Division

Outline

- The Modalities of Communication (MOC) process
- Role of DNA - letters of approval of authorization
- Issues from the practice
- Procedure for LoA withdrawal



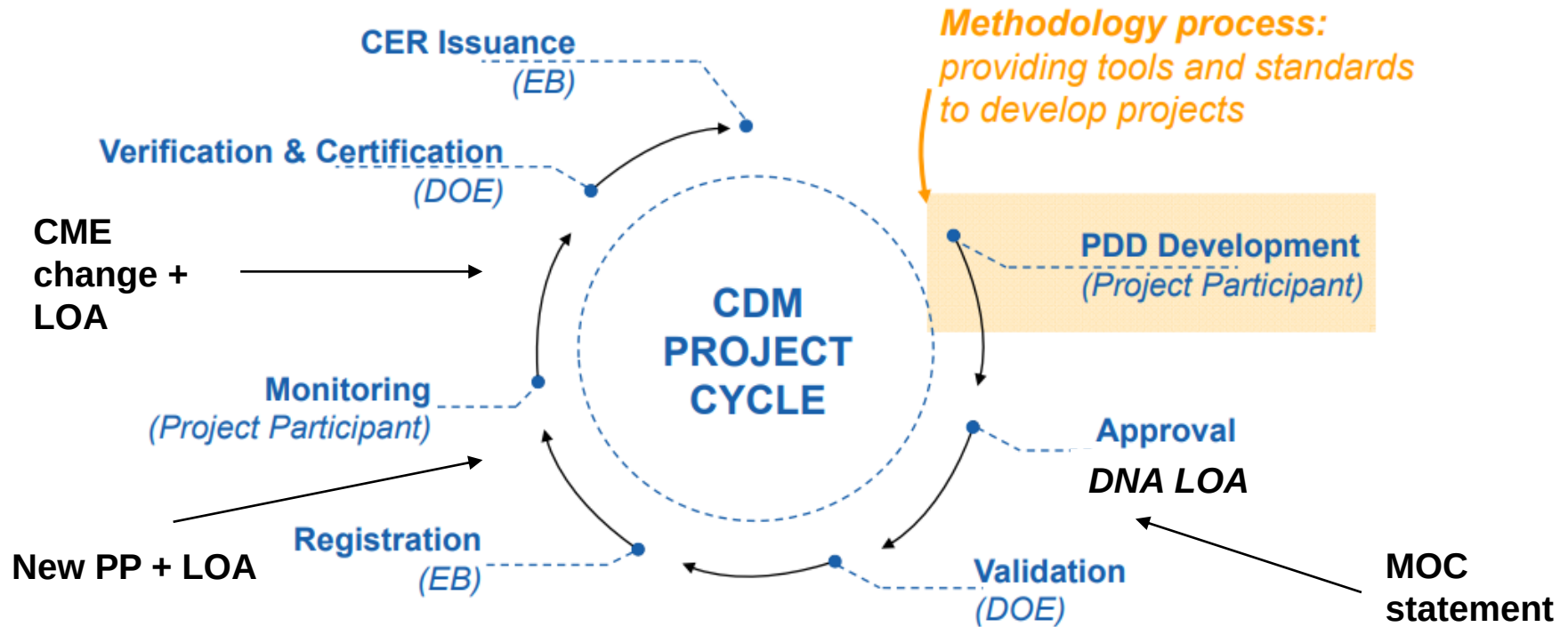
The MOC process

- The MOC governs the communications between CDM activities and the CDM EB and its structures
- For a CDM activity, it carries the information of WHO are:
 - The project participants (PPs) with **DNA authorization**
 - The focal points (FPs) that communicate on behalf of PPs
 - For PoA – the coordinating/managing entity (CME) with **DNA authorization**
- MOC statement is agreed by all (current) PPs. It's a form that also captures names of representatives, contact details and signatures. FPs have:
 - 3 scopes of authorities ((a)*CERs*/(b)*MOC*/(c)*all other matters*)
 - 3 types or roles (*sole/shared/joint*)



MOC in the CDM activity lifecycle

MOC runs in the course of the activity cycle and may require regular updates → PPs may join/exit/change names at any time



Post-registration, LoAs are submitted with MOC change requests



The MOC statement

 Modalities of Communication Statement (Version 03.0)			
Date of submission:		25/02/2013	
SECTION 1: CDM PROJECT/PROGRAMME OF ACTIVITIES DETAILS			
Title of the project/programme of activities:		GHG abatement through Solar Power Generation at Jaisalmer, Rajasthan, India	
Project/programme of activities reference number: (if available)		7461	
SECTION 2: NOMINATION OF FOCAL POINT ENTITY/IES			
Notes: Sole Focal Point authority - An authorized signatory of <u>ONLY</u> the entity listed below is required to sign for communication related to the corresponding scope of authority. Shared Focal Point authority - An authorized signatory <u>ANY</u> of the entities listed below is required to sign for communication related to the corresponding scope of authority. Joint Focal Point authority - Authorized signatories of <u>ALL</u> entities listed below are required to sign for communication related to the corresponding scope of authority.			
Name of entity: M/s Precision Technik Private Limited (PTPL)			
Address: 9, Vivekananda Road, West Bengal, 700007 Kolkata India			
This entity is nominated as a focal point with the authority to:		Sole	Shared
(a) Communicate in relation to requests for forwarding of CER		X	
(b) Communicate in relation to requests for addition and/or voluntary withdrawal of project participants and focal points, as well as changes to company names, legal status, contact details and specimen signatures		X	
(c) Communicate on all other project or programme related matters not covered by (a) or (b) above		X	
Contact details (primary authorized signatory):		Mr. ☒ Ms. ☐	
Last name: Sonthalia		Telephone 1:	
First name: Prateek		Telephone 2 (optional):	
Email:		Fax (optional):	
Specimen signature:		Date (dd/mm/yyyy):	

CDM-MOC-FORM: ANNEX 2

This annex is to be used by the focal point(s) for scope of authority (b) or by the submitting project participant when applicable, to request changes to project participant status and contact details of focal points following project/programme registration.

Date of submission:		23/10/2018	
SECTION 1: CDM PROJECT/PROGRAMME OF ACTIVITIES DETAILS			
Title of the project / programme of activities:		GHG abatement through Solar Power Generation at Jaisalmer, Rajasthan, India	
Project / programme of activities reference number:		7461	
SECTION 2: ADDITION/CHANGE OF LEGAL NAME OF A PROJECT PARTICIPANT ENTITY/IES			
☒ Add project participant entity ☐ Change legal name of project participant entity (if selected, indicate former name below) The following entity is hereby added as a project participant or is newly named in respect of the above CDM project / programme of activities. By providing a specimen signature below, the project participant confirms its acceptance of the current modalities of communication.			
Name of entity: EKI Energy Services Ltd.			
Address: Office no. 201, Plot 48, Scheme 78 part 2, Vijay Nagar, Near Brilliant Convention Centre 452010 Indore India			
Party (country authorizing participation): Australia			
End-date of participation:		☒ N/A (participation is not limited in time) ☐ dd/mm/yyyy	
Contact details (primary authorized signatory):		Mr. ☒ Ms. ☐	
Last name: Sharma		Telephone 1:	
First name: Naveen		Telephone 2 (optional):	
Email:		Fax (optional):	
Specimen signature:		Date (dd/mm/yyyy):	
Signature(s) of the focal point for scope of authority (b)			
Name of authorized signatory:		Signature	Date: dd/mm/yyyy

LoAs are submitted with the MOC statement (CME change) or with MOC Annex 2 (addition or change of name of PP)



DNA approval and authorization

DNA LOAs - fundamental for implementation with dual purpose:

- **Approves** an activity to take place (Host Party) or enter the Kyoto accounting (Annex I Party)
 - **Authorizes** entity participation (project participants) and PoA CME (coordinating/managing entity)
-
- EB16 merged the process of approval and authorizations
 - No agreed LoA format – must include essential elements
 - ***What we are looking at is the content of the LoA***



DNA approval and authorization

- **Approval** may relate to:
 - Statement of approval – KP, voluntary, SD (*projects/PoA*)
 - Expand the geographical coverage (*PoA*)
 - Include additional host Parties (*PoA*)
- **Authorization** may relate to:
 - New PPs or change of name of PPs (*projects/PoA*)
 - Authorization or change of CME or change of name of CME (*PoA*)

CDM activates and PPs are highly reliant on DNA action on any of the above elements, all critical for implementation with potential time/cost implications of delays



Issues from the LoA practice

- Letters confirming change of name of PP or CME
- Various conditions included in LoAs
- PPs not explicitly authorized to participate in a PoA
- CME not explicitly authorized to coordinate a PoA by each host Party involved
- Change of CME in multi-host Party PoA does not receive timely authorization → **blocks PoA implementation in all countries**
- Disputes or exiting PPs (buyers) not handing back FP rights - the secretariat facilitates resolutions on a case-by-case basis

Please inform us promptly of changes to the DNA representatives and respective contacts



Withdrawal of LoA

- At EB 76, the Board adopted the “Process for dealing with letters from DNAs that withdraw approval/authorization” (*published on the CDM website*)
- Host Party approval withdrawal effectively stops the implementation of the activity under CDM and de-authorizes PPs
- Annex I Party withdrawal affects authorized PPs
- If the host Party withdraws LoA => the activity enters a 3-year administration period to wind down operations under CDM

Action	Activity ends	Participation ends
Host Party withdrawal	Yes	Yes
Annex I Party withdrawal	No	Yes



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or

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