

Submission to annotated agenda of the 84th CDM Board meeting

25-28 May 2015, Germany

17 May 2015

Carbon Market Watch welcomes the opportunity to provide input to the CDM Board on issues included in the annotated agenda of the 84th meeting, particularly on the following agenda item:

- 1. Agenda item 4.2. Procedures
 - Action 26: Guidance to concept note on improvement of stakeholder consultation processes
- 2. Agenda item 5. Relations with forums and other stakeholders
 - Action 29: External input to the annotated agenda

1. Agenda item 4.2. Procedures

Action 26: Guidance to concept note on improvement of stakeholder consultation processes

Carbon Market Watch would like to express its strong support for the proposals on improvement of the local stakeholder consultation (LSC) and global stakeholder consultation (GSC) processes included in the concept note to Annex 14 on improving stakeholder consultation processes.

We thereby especially welcome the clearer guidance on *how* the local stakeholder consultations should be undertaken as well as the further clarification on the scope and means for inviting stakeholder's participation as well as definition of the required information and summary of the comments. Very significant is thereby the request that the local stakeholder consultation needs to comply with national legislation.

The amended rules specified in the concept note are essential to increase participation of stakeholders as well as the level of transparency, clarity and effectiveness of the local and global stakeholder consultation processes.

However, we would like to highlight that these amended rules disregard the need for a compliance mechanism, or an investigation panel in cases where national or international obligations are not respected. To ensure that the set out rules are implemented and complied with, an effective compliance mechanism is of outmost significance. Moreover, the introduction of best practice guidance for an effective grievance mechanism as well as respective reporting requirements are crucial elements for the forthcoming CDM reform. The establishment of a CDM grievance mechanism is thereby also essential for the operationalisation of the 2010 Cancun agreement, that calls for all parties to fully respect human rights in all climate change related actions. Although we understand that this issue is not on the 2015 work programme of the CDM Board, we strongly urge you to raise the need

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¹ UNFCCC Decision 1/CP.16, para. 8.



for a compliance mechanism in case of evidence that the local stakeholder consultation rules are not complied with in your annual report to the CMP.

2. Agenda item 5. Relations with forums and other stakeholders

Action 29: External input to annotated agenda

We welcome the amended rules on direct communication with stakeholders², namely that "calls for input shall be directed to the public at large, using a dedicated alerting system and establishing mailing lists as appropriate"³. However, to our information, recent public calls for input, including the call to provide comments on the "issues included in the annotated agenda of the eighty-fourth meeting of the CDM Executive Board" was only announced on the UNFCCC CDM website. To operationalise this decision, we would recommend to provide further clarity on the type of alerting system that is envisaged to be used for public calls for input and how interested stakeholders can subscribe.

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² CDM-EB82-A09

³ CDM-EB82-A09, para.29.