

## Session: Opportunities for the CDM

# Expected benefits of the recent simplification of the CDM

**18<sup>th</sup> Global DNA Forum meeting**

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## Background

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- CDM Executive Board (EB) adopted two sets of framework regulatory documents for the CDM at EB 93:
  - Project standard (PS), validation and verification standard (VVS) and project cycle procedure (PCP) for project activities
  - PS, VVS and PCP for programmes of activities (PoAs)
- The new PS, VVS and PCP entered into force on 1 June 2017
- Transitional period until 28 March 2018
- The new PS, VVS and PCP introduced various simplification to the CDM rules



### 1. Structural improvement

- a) Clear separation of regulatory documents for PoAs and for project activities
- b) Clarification of applicable requirements for PoAs:
  - At the PoA level
  - At the generic CPA level
  - At the specific-case CPA level
- c) Incorporation of some standards (PoA, bundling), amendments and clarifications

### 2. Substantive improvement (simplification and streamlining)

#### a) Changes to PoA rules

- Inclusion of CPAs and post-registration changes to CPAs are no longer subject to mandatory assessment by the secretariat/Board
- Inclusion of automatically additional CPAs directly by CME
- Re-inclusion of excluded CPAs possible

#### b) Changes to post-registration changes rules

- Free choice of “prior-approval track” and “issuance track”
- Updating version or changing to another methodology possible anytime
- No limitation to the delay to the start of crediting period



### **2. Substantive improvement (simplification and streamlining)**

#### c) Validation and verification requirements

- On-site inspection is optional except for certain conditions
- More options for sampling-based validations and verifications

#### d) Other rules

- Extended validity of applied methodology for resubmission of requests for registration
- More flexibility in bundled SSC project activities
- Optional monitoring sustainable development co-benefits
- Elaboration of local stakeholder consultation process
- Improvement in modalities of communication (MoC) process



The new CDM regulatory framework will:

- **Provide more flexibility** to CDM project participants in registering projects, changing design of registered projects and requesting issuance of CERs
- **Reduce cost** for CDM project participants and DOEs to participate in the CDM
- **Speed up** the CDM process
- **Provide more clarity** in CDM regulations



