

# Stakeholder participation and sustainable development in the CDM – State of Play

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Clean Development Mechanism

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## CDM has two objectives

- ❑ **Emission reductions**
- ❑ **Assist host Parties in achieving sustainable development goals**



### **Two consultation processes during project validation**

- **Local stakeholder consultation**  
prior to publication of project design document (PDD)
- **Global stakeholder consultation**  
30 days during publication of PDD on the CDM website

Board's regulations elaborate these processes



### **Local stakeholder consultation**

Accredited validator (DOE) shall confirm:

- Comments by local stakeholders have been invited
- Summary of the comments has been provided
- Report has been received on how due account was taken of any comments



# Improvements adopted by Board last week

- **Global stakeholder consultation**
  - ✓ Defined scope of comments that may be submitted
  - ✓ DOE can seek guidance from Board on need to publish revised project design document if significant change to project design
  - ✓ Secretariat must inform stakeholders (who made submitted comments) about status of validation and submission of request for registration



### Improvements adopted by Board last week

- **Local stakeholder consultations**
  - ✓ Complaints to DNA accepted after local stakeholder consultation and during the validation. DOE to assess whether taken into account
  - ✓ If project design changed after stakeholder consultation, DOE to assess whether comments and stakeholders invited still valid
  - ✓ Stakeholder consultation before project start
  - ✓ Consultation conducted in accordance with national regulations, if any
  - ✓ Report on feedback from stakeholders to be included in PDD



## Improvements for consideration by Board in 2015

- **Global stakeholder consultation**
  - ✓ Submissions in official language of host country
  - ✓ Guidance to DOEs on treatment of comments
- **Local stakeholder consultation**
  - ✓ Details on groups of stakeholders that should be invited, consulted
  - ✓ Means of consultation and information to be made available
  - ✓ Proposal on treatment of comments
  - ✓ Proposal on guidance to DOEs
  - ✓ Proposal to develop **process to deal with stakeholder comments received after registration of project activity**
  - ✓ Proposal to provide assistance to DNAs in developing guidelines



# Review of CDM modalities & procedures under SBI

2<sup>nd</sup> co-chairs' note contains following ideas:

### Local stakeholder consultation

- ✓ Require DNA to publish laws, regulations and guidelines that apply to national approval processes, including LSC
- ✓ Include requirements for procedures, including minimum criteria for scope, timing and form
- ✓ Provide guiding tool to be used by DNAs on voluntary basis.
- ✓ Allow comment on verification report before it is finalized and submitted to Board for request for issuance.

### Global stakeholder consultation

- ✓ Elaborate on rules/procedures for GSC, including minimum criteria for scope, timing and form, taking into account national sovereignty.





### Appeals of CDM Board decisions, under the SBI

- Negotiations around rules have not progressed in several years
- Whether a stakeholder that submitted comments on the project can appeal a decision is still under negotiation.

Any Party, project participant [or Designated Operational Entity] directly involved in [or stakeholder or organization referred to in decision 3/CMP.1, annex, paragraph 40(c), which has submitted comments with regard to] a CDM project activity or a proposed CDM project activity with respect to which the Executive Board has [registered or] made a rejection or alteration decision relating to the registration of such a project activity or the issuance of CERs (“petitioners”) may file, individually or jointly, a petition for appeal against such a decision.



## Contribution to sustainable development

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1. Letter of approval (LoA) by host Party shall confirm that the project activity assists the Party in achieving sustainable development (40(a), 3/CMP.1)
2. **Voluntary sustainable development tool** was developed by the Board, and is up and running
3. The Board last year adopted a **procedure for processing letters that withdraw the LoA**. DNAs now have clear process to withdraw LoAs for reasons they feel necessary, **including issues relating to the contribution to sustainable development and human rights**.



## Voluntary sustainable development tool

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- Board developed tool for project participants to voluntarily describe the sustainable development benefits of their projects in a **comparable** and **structured** manner using **pre-defined set of criteria and indicators**.
- Online tool launched in early 2014.
- Now possible to more readily **identify, highlight and compare** benefits of projects and PoAs.
- Work being done to improve communication, visibility and functionality of tool and sustainable development contribution description report
- CMP also asked Board to assist DNAs in developing **tools to monitor SD benefits** if those DNAs ask for such support.



**Thank you**

