

Agenda item 4.1.

Paragraph 20 of the annotated agenda, Annex 4

Revision of CDM project standards, validation and verification standards, and project cycle procedures

CDM EB 100

Bangkok, Thailand, 27 to 31 August 2018



Procedural background

- At EB 93, based on the request from the CMP11, the Board adopted:
 - a) CDM project standard for project activities (**PS-PA**);
 - b) CDM validation and verification standard for project activities (**VVS-PA**);
 - c) CDM project cycle procedure for project activities (**PCP-PA**);
 - d) CDM project standard for programmes of activities (**PS-PoA**);
 - e) CDM validation and verification standard for programmes of activities (**VVS-PoA**);
 - f) CDM project cycle procedure for programmes of activities (**PCP-PoA**).
- Since the adoption of the two sets of the PS, VVS and PCP, the Board has considered several issues relating to the current CDM rules and agreed to change them in the next revision.
- The Board, through its workplan 2018, decided to revise the PSs, VVSs and PCPs to incorporate amendments, clarifications, structural improvements and revisions earlier agreed to by the Board.



Purpose

- The purpose of the revision of the two sets of the PS, VVS and PCP is to reflect the changes agreed by the Board, as well as correct errors and inconsistencies found in the current versions.



Main changes from the previous versions

a) Incorporate issued amendments:

- ✓ “Amendments to version 01.0 of the CDM project cycle procedure for project activities” (EB 96);
- ✓ “Amendments to version 01.0 of the CDM project cycle procedure for programmes of activities” (EB 96);
- ✓ “Amendment to version 01.0 of the CDM validation and verification standard for programmes of activities” (EB 98);

b) Reflect changes agreed by the Board:

- ✓ Increase in the capacity and types of changes to the technologies/measures that may be allowed as post-registration changes (EB 99 report, paras. 22–23);
- ✓ Consequences of “gap period” in the PoA period renewal process (EB 99 report, para. 24(b)); *further expanded to no-renewal of the crediting period of included CPAs during the gap period



Main changes from the previous versions

c) Other substantive changes proposed by the secretariat:

1. Correction of errors

- Delete the requirement limiting the types of small-scale A/R activities.
- Insert specific rule on the start date of the crediting period for small-scale A/R project activities/CPAs.
- Delete temporary deviation from a list of PRCs at the PoA level.
- Delete approval by the Board for a temporary deviation from the registered monitoring plan for a CPA.
- Clarify that it is the modalities and “how to” that need to be updated in the PoA-DD when renewing the PoA period.
- Clarify that the requirements to demonstrate prior consideration of the CDM are only applicable for project activities with a start date before 2 August 2008.



Main changes from the previous versions

c) Other substantive changes proposed by the secretariat:

1. Correction of errors (cont.)

- Delete references to conditions for mandatory on-site inspection for CPAs in the provisions relating to the validation of a PoA.
- Delete requirement to include a statement on the validation of the expected emission reductions/removals for a PoA.
- Clarify that a temporary deviation from the registered monitoring plan shall be described in the monitoring report, not in the revised PDD/CPA-DD.



Main changes from the previous versions

c) Other substantive changes proposed by the secretariat:

2. Restructuring and improvement of consistency

- Require the PPs to confirm that the proposed CDM PA is neither registered as a CDM PA nor included as a CPA in a registered CDM PoA.
- Streamline the required information on “technologies/measures” and “facilities, equipment and measures”.
- Add a list of required basic information to describe the proposed CPA.
- Restructure the section (temporary deviations from the registered monitoring plan) to align it with the corresponding section for PoAs in the VVS-PoA.
- Delete a process-related requirement to avoid overlap with the PCP-PA.



Main changes from the previous versions

c) Other substantive changes proposed by the secretariat:

2. Restructuring and improvement of consistency (cont.)

- Delete the section on specific validation requirements for A/R project activities.
- Include validation requirements regarding a CPA inclusion template.
- Align the language of the validation requirement on permanent change to the monitoring plan with the corresponding provision for PAs in the VVS-PA.
- Align the requirement of submission of a summary of the environmental impact assessment with the current practice.
- Restructure the provisions relating to erroneous renewal of the crediting period of CPAs.



Main changes from the previous versions

c) Other substantive changes proposed by the secretariat:

3. Other changes

- Move the requirements in the sections applicable specifically for small-scale project activities to the general section.
- Clarify that updating the parameter values fixed ex ante at the time of the registration of the CDM project activity is not allowed as correction.
- Include addition of a CPA inclusion template to a PoA-DD as one type of post-registration changes to a registered PoA.
- Change from “project participants” to “CPA implementers” from whom the agreement needs to be obtained for voluntary exclusion of a CPA.

d) General editorial, structural and consistency improvements



Impacts

- Revised PSs, VVSs and PCPs would benefit all stakeholders, as well as the Board and the secretariat, through improved clarity, consistency and environmental integrity.



Subsequent work and timelines

- Upon the adoption by the Board of the two sets of revised PSs, VVSs and PCPs, the secretariat will prepare for the implementation of the revised regulatory framework, including the **revision of supporting operational documents such as forms and checklists**.
- It is proposed to make the revised documents enter into force on **1 January 2019** to allow for the lead time for users for these documents as well as for the secretariat for the preparation for the implementation.



Recommendations to the Board

- The Board may wish to **adopt** the two sets of revised PSs, VVSs and PCPs.
- The Board may wish to **agree** on the proposed date of entry into force of these documents, and request the secretariat to prepare for the implementation.

