

Agenda item 3 e

Paragraph 35 of the annotated agenda, Annex 5

STREAMLINING THE AUTHORIZATION PROCESS

CDM EB 62

Marrakesh, Morocco, 11-15 July 2011



Background/Problem Statement

- There is a lack of clarity/consistency on the terms project participants in the range of CDM decisions (CMP and EB).
- “Project participants” are expected to engage in an increasing range of activities and the complexity of these interactions are not accommodated by the current process
- Examples:
 - a) Submission of methodologies
 - b) Notification or prior consideration
 - c) Contracts with DOEs
 - d) Adding/removing PPS to registered projects

Current requirements and implementation

- Article 12 of the Protocol and the CDM M&P suggest that entities may be authorized to participate in the mechanism and that only approval is a project level requirement
- Decisions of the Board have made the authorization process project specific

Possible solution

- Recommendation: Allow DNAs to authorize a public or private entity to participate in the mechanism as a whole rather than tied to a specific project
 - Implementation:
 - a) Registration of a public or private entity with the UNFCCC secretariat; this entity would then be recorded by the secretariat provided with a unique identifier and authorized focal points for the entity would be managed by the UNFCCC secretariat,
 - b) Authorization of such entities by Parties to participate in the clean development mechanism; this would require a letter of authorization from a DNA
 - c) Addition or removal of entities from CDM project activities in accordance with established modalities of communication for the project activity
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Expected from the Board

- The Board may wish to launch a call for inputs requesting DNAs and stakeholders to comment on the following questions:
 - a) Should the requirement for individual approval of CDM project activities by Annex I Parties be maintained or should this be replaced by a general approval of voluntary participation in the mechanism by the DNA;
 - b) Can the authorization of entities by DNAs be provided for the full mechanism rather than for individual project activities.
- The Board may further wish to request the secretariat to reflect the revised processes and inputs from the public call in the ongoing preparation of a project standard and consolidated project cycle procedures.