

20 December, 2011

CDM Watch
Rue d'Edimbourg 26
B-1050 Brussels
BELGIUM

Dear sirs,

Thank you for your letter and for sharing your views on CDM projects in coal power plants.

In response to your concerns we can inform you that we share the opinion that the Clean Development Mechanism (CDM) has to promote the deployment of clean projects. In this regard, we are confident that periodical improvements in the CDM, through CMP decisions and through the work of the Executive Board, will lead to reinforce its role as a tool promoting real low-carbon investments.

At the same time, we have to bear in mind existing rules, agreed at international level, which today allow qualifying as CDM projects that reduce emissions by improving technologies in coal power plants through energy efficiency measures. We have to work together within the international community to improve CDM rules to further promote the introduction of clean technologies, but in the meanwhile we have to ensure that existing rules can be applied.

Furthermore, I would like to stress that these rules evolve as the knowledge on the projects improves. In this regard, the review process applicable to existing methodologies provides a useful tool to improve the accounting of the emission reductions generated by projects. We are committed with this process, and we are confident that the Executive Board is playing a very useful role in this regard.

With kind regards,

