

Framework Convention on Climate Change

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

Nineteenth session

Baku, 11–22 November 2024 Item 5 of the provisional agenda

Matters 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

Addendum

Summary

This report covers the work of the Executive Board of the clean development mechanism in the reporting period from 1 September 2024 to 7 November 2024, including its 123rd meeting. During this period, the Executive Board continued the temporary measures for the operation of the clean development mechanism after the second commitment period, following the guidance of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its seventeenth session, and, with the clarity provided at that session on the functioning of the clean development mechanism after the second commitment period, the work will continue.



I. Introduction

A. Mandate

1. In accordance with the clean development mechanism (CDM) modalities and procedures, the CDM Executive Board reports on its activities at each session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP). In exercising its authority over the CDM, the CMP reviews such reports, provides guidance and takes decisions, as appropriate.

B. Scope of the report

- 2. The annual report of the Executive Board³ provides information on progress in implementing the CDM between 28 September 2023 and 31 August 2024 and includes recommendations for consideration at CMP 19. It describes the status of the CDM, highlights achievements related to its operation and provides information on its governance, management and financial status.
- 3. This addendum covers the period from 1 September 2024 to 7 November 2024, which includes the 123rd meeting of the Board and includes recommendations for consideration at CMP 19. For consistency with previous reports, data related to project activities, programmes of activities and certified emission reductions cover 1 September 2023 to 31 August 2024 and have not been updated for this addendum.
- 4. Only the sections for which new information was available on the area of work were updated. Sections that are no different from document FCCC/KP/CMP/2024/3 are indicated as "no change".
- 5. Further information is available on the CDM web pages,⁴ the central repository for all reports and other documentation relating to the CDM and the Board.

C. Possible action by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

6. In taking note of this report, the CMP may wish to take note of the work undertaken by the Executive Board during the reporting period, including in response to requests from CMP 17 and 18, in addition to taking the actions identified in document FCCC/KP/CMP/2024/3.

II. Status of the clean development mechanism

A. Clean development mechanism in numbers

7. No change.

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

8. The Board responded to the mandate in paragraph 11 of decision 2/CMP.17 by adopting the procedure for submission of requests for the transfer of certified emission reductions from the CDM registry in accordance with the above-mentioned mandate.⁵

¹ Decision <u>3/CMP.1</u>, annex.

² Decision <u>3/CMP.1</u>, annex, para. 5(c).

³ FCCC/KP/CMP/2024/3.

⁴ http://cdm.unfccc.int/.

⁵ See <u>CDM-EB123-A03-PROC</u>.

III. Work in the reporting period

9. This chapter describes the work of the Executive Board during the reporting period.

A. Rulings

1. Accreditation

10. The Board accredited one new applicant entity, reaccredited three existing designated operational entities (DOEs) for five years and extended the accreditation of two DOEs until 30 April 2025. Further, the Board noted the accreditation of two DOEs was voluntarily withdrawn by the entities in question. The number of DOEs accredited for validation and verification of projects and certification of emission reductions as at 7 November 2024 had decreased slightly, from 29 to 28, since the previous reporting period.

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

No change.

3. Share of proceeds

12. No change.

B. Regulatory matters

1. Online platform for voluntary cancellation of certified emission reductions

13. No change.

2. Accreditation system

14. No change.

3. Methodological standards

15. The Board adopted as major revisions the methodology "AMS-I.I.: Biogas/biomass thermal applications for households/small users" and the tool "TOOL14: Project and leakage emissions from anaerobic digesters".

4. Sustainable development tool

16. No change.

C. Stakeholders matters

1. Direct communication with stakeholders

17. No change.

2. Support for designated national authorities

18. The Board responded to the mandate in paragraphs 4–6 of decision 1/CMP.18 for addressing the issue of non-responsive designated national authorities (DNAs) communicated by project participants by sending a written communication to the UNFCCC national focal points of Parties to the Kyoto Protocol enquiring about the status of their DNAs. In the event of no response from the focal points, the Board contacted through the secretariat the heads of delegation of the Parties concerned. As a result of these interactions, all non-responsive DNAs were confirmed as operational at the 123rd meeting of the Board. The Board furthermore requested the secretariat to follow an approach similar to this for future requests, as required.

3. Nairobi Framework Partnership

19. No change.

4. Regional collaboration centres

20. No change.

D. Governance and management matters

1. Membership of the Executive Board

21. No change.

2. Election of the Chair and the Vice-Chair of the Board

22. No change.

3. Meetings of the Executive Board

23. The Executive Board held one meeting, its 123rd meeting, which took place in Baku from 6 to 7 November 2024. The annotated agenda for the meeting, documentation supporting agenda items and meeting report containing all agreements adopted by the Board are available on the CDM web pages.⁶

4. Meetings of the panels and working groups

24. The CDM Accreditation Panel and Methodologies Panel each met once. The Accreditation Panel held its 99th meeting in Bonn from 17 to 18 September 2024, while the Methodologies Panel held its 95th meeting virtually from 30 September to 2 October 2024. The annotated agendas for the meetings, documentation supporting agenda items and meeting reports are available on the CDM web pages.⁷

5. Interaction with forums and stakeholders

25. No change.

6. Financial status of the clean development mechanism

26. No change.

E. Recommendations for the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol

27. The Board recommends that the CMP take note of the work undertaken by the Board during the reporting period, including in response to the requests from CMP 17 and 18, in addition to taking the actions identified in document FCCC/KP/CMP/2024/3.

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⁶ http://cdm.unfccc.int/EB/index.html.

⁷ https://cdm.unfccc.int/Panels/index.html.