

Annex 9**DRAFT MODALITIES AND PROCEDURES FOR DIRECT COMMUNICATION
WITH STAKEHOLDERS****(Version 01)****I. Background**

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its fifth session, through its decision 2/CMP.5, paragraph 8, requested the Executive Board (hereinafter referred to as the Board) of the clean development mechanism (CDM) to enhance its communication with project participants and stakeholders, including through the establishment of modalities and procedures for direct communication between the Board and project participants in relation to individual projects.
2. The CMP at its sixth session reiterated the request to the Board and further specified in its decision 3/CMP.6, paragraph 22, that these modalities and procedures are to enhance direct communication with stakeholders and project proponents in relation to issues related to registration, issuance and methodologies work streams and should provide for:
 - (a) Direct communication that can be initiated by the secretariat, as needed, with project proponents, on issues related to registration, issuance and methodologies work streams;
 - (b) Stakeholder consultations on general issues, and the publication of the outputs thereof;
 - (c) Intensified use of public calls for input in relation to major regulatory decisions, including the possibility to make submissions.
3. The CMP at its sixth session, through its decision 3/CMP.6, paragraph 59, further requested the Board to ensure that editorial errors which will not affect the assessment of compliance with validation and verification requirements do not lead to a determination that the request for registration or issuance is incomplete, while ensuring environmental integrity.
4. Furthermore, the CMP at its sixth session, through decision 3/CMP.6, paragraph 17 requested the secretariat to further increase the transparency of its work by, inter alia, publishing on the UNFCCC CDM website information related to the current and historic status regarding the processing of case-specific matters and methodologies, including requests for clarification, deviation and revision and for changes to project design documents.
5. This procedure provides for detailed steps and modalities of direct communication of the Board and its support structure with stakeholders on policy issues as well as general principles for establishing such steps and modalities on case-specific issues in relevant operational procedures dealing with the case submissions.

II. General objectives

6. The overall objectives of the modalities and procedures for communication with stakeholders as provided in this document are to:

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- (a) Support the Board and its support structure in identifying areas within the CDM regulatory framework where the development of new or revision of existing regulatory documents would enhance objectivity and clarity, and/or ensure environmental integrity;
- (b) Allow the Board and its support structure to obtain relevant information in the appropriate moments for their consideration;
- (c) Enhance the stakeholders' understanding of the CDM rules as well as allow stakeholders to be better positioned to comply with relevant standards, thus improve the overall efficiency of the system;
- (d) Ensure transparency by providing relevant information to stakeholders and opportunities for them to provide supplementary information/explanation in a timely manner regarding their submissions of specific cases within registration, issuance, methodologies and accreditation work streams.

III. Scope of the procedure

7. This procedure provides for means of communication of the Board and its support structure with stakeholders in the following two main areas:

- (a) Policy and procedural matters: this area covers regular interactions with stakeholders as well as ad-hoc consultations with stakeholders in situations where CDM rules (e.g. procedures, methodologies, standards) that have a significant impact on them are being developed or revised.
- (b) Case specific matters: this area covers situations related to case submissions (e.g. requests for registration, issuance, deviation or revision of monitoring plans, proposals of new methodologies, requests for revision of approved methodologies and clarification on approved methodologies or methodological tools).

8. The present procedure aims at providing a framework for communication with the following stakeholders:

- (a) Designated national authorities (DNAs);
- (b) Applicant entities (AEs) and designated operational entities (DOEs);
- (c) Project participants;
- (d) Civil society.

IV. Communication on policy issues**A. Communication initiated by the Board and its support structures****1. Objectives**

9. Objectives of communication initiated by the Board and its support structure is:

- (a) To seek stakeholders input regarding difficulties in the application of existing CDM rules;

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- (b) To seek suggestions for areas requiring additional guidance within the regulatory framework with the aim of improving the objectivity, clarity, and broadened applicability, and/or ensuring environmental integrity of CDM rules;
- (c) To ensure that actors within the CDM process understand the CDM rules established by the Board.

2. Means of communication**a. *DNAs***

10. For the purpose of facilitating communication between the Board and/or secretariat with, and between, DNAs, the secretariat shall organise global and regional DNA forum meetings as per the term of reference of DNA forums. The Board shall decide the number of the meetings in its management plan taking into account the need for the meetings and the availability of resources.

11. The Board shall also allocate time for interaction during Board meetings with the global DNA forum through its co-chairs twice a year. The Board shall specify the two meetings at its first meeting of each year.

12. The Board may invite the co-chairs of the global DNA forum to any of its meetings additional to the two meetings referred to in paragraph 11 above whenever it finds a need of further interaction with the forum.

b. *AEs/DOEs****Board interaction with AEs/DOEs***

13. The Board shall allocate time for interaction with the DOE/AIE Coordination Forum through its Chair on issues of interest to AEs/DOEs at each Board meeting.

14. The DOE/AIE Coordination Forum Chair shall submit to the secretariat a presentation to be used in the interaction at a Board meeting at least one week before the meeting. The presentation shall include the views of the DOE/AIE Coordination Forum on the annotated agenda of the Board meeting and any other matters that are of interest to AEs/DOEs.

15. Upon the request of the Board, the secretariat may communicate on behalf of the Chair of the Board to the DOE/AIE Coordination Forum, topics for which the Board would like to have views of AEs/DOEs at least three weeks before the Board meeting in which it considers the topics. The DOE/AIE Coordination Forum shall coordinate within its members and prepare consolidated views on the topics for consideration of the Board. In this case, the DOE/AIE Coordination Forum Chair shall include the consolidated views in the presentation referred to in paragraph 14 above.

CDM-AP interaction with AEs/DOEs

16. The CDM Accreditation Panel (CDM-AP) shall allocate time for interaction with the DOE/AIE Coordination Forum through its Chair and, if the forum wishes, with a limited number of AEs/DOEs, during CDM-AP meetings twice a year. The scope of this interaction shall be limited to policy issues particularly on the CDM accreditation standard and the CDM

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accreditation procedures, and shall not include accreditation case specific issues. The CDM-AP shall specify the two meetings at its first meeting of each year.

17. The CDM-AP may invite the Chair of the DOE/AIE Coordination Forum to any of its meetings additional to the two meetings referred to in paragraph 16 above whenever it finds a need for further interaction with the forum.

18. In addition, the DOE/AIE Coordination Forum may request any further interaction with the CDM-AP. The forum shall substantiate such request and submit the request to the secretariat at least three weeks before the CDM-AP meeting in which the interaction is requested.

19. The CDM-AP shall accept such request if the workload of the meeting allows time for the interaction. The secretariat shall inform the DOE/AIE Coordination Forum of the CDM-AP's decision at least two weeks before the meeting.

20. The DOE/AIE Coordination Forum shall submit to the secretariat its presentation to be used in the interaction at a CDM-AP meeting at least one week before the meeting.

Secretariat interaction with AEs/DOEs

21. After each Board meeting, the secretariat shall organise a conference call with all members of the DOE/AIE Coordination Forum that wish to participate to discuss the outcome of the Board meeting and to provide clarification to AEs/DOEs on decisions taken by the Board. The secretariat shall circulate minutes of such conference calls to the AIE/DOE Coordination Forum in the week following the call.

22. The secretariat shall also organise periodically, subject to availability of resources, regional calibration workshops for AEs/DOEs in the regions to provide clarifications and communicate the Board's interpretation and rationale behind its policy decisions as well as to share good practices among AEs/DOEs and to ensure common understanding of CDM rules.

c. Other stakeholders***Board interaction with stakeholders***

23. Representatives from Parties and UNFCCC admitted observer organizations may attend Board meetings as observers. At each of its meetings, the Board shall allocate a time slot for interaction with registered observers for the meeting. Such interactions should be limited to discussion on policy and general issues, but not on case-specific matters.

24. All interested parties including project participants, NGOs and the civil society may take part in this interaction, provided that they are registered as observers to a Board meeting through UNFCCC admitted observer organizations.¹

25. The Board shall also invite comments from stakeholders on the annotated agenda of a Board meeting. The secretariat shall compile the comments received at the latest one week before the meeting and bring it to the consideration of the Board at the start of the meeting.

¹ A list of all UNFCCC accredited organizations is available on the UNFCCC website (http://unfccc.int/parties_and_observers/items/2704.php).

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26. When preparing new regulatory documents or major revision of existing documents that have a significant impact on stakeholders, the Board and/or its support structure shall:

- (a) Launch a call for input to seek views of stakeholders on the areas to be covered/revised in the document and the concerns that it should address; and/or
- (b) Organize a workshop including that for practitioners to have views of stakeholders.

27. The Board and/or its support structure, if they decide to launch a call for input and/or a workshop, shall determine at which stage of the development of the regulatory document it will seek views of stakeholders through these means, e.g.:

- (a) At the beginning of the preparation/revision of the document;
- (b) At the stage where a first draft of the document is available.

28. The Board and/or its support structure shall decide on the duration of calls for input on a case by case basis depending on the complexity and the urgency of the issue that the call is seeking views on.

29. The Board shall take all inputs received into consideration while making its decision.

30. After the Board has finalised its consideration and taken a decision on the subject of the call for input or the workshop, the secretariat shall make publicly available a summary of the inputs received during the call or the workshop, including, when appropriate, reasons for taking the decision different from proposals by stakeholders.

31. Calls for input shall be directed to the public at large and all interested parties may provide their views on the subject of the calls.

32. The secretariat shall, due to a limited capacity, invite selected stakeholders to a workshop. In selecting invitees, the secretariat shall balance the interests to the subject and the composition of participants that would ensure an effective outcome of the workshop.

System-wide consultation and calibration

33. The secretariat shall organize periodically general consultation workshops for stakeholders such as CDM round tables and Joint Coordination Workshops.

34. Such general consultation workshops shall provide opportunities for sharing good practices, enhancing understanding of CDM rules, exchanging ideas and free discussion between Board members, the secretariat and stakeholders on general policy issues as well as for exchanging experience regarding the implementation of various CDM rules.

35. The secretariat may prepare agendas of such events in consultation with stakeholders to ensure that issues of stakeholders' interest are discussed when appropriate.

36. The secretariat, when selecting invitees to such events, shall take into account representation of all interested parties, space limitation and topics included in the agendas of the events.

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37. The secretariat shall decide the number of CDM round tables, CDM Joint Coordination Workshops and other general consultation workshops at the beginning of each year based on the work plan of the Board and the forecasted need for consultation with stakeholders.

38. The secretariat shall ensure that the outcomes of these consultations with stakeholders are formally documented, made publicly available and brought to the attention of the Board.

B. Communication initiated by stakeholders**1. Objectives**

39. Objectives of communication initiated by stakeholders are:

- (a) To provide stakeholders with a forum where they can communicate to the Board and/or its support structure their views on CDM rules and their implementation;
- (b) To provide stakeholders with channels for asking clarifications and enhancing their understanding of CDM rules and providing feedback to the Board and/or its support structure.

2. Means of communication

40. The secretariat shall respond directly to queries from stakeholders wherever possible.

41. The secretariat shall bring the attention of the Board or its panel or working group to the queries only when they require the attention or further guidance of the Board or the panel or working group for their consideration at the next meeting, provided it can comply with the documentation deadline for the meeting.

42. The secretariat, in addition to the means described in sections a-c below, shall maintain channels for queries of more general nature submitted through the contact page of the UNFCCC CDM website.

a. *Communication initiated by AEs/DOEs*

43. An AE/DOE may make a non-case specific request for clarification or guidance, or feedback to the Board or its support structure through a dedicated interface on the operational entities extranet provided by the secretariat.

44. The secretariat shall reply to the request within 14 days of its receipt by either:

- (a) Providing a response to the request in accordance with paragraph 40 above;
- (b) Informing the AE/DOE that the request will be submitted to the Board or its support structure for their consideration in accordance with paragraph 41 above.

45. The secretariat shall make available the response to the AE/DOE to all AEs/DOEs through publishing it on the operational entities extranet.

46. AEs/DOEs may make a confidential submission and request for a confidential response from the Board or the secretariat. The Board or the secretariat may decide to make

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its response available to all AEs/DOEs if it considers that it is a common interest of all AEs/DOEs. In such cases, confidential information shall be removed from the response to be made available to all AEs/DOEs.

b. Communication initiated by DNAs

47. A DNA may make a non-case specific request for clarification or guidance, or feedback to the Board or its support structure through a dedicated interface on the DNA forum extranet provided by the secretariat.

48. The secretariat shall reply to the request within 14 days of its receipt by either:

- (a) Providing a response to the request in accordance with paragraph 40 above;
- (b) Informing the DNA that the request will be submitted to the Board or its support structure for their consideration in accordance with paragraph 41 above.

49. The secretariat shall make available the response to the DNA to all DNAs through publishing it on the DNA forum extranet.

50. DNAs may make a confidential submission and request for a confidential response from the Board or the secretariat. The Board or the secretariat may decide to make its response available to all DNAs if it considers that it is a common interest of all DNAs. In such cases, confidential information shall be removed from the response to be made available to all DNAs.

c. Communication initiated by project participants and civil society

51. Project participants and the civil society may submit “Letters to the Board” on issues related to policy or general guidance to the Board using the form F-CDM-RtB and addressing to the Chair of the Board through a dedicated interface on the UNFCCC CDM website.

52. The secretariat shall endeavour to reply to the request within 28 days of its receipt by either:

- (a) Providing a response to the request in accordance with paragraph 40 above;
- (b) Informing the submitter that the request will be submitted to the Board or its support structure for their consideration in accordance with paragraph 41 above.

53. The secretariat shall make publicly available the response to the submitter.

54. The submitter may make a confidential submission and request for a confidential response from the Board or the secretariat. The Board or the secretariat may decide to make its response publicly available if it considers that it is a common interest of all stakeholders. In such cases, confidential information shall be removed from the response to be made publicly available.

DRAFT**V. Communication on case-specific issues****1. Objectives**

55. The objectives of communications on case-specific issues are:
- (a) To provide information on the status of case-specific submissions in order to ensure transparency of their processing;
 - (b) To allow better understanding by stakeholders of issues raised in case-specific submissions;
 - (c) To allow better understanding of stakeholders of the rationale behind the Board's decisions on case-specific submissions.

2. Means of communication***Disclosure of case specific submissions status***

56. The secretariat shall make available on the UNFCCC CDM website, the status of all case-specific submissions including an indication of the next step and a tentative date of its completion in case the timelines are not specified in the relevant procedures.

Communication with the Board and its support structures in case specific issues

57. Communication on case specific submissions shall be initiated following the following general principles:
- (a) Minor editorial issues shall not lead to rejection of submissions. In such cases the secretariat shall initiate a communication with the DOE or the project participants to allow a quick correction to the issue raised;
 - (b) The secretariat shall initiate communication prior to a decision-making where considered appropriate with the aim of ensuring the overall efficiency of the system;
 - (c) The DOE and/or the project participants shall be given an opportunity to initiate communication with the secretariat, in order to clarify the issues raised when the decision is not in favour of them. Communication on post decision-making shall aim at ensuring mutual understanding of the decision. It shall not provide a possibility to challenge the decision. Notwithstanding this principle, the secretariat has a responsibility to ensure that errors made in the conduct of its duties are appropriately corrected when identified.
58. Communication on a case specific submission shall be done only by the authorized representative of the affected parties or through the relevant DOE.
59. To ensure the transparency of the process, the summary of a telephone call, if conducted, shall be recorded as part of the project activity/methodology related documentation.
60. The detailed steps and modalities of direct communication with DOEs and project participants on case-specific submissions shall be included in the relevant operational procedures dealing with the case submissions.



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