

**DRAFT****Annex 1****DRAFT CLEAN DEVELOPMENT MECHANISM
TWO-YEAR BUSINESS PLAN****2012–2013****I. Vision and objectives**

1. The Clean Development Mechanism (CDM) business plan lays out the priorities of the Executive Board (hereinafter referred to as the Board) in its supervision of the CDM and the work of its support structure during 2012 and 2013.
2. This business plan is consistent with the vision of the CDM Executive Board:
‘To ensure the efficient and credible generation of certified emission reductions through activities that meet the evolving needs of Parties and other stakeholders, thus making the CDM a global instrument of choice in supporting emission reductions and removals in developing countries and making a significant and valued contribution to their green growth and sustainable development’.
3. In pursuing this vision for the CDM, the Board has identified six specific objectives to be achieved over the next two years:
 - (a) **Ensure operational capacity to manage submissions.** The Board shall ensure that the expected increase in registration and issuance requests towards the end of the first commitment period will be managed in line with established timelines;
 - (b) **Greater efficiency in the operation of the CDM.** The Board shall assess its processes and requirements to remove unnecessary complexities and ensure that all submissions relating to project activities, accreditation and standards are processed within agreed deadlines and in accordance with agreed standards and procedures;
 - (c) **Regional and sub regional distribution and capacity - building.** The Board shall take all actions within its authority to enhance the distribution of CDM projects, project types and programmes in those countries, regions and sub - regions currently under-represented in the CDM;
 - (d) **Improved objectivity, clarity and integrity in the CDM.** The Board shall strengthen the objectivity and clarity of requirements established for the CDM in a manner which ensures the environmental integrity of the mechanism and helps deliver on its promise for sustainable development;
 - (e) **Enhanced transparency of the CDM.** The Board shall supervise the mechanism in a transparent and participatory manner, ensuring greater transparency regarding its work and its processing of submissions and enhance the governance structure of the mechanism;
 - (f) **Enhanced promotion and further development of the mechanism.** The Board shall champion the CDM, ensuring an enhanced understanding among civil society, policy makers and market participants of its benefits and its contributions to both the mitigation

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of climate change and the sustainable development of communities and countries, and contribute to the policy debate and intergovernmental negotiations regarding the future of the CDM and the international climate regime.

4. This business plan incorporates requests made by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its seventh session. [Request to be added after CMP 7]. It elaborates further on each of the six objectives detailed in paragraph 3 by determining which specific deliverables will be provided during the 24 month cycle associated with this plan. In line with the Board's desire to further enhance the effectiveness of its planning and implementation, supported by monitoring and appropriate adjustment, these deliverables are supported in turn by detailed project plans containing the related activities required to achieve them with timelines and associated resources. These project plans provide an important input for the resource requirements contained in the associated CDM Management Plan (MAP), which is currently under preparation.

5. A critical component of the Board's work, as it enters the last year of the first commitment period, is to ensure that the CDM is "fit for the future". The Board has, since its beginnings in 2001, endeavoured at every step to ensure the environmental integrity of the emissions reductions and removals for which it issues CERs. The Board is committed to continuing with this crucial focus on its work but also understands the importance of strengthening the efficiency and effectiveness of the mechanism. This business plan therefore builds on and expands the ambitious agenda of the previous business plan, while utilising, and capitalising on, the strong engagement of the Board's support structure and all stakeholders active in the CDM. However, the Board recognises that during the course of 2012 it will need to carefully review and adjust assumptions with regard to 2013 to take into account the advancements in the ongoing UNFCCC negotiation process and any implications for the CDM.

6. It is important to note that although various deliverables are detailed in this business plan there are many other important and labour intensive activities, such as the assessment of compliance to CDM requirements relating to project and entity submissions, that are required to support the ongoing work of the Executive Board and the CDM. An overview of these activities is provided as Appendix 1. Further details on these activities, including the required resources and the management and oversight of the support structure for providing both the deliverables and the supportive activities during the first year of this business plan are to be found in the accompanying CDM MAP for 2012.

II. Objectives and deliverables

7. This section elaborates each of the previously identified objectives in paragraph 3 providing information on associated deliverables and timelines.

A. Ensure operational capacity to manage submissions

8. The Board shall ensure that the expected increase in registration and issuance requests towards the end of the first commitment period will be managed in line with established timelines.

9. It is very likely that the volume of requests, particularly for CER issuance requests, will continue to increase, especially towards the end of the first commitment period. Beyond the first commitment period, it is likely that requests for registration will decline unless further progress is made regarding the prospects for a second commitment period. Estimates for 2013 are therefore still uncertain and subject to revision as more information is obtained during 2012. The amount of cases expected represents a significant challenge for the Board which would need to ensure that the processing of submissions is conducted in a timely and efficient manner.

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10. In the previous period a large backlog of requests for registration and issuance was cleared. This was achieved through re-focusing resources within the secretariat and engaging 25 external experts, who remain on call to help address future spikes in submissions. The Board will continue to identify innovative ways to ensure the adequacy of resources to process this anticipated caseload.

11. The case related workload for registration of projects for the period covered by this plan is expected to increase further compared to 2011 levels and stabilise at an average of 25 cases that would be the subject of discussion at each Board meeting. The total number of requests for registration to be submitted in the 24 month period is forecast at 2,800. The continued and sustained Board focus on improving the quality of submissions may result in an increase in the number of projects that are registered automatically.

12. The case related workload for issuance of CERs for the period covered by this plan is expected to increase compared to 2011 levels and stabilise at about 10 cases that would be the subject of discussion at each Board meeting. The total number of requests for issuance to be submitted in the 24 month period is forecast at 4,200. The continued and sustained Board focus on improving the quality of submissions is also expected to result in an increase in the number of issuances granted automatically.

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Action plan to ensure sufficient operational capacity in the secretariat, including potential reallocation of internal and external human resources to manage the expected increase in submissions towards the end of Kyoto's first commitment period and prepare for post 2012 transition | EB 66 |
| Further streamlining of the registration and issuance processes | Q2 |
| Improved information/warning system to be more aware of the current and future project pipeline | Q2 |

B. Greater efficiency in the operation of the CDM

13. The Board shall assess its processes and requirements to remove unnecessary complexities and ensure that all submissions relating to project activities, accreditation and standards are processed within agreed deadlines and in accordance with agreed standards and procedures.

14. In 2011, the Board enhanced the efficiency of many processes under the CDM by, amongst other things, increasing the clarity of guidance and removing unnecessarily complex rules, while ensuring the quality of the emission reductions generated. The Board developed guidelines on standardized emissions baselines that allow countries to calculate the typical emissions for an entire sector and create a list of technologies or measures that are automatically additional. The Board also adopted a more straightforward approach for demonstrating additionality using the concept of “first of its kind” and provided guidance on common practice.

15. The Board is aware that further simplification of the CDM requirements is necessary in the period covered by this business plan. In particular, the Board will conduct a comprehensive analysis of the value added by elements of its standards and procedures, with a view to determining whether simpler approaches could be applied to achieve the same result, where necessary by applying conservative

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default values or discount factors to ensure environmental integrity. The Board considers this to be a crucial further task in ensuring the long-term efficiency and attractiveness of the mechanism.

16. The substantial work for the Board related to policy, standards and procedural matters will continue throughout the year driven by implementing previous CMP requests [and addressing new requests from CMP at its seventh session (CMP 7)] together with important efficiency improvement related initiatives. It is important that the Board therefore continues to identify strategic measures that can be applied by itself and its support structure to ensure the efficient processing of increased submissions without compromising CDM reputation, environmental integrity, quality of the projects registered and CERs subsequently issued.

17. Key activities to meet this objective and related deliverables include:

- (a) **Review CDM operations and develop innovative measures for improving efficiencies in its process cycle**

| Deliverables | Board meeting or Quarter |
|---|---------------------------------|
| Standardized templates for validation and verification reports | Q1 |
| Concept paper for digitizing standardized templates and PDD | Q3 |
| Digitized templates and PDD | 2013 |
| Report on methodological issues arising from interaction with stakeholders and data obtained from the DOE monitoring performance system including community and households based CDM projects and PoAs; | EB 67, 70 |
| Performance Appraisal System for selection of Panel and Working Group Members | EB 66 |
| Database for managing contact data for project participants and Focal Points | Q3 |
| Revise and implement CDM accreditation procedure | EB 67, 69 |
| Quality management system (QMS) | Quarterly Report |
| Management Information system for SDM | Q2 |
| New SDM-IS | Quarterly Report |
| Revised procedure for monitoring the performance of DOEs, | EB 67 |
| Concept note on the improvement of the procedure for monitoring the performance of DOEs | EB 66 |
| Development of an approach for Risk Based Assessment of project submissions to support efficiency in project processing | EB 66 |
| Review and upgrade of the CDM registry and related processes | Q4 |
| System to support issuance for PoAs including IT tool | EB 68, 69 |

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| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| System to support issuance at the end of the commitment period including IT tool | EB 70 |
| Enhancement of prior consideration | EB 68, 69 |
| Assessment & implementation of process improvements in support of the EB | EB 68, 69 |
| Improvement of the efficiency of finance and HR workflows | Q2 |

- (b) **Further enhancement of the skills and expertise among Board members, identified Stakeholders, and SDM staff for the further improvement of their technical capacity**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Implement a learning platform | Q3 |
| Deliver a portfolio of courses aligned to the SDM learning strategy | EB 66 |
| Define and implement Process Maps/Workflows for best practice Skills Development | Q4 |

C. Regional and sub regional distribution and capacity - building

18. The Board shall take all actions within its authority to enhance the distribution of CDM projects, project types and programmes in those countries, regions and sub - regions currently under-represented in the CDM.

19. The distribution of CDM projects has been an issue for Parties to the CMP since CMP 1. Successive CMP decisions have provided valuable guidance and tools to allow the Board to address this issue. The Board in turn has initiated several activities to promote the equitable regional and sub-regional distribution of CDM project activities. These include, inter alia, the establishment of a loan scheme, the development and improvement of methodologies and tools that are particularly suitable in underrepresented areas and support of Designated National Authorities (DNAs) through the DNA forum and targeted training.

20. The Board has now completed work on clarifying the rules for PoAs, establishing standardized baselines, and further simplifying the procedures for micro-scale project activities. All of which should increase the CDM potential for scaling up in underrepresented regions.

21. As part of ongoing work to enhance the geographical reach of the CDM, the Board will continue to concentrate its efforts on those practical activities under its control that can produce tangible results for specific groups of recipients. The secretariat, on behalf of the Board, has significantly enhanced its interaction with DNA representatives to ensure a broader involvement in the mechanisms. The secretariat will continue with the training initiative for DNAs commenced in terms of the previous plan. The next phase of the training programme will continue with the case study approach with a focus on standardized baselines and programmes of activities.

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22. On behalf of the Board, the secretariat has commenced a “help-desk” initiative to identify and, where possible, to assist in resolving barriers for proposed CDM project activities in countries with fewer than 10 registered CDM project activities. Specifically in the area of PoAs, the secretariat will be tasked to continue to intervene directly with all programmes undergoing validation in Africa and non-African least developed countries to ensure that the latest requirements of the Board are understood by the coordinating/managing entities.

23. The process required to identify an agency to implement a loan scheme, agreed at CMP 6, to support the preparation of project design documents in underrepresented countries is near to finalisation. This project will now move to implementation.

24. The Board and its support structure will also conclude on work such as: the creation of standardized templates for validation and verification reports and the digitization of project information; provide reports on the potential for CDM project development in underrepresented regions, including profiles of greenhouse gas emission and reduction potentials in non-Annex I countries and a targeted action plan for outreach and capacity-building.

25. Key activities to meet this objective include:

- (a) **Provide direct assistance to project developers of proposed project and programme activities in under represented countries**

| Deliverables | Board meeting or Quarter |
|--|--------------------------|
| Improved help facility to identify and where possible address issues arising in project development and implementation in underrepresented countries | Q4 |
| Report on options to address barriers in project and programme development and implementation | EB 69 |

- (b) **Arrangements to ensure the operationalization of the loan scheme, communicate its availability and appropriately assist potential applicants to access funds**

| Deliverables | Board meeting or Quarter |
|---|--------------------------|
| Develop a plan to monitor the operation of the loan scheme | EB 66 |
| Report on the first year of operation of the loan scheme to CMP.8 | EB 70 |

- (c) **Strengthening of DNA and other stakeholder capacity and skills**

| Deliverables | Board meeting or Quarter |
|---|--------------------------|
| Basic CDM project cycle training provided for new DNAs | Q2 |
| Training on PoA and standardized baselines provided to all DNAs on a regional basis | Q2, Q3, Q4 |

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| Development of an IT solution for the use of stakeholders to calculate the emissions for methodologies and tools | Q4 |
| Development of an IT solution for the submission of the data needed for the development and assessment of standardized baselines | Q4 |
| Work plan for DNA and other stakeholder capacity building and related skills development | EB 66 |
| Improved CDM Bazaar | Q4 |
| Nairobi Framework Extranet | Q4 |
| Periodic report on the implementation of the workplan | Quarterly Report |
| Update of CDM Methodology Booklet | EB 67 |
| Extend functionality of LMS to External Stakeholders | Q4 |
| Develop and make available through the CDM website an e-Learning course covering key aspects of CDM and gender | Q2 |
| Define and implement Process Maps/Workflows for best practice capacity building | Q3 |
| Evaluation of the impact of learning interventions | Q3 |

- (d) **Top down development of standards and standardized baselines that are particularly applicable in geographical regions and sub regions which are under represented in the CDM, as well as, covering new project types**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Develop 4 top down small scale methodologies for approval (e.g. efficient pumping and/or irrigation; energy efficiency measures in buildings; solar cooking applications for households; energy efficient lighting in commercial buildings). | EB 66 - 69 |
| Develop 3 new top down small scale methodologies using standardized approaches (rural energy supply, agriculture and transport). | EB 66 - 69 |
| Two large scale methodologies using standardized approaches developed top down in 2012 (e.g. Country specific EF for off grid regions; Methodology using standardized approaches for energy efficiency in Building). | EB 68 - 70 |
| Two large scale methodologies using standardized approaches developed top down in 2013. | 2013 |

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- (e) **Bottom up development of standards and standardized baselines that are particularly applicable in geographical regions and sub regions which are under represented in the CDM, as well as, covering new project types**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Guidelines for determination of baseline of a measure. | 2013 |
| Guidelines on standardized baselines implemented (e.g. Annex to the guidelines defining default conservative values for X and Y for selected sectors to fast track the implementation of the guidelines; Annex to the guidelines defining options for the setting and approval of values of the relevant thresholds (Xa, Xb, Ya, and Yb) used in the guidelines, as well as an analysis of the implications of these options for sectors covered by the guidelines; Annex to the guidelines defining vintage of the relevant data and frequency of update of the relevant parameters used in the guidelines; Inputs from practitioners for the development of guidelines and/or software's for the determination of sector wide baseline emission factors in consultation with the practitioners including industrial associations; Guidelines and/or software's for the determination of sector wide baseline emission factors in consultation with the practitioners including industrial associations; Data on cost of technologies for selected sectors. | EB 66 - 70 and 2013 |
| Guidelines on standardised baselines improved and expanded (e.g. Results of the testing of the guidelines in some sectors in collaboration with relevant practitioners and other standard setting bodies; Revised guidelines based on lessons learnt from their application; Guidelines with expanded applicability to afforestation and reforestation projects; Guidelines with expanded applicability to transport sector projects). | EB 68, 69 and 2013 |
| Procedure on submission and consideration of standardised baselines implemented (e.g. QA/QC guidelines for the quality assessment of the data required to develop the standardized baselines; Modalities for support to countries with less than 10 CDM projects in the realisation of the assessment report of standardized baselines; Workflows for the submission of standardized baselines). | EB 67 - 69 |
| Procedure for the development and assessment of CDM projects using standardized baselines. | EB 68,69 |
| Develop an approach on the realization of the stated sustainability benefits of CDM projects. | EB 67 |
| Development of a consolidated procedure for the methodology development process. | EB 68, 69 |

- (f) **Effective coordination of the work programme of the Nairobi Framework partner agencies, including capacity building activities to promote and improve regional and sub regional distribution of CDM projects**

| Deliverable | Board meeting or |
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| | Quarter |
|---|----------------|
| Work programme of partner agencies adopted. | Q4 |

D. Improved objectivity, clarity and integrity in the CDM

26. The Board shall strengthen the objectivity and clarity of requirements established for the CDM in a manner which ensures the environmental integrity of the mechanism and helps deliver on its promise for sustainable development.

27. The Board is committed to ensuring that the CERs issued under the CDM meet Parties expectations for environmental integrity by continuously providing guidance and improving its rules. As the mechanism evolves, new challenges emerge. The Board will prioritise action to ensure that its rules are clear, objective, and understandable by all stakeholders, noting that enhanced interaction with various stakeholder groups will remain a critical component in achieving success in this area. The Board will therefore conduct a comprehensive analysis of the value added by elements of its standards and procedures, with a view to determining whether simpler approaches could be applied to achieve the same result, where necessary by applying conservative default values or discount factors to ensure environmental integrity. The Board considers this to be a crucial further task in ensuring the long-term efficiency and attractiveness of the mechanism.

28. In 2011, the Board worked on improving the standards with which applicant entities (AEs) and DOEs are to comply. In particular, the Board approved some very important guidelines, standards and procedures that are key for the CDM improvement. The guidelines for the development and assessment of sector-specific standardized baselines, procedures for the submission and consideration of standardized baselines, several small-scale methodologies using default parameters for the determination of the baseline emissions, a standard on suppressed demand and PoA related standards covering (i) additionality, and (ii) eligibility criteria, use of multiple methodologies and sampling are particularly important in this regard.

29. On standardized approaches, the BP focuses on three aspects. The first is the broadening of the work on introduction of default parameters in the CDM methodologies. This will help simplify the CDM methodologies and enhance their objectivity and their usability while streamlining the project cycle and reducing its transaction cost. However, only limited types of projects are suitable for this type of simplification. A second focus is the development of sector-specific standardized baselines. The implementation of the guidelines and the procedures related to standardized baselines will be the core activity. The last element is the development of standardized approaches for baselines determination under a project-by-project approach.

30. On PoA-related standards, the assessment of the cross effect when applying multiple methodologies and the collection of feed-backs on the implementation of the PoA related standards will be the main activities for this period. If required, the PoA-related standards will be revised to further improve their quality during 2013. For the sampling standard, best practice examples will be developed.

31. A major set of deliverables was also provided by refining and consolidating the CDM's general requirements into three new cornerstone documents: a project standard for project participants, a validation and verification standard for designated operational entities (DOEs), and a project cycle procedure. A lot of work will now be needed for their implementation.

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32. The Board is aware that further simplification of the CDM requirements is still required. Further improvement in the clarity and objectivity of CDM requirements will remain a high priority for the Board for the next two years.

33. Key activities to meet this objective include:

- (a) **Improvement of the standards, procedures, guidelines and tools to enhance objectivity and environmental integrity, using, where possible, new and innovative approaches**

| Deliverables | Board meeting or Quarter |
|---|--------------------------|
| Four small scale standards revised (e.g. AMS-II.C demand-side energy efficiency; AMS-III.AJ recycling and recovery of materials from MSW; AMS III.AE “Energy Efficiency and Renewable Energy measures in residential buildings”, AMS-II.E “Energy efficiency and fuel switching measures for buildings” to include thermal applications and other technologies and measures currently not covered). | EB 66 - 69 |
| Additionality procedures for micro-scale project revised with expanded applicability for off-grid and distributed generation projects. | EB 67 - 69 |
| Revised additionality procedures for small-scale projects (expanded positive list). | EB 68 - 69 |
| Guidelines on suppressed demand improved and implemented (e.g. Revised suppressed demand guidelines to implement the Board’s request to enhance usability; Assessment report on treatment of suppressed demand in approved methodologies; Revised methodologies to address suppressed demand in selected areas). | EB 68 - 70 and 2013 |
| PoA standards implemented (e.g. Annexes to sampling standards to provide best practice examples; Assessment report on cross effects when applying multiple methodologies to PoA; Revised large scale methodologies to include POA provisions, prioritising those frequently used). | EB 67 - 69 and 2013 |
| CDM accreditation standard revised to improve sections on competency requirements. | EB 68, 69 |
| Document CDM-AP decision making process. | EB 67 |
| Provide a document concerning the decision making process of the CDM-AP for consideration by the Board. | EB 66 |
| Report on a value added analysis of elements of methodological standards and procedures. | Q2 |

- (b) **Clarification, consolidation and enhancement of the consistency of all the existing regulatory decision of the Board that relate to validation and verification of project activities**

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| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Implementation plan for the approved CDM VVS, PCP and PS documents | EB 67 |
| Revision to the rules and reference section of the CDM website | EB 66 |

E. Enhanced transparency of the CDM

34. The Board shall supervise the mechanism in a transparent and participatory manner, ensuring greater transparency regarding its work and its processing of submissions and enhance the governance structure of the mechanism.

35. Transparency of information and appropriate and continual involvement of stakeholders are key features of the CDM and are among the main factors that have contributed to its success. Much progress has already been made in opening the CDM to stakeholder participation. The Board has now identified the need for further measures to ensure greater involvement of stakeholders while increasing its own interaction with other offset and crediting programmes. Such interventions will enable sharing of experience while learning from the operational and institutional approaches of others.

36. The continued interaction of the Board with DOEs together with direct interaction between the secretariat and Project Participants will allow for ongoing evaluation of the needs of these two important groups of stakeholders. It will also provide periodic opportunities to adjust the Board and secretariat workload and priorities as and when required. This obviously assumes that Project Participants and DOEs are keen to understand and will then strive to comply with the requirements of the CDM as these evolve.

37. Key activities to meet this objective include:

(a) **Transparently report on the impact of submissions made by stakeholders**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Design and implement a user friendly mechanism to report on the impact of individual submissions on Board decisions. | Q1, Q4 |

(b) **Improvement of the documentation and reports of the meetings of the Executive Board and supporting panels**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| Improved format for meeting reports and documentation and supporting panels | EB 67 |
| Panel and working group documentation incorporated in Catalogue of Decisions (CoD) | EB 67 |
| Establish a central CDM data portal to collect consolidated & harmonized CDM information | 2013 |

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| Make the CDM Portal available to the UNFCCC network | 2013 |
| Make the CDM Portal available to the CDM EB, working groups & panels, as well as to the UNFCCC partner agencies | 2013 |

(c) **Improvement of the transparency of the regulatory governance structure and administrative support**

| Deliverables | Board meeting or Quarter |
|---|---------------------------------|
| Report on implementation of the Board's business plan | Quarterly Report |
| Implement measures, based on the voting rules, to accelerate consensus building for Board decisions | EB 68, 69 |

(d) **Development and dissemination of training and information materials regarding regulators requirements, improvements in the regulatory system and issues raised in the assessment of project submissions**

| Deliverables | Board meeting or Quarter |
|--|---------------------------------|
| A set of CDM learning materials and training packages for the promotion of CDM by stakeholders | Quarterly Report |

F. Enhanced promotion and further development of the mechanism

38. The Board shall champion the CDM, ensuring an enhanced understanding among civil society, policy makers and market participants of its benefits and its contributions to both the mitigation of climate change and the sustainable development of communities and countries, and contribute to the policy debate and intergovernmental negotiations regarding the future of the CDM and the international climate regime.

39. The Board recognizes the importance of promoting greater awareness and understanding of the CDM. The Board will therefore continue to enhance awareness among stakeholders and policymakers of the benefits of the CDM, specifically its contribution to climate change mitigation and sustainable development.

40. The Board, via the secretariat, will continue to work with DNAs through projects such as the DNA Communicators of the Year Showcase to help them disseminate information on the CDM; with project participants through the CDM Changing Lives Photo and Video Contest; with industry associations through participation in carbon market events; and with private sector communicators through projects such as the Radio for Africa contest and broadcasters club.

41. An important part of the Board's communication and outreach work is focused on enhancing its media outreach. Press highlights will continue to be issued after each Board meeting and the Chair of the Board, in his role as the principal spokesperson of the Board, will be encouraged to make himself readily accessible to members of the press.

42. Key activities to meet this objective include:

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- (a) **Raised awareness and enhanced understanding about the mechanism among key audiences and stakeholder groups through**

| Deliverable | Board meeting or Quarter |
|---|---------------------------------|
| Press engagement plan | EB 66 |
| Press page on CDM website | Q1 |
| Two press project site visits in conjunction with Board meetings | Q2, Q4 |
| Radio club for Africa | Q2 |
| Six pod casts on topical issues | Q2, Q4 |
| Annual Changing Lives photo and video contest | Q3, Q4 |
| Two awareness raising seminars | Q3, Q4 |
| Annual DNA communicators of the year showcase | Q4 |
| Implement system (CDM on the radar) for monitoring and info sharing | Q1 |
| Corporate-style annual report | EB 70 |
| Six audio files | Q3 |

- (b) **Further assessment and communication of the achievements and contributions of the mechanism in mitigating climate change and advancing sustainable development**

| Deliverables | Board meeting or Quarter |
|---|---------------------------------|
| Reports (four) on developments in carbon market activities and related policies and negotiations to stakeholders and the general public | EB 67, 70 and 2013 |
| Reports (two) on the overall use and effectiveness of the CDM, including sustainable development benefits, to stakeholders and the general public | EB 68, 69 and 2013 |
| Develop supporting information and reports about the role and function of CDM to the UNFCCC negotiation process | EB 67, 70 |

- (c) **A policy dialogue to engage civil society, policy makers and market participants in a review of past CDM experiences, an assessment of the benefits of CDM, and the development of recommendations to the Board and Parties on how to position the CDM to respond to future challenges and opportunities and ensure its effectiveness in contributing to future global climate action**

| Deliverables | Board meeting or Quarter |
|---------------------|---------------------------------|
|---------------------|---------------------------------|

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| Prepare input materials to the policy dialogue such as background information, CDM data and compilation of inputs from external stakeholders | Q1, Q2 |
| Provide report of experiences from various aspects of the operation and effect of CDM | Q3 |
| Documentation of expectations on the future development and functions of CDM | Q3 |
| Provide final recommendations from the Policy Dialogue | Q3 |

III. Critical Success Factors

43. The ***first critical success factor*** is that the Board increasingly manages its large policy and case workload in a more executive manner and that it dedicates increased time at future meetings to policy and procedural matters that drive systemic improvement in the mechanism.

44. The ***second critical success factor*** is that the Board will schedule periodic reviews of its own ongoing performance as a Board to identify areas for improvement. Linked to this is the need for the Board to periodically review the status of implementation of its Business Plan to allow it to make mid course corrections of priorities if, and as, required.

45. The ***third critical success factor*** is that the Board support structure has the required capacity and capability to deliver all required inputs of the necessary quality, and on schedule, so as to allow the Board to confidently make appropriate decisions in a time efficient manner.

46. The ***fourth critical success factor*** is the availability and use of sufficient numbers of appropriately competent, external experts for use in addressing the expected periodic peaks in demand for registration and especially issuance related case work to ensure that agreed timelines are continuously met.

47. The ***fifth critical success factor*** is that DOE performance will improve as data is made available to them accompanied by the necessary sanctions or incentives that are required to improve compliance to CDM requirements and reduce the time wasted by the Board and its support structure on poor quality submissions.

48. In order to manage the risks associated with these critical success factors it is essential that the Board periodically plan a review of its own performance and that of its support structure. The creation of appropriate monitoring systems within the secretariat has already allowed the production of dedicated and regular reports regarding human and financial resources and DOE performance. These systems will continue to be strengthened so that the enhanced reports generated as a result can assist the Board in ensuring that the risks associated with each of the critical success factors are appropriately managed in future.

IV. Resource plan

49. A detailed list of related actions to support each deliverable contained in this Board business plan together with the associated financial and secretariat human resource needs are contained in a separate document entitled CDM Management Plan (CDM-MAP) 2012.

**DRAFT****Appendix 1****Core support to CDM**

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|--|
| Supporting the efficient operation of the Executive Board |
| Supporting the efficient operations of Panels and Working Groups. |
| Efficient operation of the records management system |
| Effective coordination of Nairobi Framework Partner agencies work programme and capacity building activities. |
| Enhanced direct communication with stakeholders |
| Assessment of compliance to CDM requirements relating to project and entity submissions a. Assessment of project submissions b. Quality improvement of project assessments c. Quality improvement of assessments of entities d. Assessment of entities |
| Development and approval of the 2013 MAP & EB 2 year business plan |
| Consolidation of the 2013 budget and quarterly reporting |
| Provide ongoing financial and HR support according to best practice. |
| Coordination of communication and outreach |
| Effective implementation of procedures on consideration of PNM, request for revision, clarification |
| Maintenance of the CDM registry and data systems |
| Facilitate defined interactions between the Board, the secretariat and stakeholders |
| Monitor the operation of the loan scheme |
| DOE performance monitoring |
| Coordination of Latin American Carbon Forums and African Carbon Forums |
| Maintain data, design and delivery of public CDM information through a central data portal |
| Courses and learning interventions delivered and evaluated according to portfolio |
| Operate a help facility to identify and address issues arising in project development and implementation in under represented countries |