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From rachel.child@pd-forum.net
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Subject **Call for input on "Issues included in the annotated agenda of the eightieth meeting of the CDM Executive Board and its annexes"**

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Honorable Members of the CDM Executive Board,

The Project Developer Forum (PD Forum) welcomes the publication of the annotated agenda for EB80 and would like to provide the following input on the agenda and other issues.

Annex 8 - Concept note: Review of the application of accreditation fee

While we welcome the discussion on the review of the application of the accreditation fee for the specific circumstances outlined in the concept note, we suggest that the EB needs to look more closely at the accreditation fee level and its impact on DOEs, considering current market conditions.

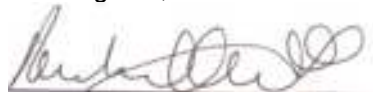
The PD Forum was dismayed when in June, our membership received notice that SGS was withdrawing from offering validation and verification services for projects under the CDM. This drastic development, triggered by the current carbon market crisis, follows a similar decision by DNV GL in February this year. The fact that these major DOEs withdrew from the CDM in spite of continuing discussions about the important role this mechanism has played in fostering ambition and early action in the short term, as well as providing essential building blocks and infrastructure for the development of a post 2020 climate regime, shows that concrete and urgent action is needed to reverse the ongoing deterioration of the global carbon market infrastructure.

Our understanding is that the current level of the accreditation fee is acting as a barrier for some DOEs to maintain their accredited status and that there is a very real risk of further DOEs leaving the market place. Further deterioration of the CDM infrastructure will consequently accelerate market fragmentation, sharply increase future mitigation costs and reduce the prospects of building a coherent and efficient global carbon market from the promising but fragmented initiatives we now see emerging around the globe.

We therefore urge the EB to review the current accreditation fee structure, as well as other transaction costs such as the cost of the surveillance and performance audits, with a view to ensuring that this does not create a further barrier for DOEs, already struggling under current market conditions.

We thank you for the opportunity to provide our comments on the annotated agenda and annexes and would be very happy to discuss them with you further,

Kind regards,



Rachel Child
Co Vice Chair, Project Developer Forum