

CDM Executive Board

UNFCCC Secretariat
Martin Luther King Strasse 8
P.O. Box 260124
D-53153
Germany

Subject: transparency about unsolicited letters and LoAs

7 May 2010

Dear Mr Mahlung,

I am writing to you on behalf of CDM Watch, representing civil society affected by CDM projects, to highlight significant concerns about the lack of transparency under the current CDM procedures. The concerns of this letter relate in particular to the lack of disclosure of unsolicited letters and letters of approval (LoAs) by Annex I countries that purchase credits from unilateral projects.

Paragraph 7 of decision 2/CMP.5 clearly requests the Executive Board, as its highest priority, to continue to significantly improve transparency, consistency and impartiality in its work by, inter alia, (b) publishing detailed explanations of and the rationale for decisions taken, including sources of information used, without compromising the confidentiality of the opinion of any individual Executive Board member or alternate member; (c) Taking into account input from relevant international organizations and Parties involved in addition to project participants and the designated operational entities in its decision-making process. Paragraph 8 moreover requests the Board to enhance the communication between the Board and stakeholders.

Unsolicited letters

In the absence of a process whereby project participants and stakeholders can directly communicate with the Executive Board, the only way of communication with the Executive Board is currently in the form of "unsolicited letters" such as the present one. Each annotated draft agenda of EB meetings usually contains a list of unsolicited letters received between the past EB meeting and the launch of the draft agenda. However, while this list usually includes the name of the sender and the issue addressed, these letters are according to our research¹ not made public.

In order to meet the general principles of transparency and access to information as well as to respond to the request in paragraph 7, CMP.5, I kindly ask you to add this issue on the agenda of the upcoming Board meeting with the aim to instruct the secretariat to publish all unsolicited letters received at the UNFCCC/CDM Website.

Moreover and in the spirit of paragraph 8, 2/CMP.5 to enhance the communication between the Board and stakeholders in the future, I would like to emphasize the need to establish an official procedure that is not based on unsolicited letters but on a legitimate, transparent process.

¹ A search of „unsolicited letter“ at <http://unfccc.int/search> reveals 10 results where the word “unsolicited” is mentioned but no letter is being disclosed.

LoAs from Annex I Parties to projects registered as unilateral projects

The second aspect I would like to refer to within the question of disclosure of information relates to the LoAs of Annex I Parties. For projects where the approval took place during validation, the approval and authorization letters of Annex I Parties are published online together with the approval and authorisation letters of the host countries.

However, paragraph 57 of EB 18 report states that *"the registration of a project activity can take place without an Annex I Party being involved at the stage of registration. Before an Annex I Party acquires CERs from such a project activity from an account within the CDM registry, it shall submit a letter of approval to the Board in order for the CDM Registry administrator to be able to forward CERs from the CDM registry to the Annex I national registry."*

All LoAs of all Annex I Parties involved in purchasing CERs from the CDM registry should be made public. This should apply to both, LoAs submitted during the validation stage before registration as well as to LoAs that are submitted after registration for unilateral projects to purchase CERs.

In order to meet the general principles of transparency and access to information, I kindly ask you to add this issue on the agenda of the upcoming Board meeting with the aim to instruct the secretariat to make public all LoAs ever submitted by Annex I Parties.

I trust that you address these issues at your earliest convenience.

Thank you for your attention.

Sincerely,



Eva Filzmoser