

CDM-EB101-AA-A03

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

Version 02.0



United Nations
Framework Convention on
Climate Change

COVER NOTE

1. Procedural background

1. The Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board), at its sixty-fifth meeting (EB 65), adopted the “CDM project standard” (PS), “CDM validation and verification standard” (VVS) and “CDM project cycle procedure” (PCP), which consolidated, and modified as appropriate, the existing regulatory documents at that time. Since then, these three documents had served as the framework regulatory documents for the CDM and underwent several revisions, mainly reflecting the evolving rules for programmes of activities (PoAs) and introducing rules for carbon dioxide capture and storage project activities and rules for the application of standardized baselines.
2. At EB 93, based on the request from the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its eleventh session, the Board adopted a set of PS, VVS and PCP applicable only for PoAs, including only those rules applicable for PoAs from the previous PS, VVS and PCP. This effectively created another set of PS, VVS and PCP applicable only for project activities at the same time. In doing so, the Board also simplified and streamlined various rules that it started considering at EB 86.
3. 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 of these two sets.
4. The Board, at EB 100, considered revisions to the two sets of these documents, and requested the secretariat to make further changes to these documents. At the same meeting, the Board also considered a concept note on changes to the process for renewal of crediting period and PoA period and agreed to change the current process. In this regard, the Board requested the secretariat to reflect this agreement in the relevant CDM regulatory documents.

2. Purpose

5. 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.

3. Key issues and proposed solutions

3.1. General

6. The draft revised PS, VVS and PCP contained in appendices 1–3 are those applicable only for project activities, and those in appendices 4–6 are applicable only for PoAs.
7. In the draft revised PSs, VVSs and PCPs, all changes to the currently effective versions are highlighted in yellow. For ease of comparison, all paragraph numbers are kept as in

the current versions and the insertion of new paragraphs and subparagraphs are indicated with “bis”, “ter”, etc.

3.2. Main changes from the previous drafts (annotations to EB 100)

3.2.1. Changes agreed by the Board

8. The draft revised PSs, VVSs and PCPs in appendices 1–6 reflect the changes already agreed by the Board since the adoption of their current version until EB 99. In addition, they reflect additional changes agreed by the Board at EB 100. Table 1 below indicates the paragraph numbers that contain proposed new or revised regulatory provisions to reflect the changes agreed at EB 100. These changes are additional to those included in the previous drafts prepared for EB 100 (EB 100 annotations, annex 4).

Table 1. Reflection of the changes agreed by the Board

Document	Paragraph no.	Summary of changes
PS-PA	264, 267, 280, 283(a), 285(a)(e)	Requirements for notification of renewal intention from project participants or coordinating/managing entities have been removed and, as a consequence, the "unclaimable period" of certified emission reductions for late notification has been removed. Also, a window for submission of renewal request and for uploading renewed component project activity design document has been introduced between 270 days prior to and one year after, the expiry of the crediting period or PoA period. Furthermore, the consequences of delay for renewal have been added/revised.
PS-PoA	271, 285, 287(a), 289(a)(e)	
VVS-PA	413	
VVS-PoA	387	
PCP-PA	263, 263 _{bis} , section 9.2 (266, 267), 272	
PCP-PoA	276, Section 9.2 (277, 278), 283	
PS-PA	36(e)–(j)	Required information items on “technologies/measures” and “facilities, equipment and measures” are currently separated, but there is an overlap between them. Therefore, these paragraphs have been further restructured.
PS-PoA	81	
PS-PA	61, 71 _{ter} , 130–131	These requirements that were under the section for small-scale CDM project activities/CPAs had been proposed to move to the general section at EB 100. However, based on the input from the Board at the meeting, these requirements are retained under the section for small-scale project activities/CPAs.
PS-PoA	108, 109 _{ter} , 129, 177, 198	
PS-PA	75 _{bis}	These requirements had been moved to the general section from small-scale section and have been further improved in terms of structure and clarity.
PS-PoA	113 _{bis}	
PS-PA	Numerous paragraphs.	Terms such as “methodological tools”, “guidelines”, “other standards” and “standardized baselines” have been consistently referred in the paragraphs that refer to “methodologies”, either directly or through the use of abbreviated terms.
PS-PoA		
VVS-PA		
VVS-PoA		
PCP-PA		
PCP-PoA		

3.2.2. Other substantive changes proposed by the secretariat

9. The draft revised PSs, VVSs and PCPs contain other substantive (non-editorial) changes. These are proposed by the secretariat based on its findings of issues in the existing

documents that are additional to those considered at EB 100, as summarized in table 2 below.

Table 2. Other substantive changes

Document	Paragraph no.	Summary of changes
PCP-PA	284, 284 ^{bis}	The conditions under which a post-registration change and a request for renewal of crediting period can be combined have been clarified.
PCP-PoA	295, 295 ^{bis}	

3.2.3. General editorial, structural and consistency improvements

10. The draft revised PSs, VVSs and PCPs also contain editorial and minor structural and consistency improvements. These are also highlighted in yellow in the draft revised PSs, VVSs and PCPs, but are not listed in any of the tables above.

4. Impacts

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

5. Proposed work and timeline

12. 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.
13. 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.

6. Recommendations to the Board

14. The Board may wish to adopt the two sets of revised PSs, VVSs and PCPs.
15. 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.

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The above-mentioned appendices are available at
<<https://cdm.unfccc.int/Meetings/MeetingInfo/DB/1CZ3NPIS0VLAHEYK/view>>.