Summary of the work of the constituted bodies during the first half of 2021

input to the

Informal Dialogue with the constituted bodies

Convened by the Presidencies and the Chairs of the Subsidiary Bodies Tuesday, June 15, 2021 09:00 – 10:30 CEST

Name of constituted body: Executive Board of the Clean Development Mechanism (CDM EB)

Relevant links on the UNFCCC website:

- Constituted Body Page: <u>https://cdm.unfccc.int/EB/index.html</u>
- Workplan:
 - Approved at EB 109: <u>https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20210312135758223/Info_note93.pdf</u>
 - Updated at EB 110: <u>https://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-</u> 20210503184645556/EB110_propan02_CDM%20EB%20workplan%202021.pdf
- Recent reports of the constituted body to the relevant governing and/or subsidiary body:
 - 2019: <u>Annual report of the CDM EB to the CMP</u> (FCCC/KP/CMP/2019/3, published on 7 October 2019)
 - 2020: <u>Annual report of the CDM EB to CMP</u> (FCCC/KP/CMP/2020/1, published on 8 April 2021)
 - 2021: Annual report of the CDM EB to CMP (forthcoming)
 - All previous versions of the Annual report to CMP: <u>https://cdm.unfccc.int/Reference/EB_CMP_rep/index.html</u>

Last meeting: EB 110 – 17 to 27 May 2021, Virtually

Next meeting: EB 111 – 30 August to 9 September 2021, Virtually

Highlights of work undertaken in the first half of 2021:

Governance and management matters

- The activities of the CDM continued. The CDM EB and its panels held meetings virtually due to the continued global travel restrictions resulting from the COVID-19 pandemic. The Board held two virtual meetings, EB 109 (1 to 11 March) and EB 110 (17 to 27 May), during the first half of 2021. Similarly, two of its technical panels held one meeting each virtually. All CDM EB meeting documents are available on its meeting page (https://cdm.unfccc.int/EB/index.html).
- The Board at EB 109, elected Mr. Olivier Kassi and Mr. Omar Alcock as its Chair and Vice-Chair, respectively.
- The CDM EB also approved the annual workplan of the Board and its panels, and appointed chairs and vice-chairs of its panels and working groups, as well as members as evaluators for the CDM Registration and Issuance Team (RIT). At EB 110, the Board extended the term of service of the current members of its panels, working groups and RIT, which were originally appointed by the Board at its103rd meeting, to 31 December 2022.
- The Board, at EB 109, agreed to the calendar of meetings for 2021, and further revised the calendar at EB 110, deciding that meetings in September 2021 will continue to be held virtually.

- The Board agreed to its annual report to the CMP for the period from 13 September 2019 to 14 December 2020, which was published on 8 April 2021. The next annual report covering the period (15 December 2020 to 9 September 2021) will be considered at EB 111 and will be published before CMP 16.

Implications of the postponement of the CMP 16 for the operations of the CDM

- The CDM EB at its 109th meeting adopted a clarification on the application of the temporary measures for the operations of the CDM after the second commitment period of the Kyoto Protocol, pending CMP guidance at CMP 16. This work provides regulatory clarifications with regard to the Board's agreement at EB 108 on how to handle post-2020 cases (EB 108 meeting report, paragraph 7-8). Based on this, the Board is implementing the temporary measures and awaits clear guidance from the CMP at CMP 16 on this matter.
- With regard to afforestation and reforestation (A/R) activities, the Board decided to include in a recommendation to the CMP, that guidance from the CMP would be required.
- The Board, at EB 110, considered the options regarding the CDM registry to enable the issuance of certified emission reductions (CERs) with respect to emission reductions occurring after the end of the second commitment period for voluntary cancellation purposes, but could not find consensus on the matter. The Board agreed to reflect its discussion and the lack of outcome thereof in its annual report to the CMP.

Rulings

- As at 27 May 2021:
 - o 7,854 CDM project activities have been registered;
 - 349 programme of activities (PoAs) have been registered, and under these PoAs, 2,735 component project activities have been included;
 - 2,092,060,842 CERs have been issued for CDM project activities and 38,506,732 CERs have been issued for PoAs;
 - 76,829,488 CERs have been voluntarily cancelled, out of these, 3,161,066 CERs were voluntarily cancelled using the online platform for voluntary cancellation of CERs.

Responses by the Board related to COVID-19

The Board, at EB 110, agreed to further extend the period in which DOEs may apply alternative measures of validation/verification to mandatory on-site inspections until 31 December 2021. The Board had, earlier on 20 March 2020, agreed to the temporary deviation from requirements regarding onsite inspections by DOEs, due to travel restrictions caused by the COVID-19 pandemic (CDM EB 106 meeting report, paragraph 26) and had extended these alternative measures.

Regulatory matters

- The Board approved revisions to the standard on sampling and surveys, five large-scale and small-scale methodologies, and one methodological tool.
- The Board approved two new and two updated standardized baselines for the power sectors and one updated standardized baseline for the waste sector.
- The Board agreed to the concepts and future works related to:
 - Overview of the CDM regulatory development: how the CDM regulations have changed over the years since and lessons learned;
 - Survey to project participants on the status of their CDM activities;
 - o Impacts of the use of the digitized methodology ACM0002 on the regulatory framework.

Improving regional distribution of project activities under the CDM

- The UNFCCC Regional Collaboration Centers (RCCs) continue to support the CDM by providing direct technical support to more than 100 projects of which approximately a third were from underrepresented countries.
- In addition, direct technical assistance has been provided to Designated National Authorities (DNAs) for the development of standardized baselines during the period (5 new standardized baselines) and actively supporting more than 20 standardized baselines initiated in previous years. A notable result in this period has been the approval of the West Africa Power Pool standardized baseline.

Interaction with forums and stakeholders

- The Board and its support structure continued their work with CDM stakeholders, including with DNAs through the DNA Forum and interaction with the DNA Forum co-chairs at EB 110; with designated operational entities (DOEs) through interaction with the Chair of the DOE/Accredited Independent Entity Coordination Forum at EB 109 and 110; and with the CDM Accreditation Panel at its 88th meeting. The following additional activities were undertaken, as at 27 May 2021:
 - \circ 53rd DOE conference call held on 9 February 2021 via video conference.
 - o 54th DOE conference call held on 1 April 2021 via video conference;
 - Latin America and the Caribbean Climate Week 2021 virtual conference held from 11 to 14 May 2021.