 <p><b>CDM: FORM FOR SUBMISSION OF A “LETTER TO THE BOARD” (Version 01.2)</b></p> <p>This form should be used only by project participants and other stakeholders for submitting a “Letter to the Board” in accordance with the latest version of the <i>Modalities and procedures for direct communication with stakeholders</i></p>	
Name of the stakeholder <sup>1</sup> submitting this form (individual/organization):	Project Developer Forum
Address and contact details of the individual submitting this form:	Address: 100 New Bridge Street, London, EC4V 6JA Telephone number: +65 6578 9286 E-mail address: office@pd-forum.net
Title/Subject (give a short title or specify the subject of your submission)	Currency risk in CDM Loan Scheme
Please mention whether the submitter of the form is:	<input type="checkbox"/> Project participant <input checked="" type="checkbox"/> Other stakeholder, please specify PD Forum
Specify whether you want the letter to be treated as confidential <sup>2</sup> :	<input type="checkbox"/> To be treated as confidential <input checked="" type="checkbox"/> To be publicly available (UNFCCC CDM web site)
Please choose any of the type(s) below <sup>3</sup> to describe the purpose of this submission.	
<input checked="" type="checkbox"/> <b>Type I:</b> <input type="checkbox"/> <b>Request for clarification</b> <input checked="" type="checkbox"/> <b>Revision of existing rules</b> <input type="checkbox"/> Standards. Please specify reference <input type="checkbox"/> Procedures. Please specify reference <input type="checkbox"/> Guidance. Please specify reference <input type="checkbox"/> Forms. Please specify reference <input checked="" type="checkbox"/> Others. Please specify reference CDM Loan Scheme <input type="checkbox"/> <b>Type II: Request for Introduction of new rules</b> <input type="checkbox"/> <b>Type III: Provision of information and suggestions on policy issues</b>	
Please describe in detail the issue on which you request a response from the Board, including the exact reference source and version (if applicable).	

<sup>1</sup> DNAs and DOEs shall use the respective DNA/DOE forms for communication with the Board.

<sup>2</sup> As per the applicable modalities and procedures, the Board may make its response publicly available.

<sup>3</sup> Latest CDM regulatory documents and information are available at: <http://cdm.unfccc.int/Reference/index.html> .

## PROJECT DEVELOPER FORUM

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**To** cdm-info@unfccc.int

**From** gareth.phillips@pd-forum.net

**Date** 6<sup>th</sup> August 2014

**Subject** Reducing currency risk in the CDM Loan Scheme

Dear Mr. Sealy,

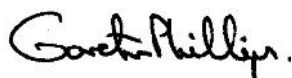
Honorable Members of the CDM Executive Board,

The Project Developer Forum (PD Forum) welcomes the CDM EB's continued support for the CDM Loan Scheme. During presentations at the recent Africa Regional Workshop hosted by the Namibian Government in Windhoek, figures were presented to show that 39 loans had been dispersed including loans to project developers in 26 least developed countries. During discussions at the following Africa Carbon Forum, one of our members highlighted the fact that the CDM loan scheme lends money to project developers in US dollars and requires repayment in the same currency.

Our Member highlighted the fact that this requirement posed a very material risk to project developers, who consequently assume all currency risk. Bearing in mind that many applicants for the loan scheme originate from not-for-profit organisations and / or are located in least developed countries, the PD Forum agrees that requiring repayment in USD creates a potential barrier to applications for loans.

We therefore request that the CDM EB reviews the procedures for making loans such that loans are disbursed in USD (to facilitate payment of third parties and UNFCCC fees in USD) whilst repayments are made in the local currency at the exchange rate which is current at the time of disbursing the loan.

With kind regards,



Gareth Phillips

Chair, Project Developer Forum

*Please provide any specific suggestions or further information which would address the issue raised in the previous section, including the exact reference source and version (if applicable).*

>>Suggestions are included in the text above, with reference to each specific issue.

<i>If necessary, list attached files containing relevant information (if any)</i>	<ul style="list-style-type: none"> <li>[replace this bracket with text, the field will expand automatically with size of text]</li> </ul>
<b>Section below to be filled in by UNFCCC secretariat</b>	
Date when the form was received at UNFCCC secretariat	
Reference number	

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### History of document

Version	Date	Nature of revision
01.2	08 February 2012	Editorial revision.
01.1	09 August 2011	Editorial revision.
01	04 August 2011	Initial publication date.
<b>Decision Class:</b> Regulatory <b>Document Type:</b> Form <b>Business Function:</b> Governance		