



**CDM MANAGEMENT PLAN 2007–2008
Version 2**

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CDM MANAGEMENT PLAN 2007–2008

Version 02

Executive summary

Experience in 2006 and early 2007 and purpose of this version: The year 2006 has seen exponential growth in caseload (more than 30 per cent higher than expected), an increase in human resources on panels, and a secretariat building to reach the operational support level envisaged for it in CDM MAP 2006. After the first 5 months of 2007, the caseload forecast has to be revised again upwards by some additional 30% based on experience and forecast surveys of DOEs and DNAs.

Key objectives of the CDM MAP: Based on the increase highlighted above, the CDM MAP 2007–2008, , foresees:

- Processing of an even higher caseload;
- The Executive Board, its panels and working groups focusing on key issues and converting lessons learned into actions that address shortfalls and potential bottlenecks;
- Steady enhancement of the secretariat's ability to provide analytical support (drafting/preparation of input such as draft recommendations as of 1 April 2007 also relating to request for registration, issuance, reviews, option papers, assessment of entities at accreditation);
- Increased interaction between the Board and DOEs/AEs to harmonize assessments/reports and ensure that project participants receive adequate, timely support;
- Productive interaction between the Board and the DNA Forum, which held its first meeting in October 2006;
- Publication of a catalogue of Board decisions and development of a CDM Bazaar, a website for exchange of information about projects in search of funding;
- Enhanced public information and awareness about CDM;
- Efforts in support of capacity-building as may be mandated by the COP/CMP at its third session.

Key assumptions regarding caseload: In 2007^{v2} there are about 1100 (2006: 400/ 2007^{v1}: 800) requests for registration and issuance expected; about 180 (2006: 120) proposals for methodologies, requests for guidance on methodologies and adoption of project developer tools/modules; as well as 250 (2006: ~20) decisions regarding accreditation issues .

Budget Implications: As a result of the issues indicated above and the current UNFCCC budget proposal for the biennium 2008-2009, this version of the MAP makes provisions for the following budget implications:

- As of 1 July 2007, an increase in staff (10 professional and 3 general service)
- As second half of 2007, an increase of costs for the provision of Information Technology support by the secretariat
- As of 1 January 2008:
 - An increase of costs associated with increase in the caseload as indicated above;
 - An increase in costs paid by the CDM towards legal, administrative, record management and managerial support provided by the sustainable development programme (SDM) in UNFCCC,
 - The decrease of core allocation for the CDM (from USD 2 million to USD 0.2 million) and the introduction of support service costs (USD 1.2 million)

**Key assumptions regarding caseload 2007–2008**

	2007v2	2007 v1	2006
Total annual budget (Suppl. /Core) in USD million p.a.	2007: ~13 /core ~2.3) 2008: ~18.5/ core~0.2	14 (core ~2.3) 14 (core ~2.0)	(~9 / ~2.2)
Professional staff (P) (no.)	47*	37	24
General Service staff (G) (no.)	24	21	16
No. of meetings (EB/MP/AP/A-R/SSC) (DNA Forum / Coordination workshop)	2007: 8/5/6/5/5 - 2 / 1 2008: 8/5/7/5/5 - 2 / 1	8/6/6/5/5 - 2 / 1	(8/6/5/4/2) (0 / 1)

* In the biennium 2008-2009 a D1 position is frozen under the core budget.



I. Introduction

1. This version 2 of the CDM Management Plan 2007–2008 (CDM MAP 2007) is reflecting impacts of additional needs/changes the Board had identified since the adoption of the first version as well as of the changes in provisions in core budget of the UNFCCC secretariat with regard to CDM support and contributions to shared services. This document will indicate through highlighting of text in yellow those parts that are different to the first version.
2. CDM Management Plan 2007–2008 (CDM MAP 2007) is designed to strengthen the capacity of the CDM Executive Board and its support structure – including panels and working groups, designated operational entities and the secretariat – to meet the requirements arising from decision 7/CMP.1, 1/CMP.2 and the challenges of a growing caseload.
3. The plan is based on functions and provisions of the CDM modalities and procedures as contained in the Marrakesh Accords and subsequent decisions adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) at its first session, guidance from the COP/CMP at the same session, and experience of the Board in 2006.
4. The plan – for the period from the end of the third quarter 2006 to the end of 2008 – has been elaborated to provide the Board, and all other actors working on the CDM, clear direction and full awareness of what is required to deliver the CDM both in terms of roles/functions/caseload and budget needs. In accordance with paragraph 13 of decision 7/CMP.1, the Board will review and assess the plan periodically and adjust it accordingly, as needed.
5. The CDM-MAP 2007 (Version 1) had been adopted based on a proposal by the Executive Secretary of the UNFCCC in response to needs defined by the Board. Similarly this version 2 has been proposed to the Executive Board at its thirty-second meeting. Further to this version, during the remaining of 2007, further versions of the CDM-MAP 2007 will be developed and adopted. Each version will be published as an annex to the report of that EB meeting, where it is adopted. This version of the CDM-MAP 2007 (Version 2) has been prepared and adopted in accordance with the process and guidance adopted by CMP at its second session.
6. After the first 5 months of 2007, the caseload forecast of the CDM MAP has to be revised upwards based on experience and on the results of forecast surveys of DOEs and DNAs. Furthermore the SB for implementation has agreed and recommended for adoption a budget for the secretariat for 2008-09. Hence the CDM-MAP 2007 (version 2) has been adjusted accordingly in a transparent and secretariat wide consistent manner, in accordance with decision 15/CP.1 and the 2008-2009 UNFCCC programme budget reflecting agreements in SBI with regard to the core budget of the UNFCCC secretariat (e.g. core budget shall not cover shared costs used by activities funded from supplementary sources (e.g., IT services and equipment, common services such as office space, as well as administrative and conference services); reduced coverage of CDM related operational expenditures).
7. The Board, aware of the responsibility transferred to it by the provisions included in 7/CMP.1 and 1/CMP.2 on budgetary matters through the management plan, would like to invite the CMP to take note of the CDM-MAP and provide guidance or clarification to the EB and to the secretariat on the implementation of subparagraph 13(a) with a view to ensuring that the arrangements are satisfactory and provide the necessary accountability.

II. Key lessons learned in 2006 and early 2007

8. The fundamental procedures of the CDM have been in place since 2001. Since then, with each passing year and project cycle milestone, valuable experience has been gained upon which to



improve the functioning of the mechanism. A highlight in 2006 was the first issuance of certified emission reductions, the final step in the project cycle.

9. The recurring challenge is to effectively apply the many lessons learned. Good communication between the Executive Board and project participants and DOEs is critical, especially to ensure that quality standards are applied and met.
10. Productive interaction between all the players in the CDM is of critical importance. At the end of last year the Board decided to establish a forum for designated national authorities. The first meeting of the DNA Forum was held in October 2006. Given the success and the strong interest in such a forum, resources were allocated in CDM MAP 2007 to support its continued operation by including staff time to provide basic substantive and logistical support as well as the cost of holding two meetings per year. Additional funding other than share of proceed may be sought for holding additional meetings.
11. A well-established and operational support structure, which provides institutional memory and impartial substantive support and process work, is fundamental to the success of the CDM. The CDM's support structure envisaged in the CDM-MAP 2006 is not yet fully in place, which makes it impossible to deliver on all aspects of CDM-MAP 2006 and requests emanating from 7/CMP.1. **Implementing version 1 of CDM MAP 2007 reconfirms that** finding and retaining the required specialized human resources is difficult. The CDM is expanding rapidly, as is indeed the entire carbon market. The Executive Board and its support structure must compete with all other players in the market for the same expert resources.
12. However, experience **in 2006 and 2007** has shown that the increases in human resources and allocation of certain responsibilities to the secretariat in support of the panels, working groups and the Board provided for signals that point out that the direction is appropriate. Points to consider:
 - a. The Board will, as its name implies, aim at becoming more and more enabled to focus on executive matters. It can do this:
 - i. If the quality of input to the system (from project participants and DOEs) is of a high quality;
 - ii. If analytical support is provided by the secretariat (drafting of decisions/recommendations/options);
 - b. Issues outside the caseload can be addressed by the Board if the panels focus on key issues, enabled by analytical support by the secretariat;
 - c. The clarity and usefulness of documentation (panel reports, meeting annotations, meeting reports) is improved, with enhanced support from the secretariat (support from the public information officer, drafting of explanations of Board decisions, ongoing enhancement of the website), and catalogue of decisions ;
 - d. Dedicated legal support from the secretariat is required.
13. A matter of concern is the increasing demands placed on the Board, in particular in the issuance step of projects, when a decision to conduct a review could lead to million-euro losses or gains for project participants in very short periods of time. Success by the COP and COP/CMP in continuing to ensure legal protection of the Board is essential for members to assume an executive role within the context set by the CDM modalities and procedures.¹

¹ Board members and alternates are (i) nominated and elected as stipulated in the Marrakesh Accords; (ii) function in a personal capacity; (iii) possess the required qualifications; (iv) perform their role on the Board in addition to their regular employment; (v) declare when a conflict of interest arises.



III. Plan 2007–2008 version 2 by focal area

14. This section provides an overview of activities and caseload assumptions for 2007–2008 and indicates in yellow highlight changes with regard to version 1 of the CDM MAP 2007. A status of key assumptions to the end of September 2006 is given as a benchmark. The following chapter IV, Budget and financial resources 2007–2008, is structured accordingly. The present operating assumption is that the nature of the activities will remain the same in 2008 to 2012 and that the caseload will remain stable.²
15. The changes in all focal areas can be characterized as follows:
 - a. Catering to a higher caseload;
 - b. Further shifting of analytical preparatory work from Board, panel and working group members to the secretariat, in particular in the area of registration and issuance and in accreditation, hence, increasing the institutional knowledge capacity of the mechanism and allowing members to focus on key substantive issues;
 - c. Intensifying work on broadening the scope and applicability of methodologies, including the development of tools, which could be referred to in new methodologies
 - d. Enhancing interaction, communication and knowledge sharing;
 - e. Provision of logistical and substantive support to the DNA Forum (voluntary support from Parties might be required to cover the cost of travel, logistics and possibly coordination of special analytical work);
 - f. Provision of dedicated legal support, as needed.

² It is unlikely, however, that the caseload will remain stable in 2008, as we are facing an evolving market situation. The Executive Board will need to monitor and review the situation accordingly.

**III.1. Baseline and monitoring methodologies (METH)**

16. The already successful expansion of this area will be further enhanced to facilitate the increased dialogue with project participants ensuring equitable and transparent interaction, and by taking on more aspects of the preparation of the recommendations, revision, refinement and finalization (reformat) of draft proposed methodologies. Enhanced through expanded analytical support from the secretariat, this enables members to spend more time considering key and new methodological issues, resulting in a faster turn around time for the consideration of cases. Human resources at the secretariat will be supplemented to enable the preparation of draft input and output documentation, e.g. indicating/resolving inconsistencies, presenting options, for panel, working group and Board meetings. This will enable the secretariat to continue to build on and manage the CDM's institutional memory, to further effectively assist the process at meetings by providing substantive support for decisions, explaining, revising and finalizing drafts.
17. Identification of new panel members, new desk reviewers and new staff is a serious challenge in this growing field, where the secretariat must compete with private and public sector entities to recruit the best people, always bearing in mind the need for regional distribution.

Actor (METH)	Activity in 2007	MAP 2007 v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Executive Board	<ul style="list-style-type: none"> o Approve new, consolidated, revised methodologies (Meth, AR & SSC) based on recommendations by panels & working groups + Short summary of cases provided to assist Board's decision making + Forms and editorial changes to documentation, published with the annotations, are considered adopted unless a member raises an issue prior to or at the meeting. o Content changes of documentation agreed at EB meetings are implemented by the secretariat without further Board input unless decided differently 	o 180 recommendations	o 120 recommendations	o 240 recommendations	<ul style="list-style-type: none"> o Same as 2007 + The Board considers cases for rejection and approval only, as the increased dialogue with PPs has reduced the need for the feedback loops and therefore consideration of B cases in the meetings
	o Approve guidance and procedures	o 20 issues of guidance and procedure	o 14 issues of guidance and procedure	o 28 issues of guidance and procedure	



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Actor (METH)	Activity in 2007	MAP 2007 v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Panel/WG members	<ul style="list-style-type: none"> ○ Make preliminary assessment of proposed methodologies based on material supplied ○ Come to meetings prepared with recommendations on proposed methodologies prepared by secretariat ○ Consider and finalize recommendations at meetings based on input prepared by secretariat ○ Check final draft of reformatted approved methodologies based on input prepared by secretariat ○ Prepare and consider guidance, procedures and tools based on input prepared by secretariat – Drafting work prior to and at meetings because the secretariat is preparing/drafting all inputs/outputs ○ Consider already prepared recommendations relating to requests for revisions, clarifications and deviations 	<ul style="list-style-type: none"> ○ 140 cases ○ Meetings <ul style="list-style-type: none"> - 6 Meth Panel - 5 A/R WG - 5 SSC WG (A/R & SSC one day longer) ○ 80 revisions and clarifications ○ 4-5 working days per month per member in total 	<ul style="list-style-type: none"> ○ 110 cases ○ Meetings <ul style="list-style-type: none"> - 3 Meth Panel - 3 A/R WG - 2 SSC WG (A/R & SSC one day longer) ○ 66 revisions and clarifications ○ 4-5 working days per month per member in total 	<ul style="list-style-type: none"> ○ 220 cases ○ Meetings <ul style="list-style-type: none"> - 6 Meth Panel - 5 A/R WG - 5 SSC WG ○ 130 revisions and clarifications ○ 4-5 working days per month per member in total 	<ul style="list-style-type: none"> ○ Same as 2007 – One less Meth Panel meeting per year due to improved approval time of the cases and issues – Review only the summary recommendation forms, so that all changes captured in the NM form – Recommend less B cases for consideration to the Board
Desk review/ Final formatting	<ul style="list-style-type: none"> ○ Desk reviews of proposed new methodologies ○ Input on reformatting – Provided for by secretariat in house 	<ul style="list-style-type: none"> ○ 220 40 	<ul style="list-style-type: none"> ○ 100 20 	<ul style="list-style-type: none"> ○ 200 40 	<ul style="list-style-type: none"> ○ Same as 2007



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Actor (METH)	Activity in 2007	MAP 2007 v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Secretariat	<ul style="list-style-type: none"> ○ Prepare reformatted methodology prior to consideration by the panel after dialogue with PPs ○ Prepare recommendations and reformats for each case for consideration by the Panel and Working Groups ○ Prepare recommendations for each revision and clarification case for considerations by the Panel and Working Groups ○ Conduct and prepare an enhanced pre-assessments of proposed methodologies ○ Prepare summary notes of each for approval or rejection case for consideration by the Board ○ Prepare draft guidance, procedures and clarifications for consideration by the Board ○ Process support including the maintenance of a roster of experts, language/consistency of documents ○ Meeting support logistics. ○ Feed information in the CDM information system including the UNFCCC CDM website 	<ul style="list-style-type: none"> ○ 13 P ○ 6 G 	<ul style="list-style-type: none"> ○ 12 P ○ 5 G 	<ul style="list-style-type: none"> ○ 14 P ○ 6 G 	<ul style="list-style-type: none"> ○ Same as in 2007



III.2. Registration and issuance (R&I)

18. The registration and issuance unit is expected to further increase its analytical support to the Executive Board in 2007 and 2008. This area of work is characterized by an estimated increasing caseload (1100 cases: 600 registration, 500 issuance plus 100 request for review and review cases and 50 requests for deviation), short process turnover times (requiring coordination of external expertise, e.g. registration and issuance team (RIT)) and continuous, uninterrupted workflow throughout the year. In particular, the Board requested the secretariat to prepare for each request for registration and issuance a summary note which includes an analysis and a recommendation on actions to be taken by the Board. These additional functions were not foreseen in the previous MAP and they already started to be implemented as of 1 April 2007.
19. The table below shows that the unit servicing this area, which was under particular stress given the more than 30 per cent increase in caseload to the end of the September 2006, faces again the need to revise forecast upwards, and also that the unit is required to assume additional functions not foreseen in the previous version of the MAP.
20. The follow-up activities relating to the support of the implementation of the Nairobi Framework would require in the year 2008 a new full time professional position.

Actor (R&I)	Activity in 2007 indicating version 2 changes	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008
Executive Board	<ul style="list-style-type: none"> o Request and conduct reviews of DOEs' requests for registration and issuance, as needed, assisted by an RIT input and a secretariat summary note o Consider draft recommendations /decisions containing options prepared by secretariat based on RIT input and DOE work/documentation o Enhancing the information contained in the explanation of decisions o Decide upon requests for deviations o Consider requests for renewal of the crediting period o Provide guidance and clarification with respect to registration and issuance o Report to the COP/CMP on the regional and subregional distribution of CDM project activities with a view to identify possible solutions to address this issue o Make publicly available relevant information, 	800 cases <ul style="list-style-type: none"> o 500 registration o 300 issuance 85 request for review and review cases 30 Requests for deviations	431 cases <ul style="list-style-type: none"> o 293 registration o 138 issuance 83 request for review and review cases 45 Requests for deviations	1100 cases <ul style="list-style-type: none"> o 600 registration o 500 issuance 140 request for review and review cases 90 Requests for deviations	<ul style="list-style-type: none"> o Same as 2007



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Actor (R&I)	Activity in 2007 indicating version 2 changes	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008
	<p>submitted to it on proposed CDM project activities in need of funding and on investors seeking opportunities, in order to assist in arranging funding of CDM project activities, as necessary</p> <ul style="list-style-type: none"> o Implement COP/CMP guidance with respect to registration and issuance matters 				
RIT members	<ul style="list-style-type: none"> o Prepare appraisals of requests for registration and requests for issuance o Provide inputs on request for review and review cases o Provide ratings on the performance of DOEs o Attend meetings to coordinate and harmonise the consideration of key issues in the preparation of appraisals. 	<ul style="list-style-type: none"> o 500 registration cases o 300 issuance cases o 65 request for review and review cases Total 865 cases 	<ul style="list-style-type: none"> o 293 registration cases o 138 issuance cases o 83 request for review and review cases o Total 514 cases 	<ul style="list-style-type: none"> o 600 registration cases o 500 issuance cases o 140 request for review and review cases o Total 1240 cases 	<ul style="list-style-type: none"> o Same as 2007
Secretariat	<ul style="list-style-type: none"> o Conduct completeness checks of new requests for registration and issuance + Prepare summary notes of each request for registration and issuance + Prepare decision sheets on request for review cases + Prepare summary notes on review cases + Prepare briefing notes on requests for deviation o Prepare draft procedures and clarifications for consideration by the Board + Manage the operation of the RIT including the organization of meetings + Process requests for renewal of the crediting period o Maintain a publicly available database of CDM project activities o Operate the CDM registry, to facilitate the opening 	<ul style="list-style-type: none"> o support above o 500 forwarding requests o 50 holding account applications o 50 transfers to national registries from temporary accounts o 9 P o 5 G 	<ul style="list-style-type: none"> o support above o 267 forwarding requests including those to the Adaptation Fund o 28 holding account applications o 0 transfers to national registries from temporary accounts 	<ul style="list-style-type: none"> o support above o 500 forwarding requests o 50 holding account applications o 50 transfers to national registries from temporary accounts o 13 P o 6 G 	<ul style="list-style-type: none"> o Same as 2007



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Actor (R&I)	Activity in 2007 indicating version 2 changes	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008
	of holding accounts and the forwarding of CERs to these accounts ○ Establish and manage the CDM Bazaar ○ Collect the share of proceeds to cover administrative expenses ○ Collect the share or proceeds for the adaptation fund ○ Provide information to the CDM information system including the UNFCCC CDM website		○ 8 P ○ 5 G		



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Following the adoption and operationalization of the Programme of Activity the Registration and Issuance unit is expected to provide support to a complete new area of work. Potential changes in resource requirements will be reflected in a subsequent version of the CDM MAP.

Programme of Activity

Actor (R&I)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Executive Board	<ul style="list-style-type: none"> ○ Revise guidance and adopt procedures relating to Programme of Activity, as needed ○ Consider request for registration and issuance of Programme of Activity 		○ n/a		<ul style="list-style-type: none"> + Same as 2007 + Consideration of issuance cases
RIT members	<ul style="list-style-type: none"> ○ Prepare appraisals of requests for registration 		○ n/a	○	+
Secretariat	<ul style="list-style-type: none"> ○ Conduct completeness checks of requests for registration ○ Prepare summary notes of each request for registration ○ Prepare decision sheets on request for review cases ○ Prepare draft guidance, procedures and clarifications for consideration by the Board 	○ n/a	○ n/a	<ul style="list-style-type: none"> ○ Number of cases TBD ○ TBD P ○ TBD G 	<ul style="list-style-type: none"> + Same as 2007 ○ Conduct completeness checks of requests for issuance ○ Prepare summary notes of each request for issuance + Prepare decision sheets on request for review cases

**III.3. Accreditation (ACCR)**

21. Experience in 2006 showed that analytical support from the secretariat, in addition to process support, would provide added value in terms of consistency and homogeneity of outputs and could allow the Board and panels to refocus on key substantive issues. In the area of accreditation there is a need to establish an effective system to monitor quality of performance of DOEs and to develop and implement an effective feedback/learning system. The table shows both an increase in substantive support and an increase in caseload, in particular in the area of witnessing for phased accreditation.
22. Support to the DOE Forum needs to be enhanced to help ensure effective dialogue between the Board and DOEs, ultimately to ensure that the work done by all DOEs on validation and verification is consistent (i.e. to ensure that the CDM standard vis-à-vis baseline and monitoring methodologies is implemented).
23. Experiencing difficulties in the availability as well as quality and consistency of the assessment work, the Board agreed to enhance the role of the secretariat in undertaking the assessment work for the accreditation of operational entities. The measure was adopted to improve the quality of the assessment of the operational entities by achieving consistency in the assessment reporting to facilitate the decision making process of the CDM accreditation panel and the Board. It is further expected to avoid delays in the assessment process resulting due to difficulties in the availability of accreditation and methodological experts.
24. The strengthening of the role of the secretariat in the assessment work requires that this function be provided in relation to other accreditation support functions for each case to ensure that objectivity and independence of the assessment work is maintained
25. Following the decision of the Board, the assessment work currently being undertaken by the CDM-ATs will be assumed by the secretariat with the assistance of experts taken from the roster of experts for assessment teams, as required. In terms of resource implications, it may also be noted that in accordance with the accreditation procedure, the measure will redirect the payment of the assessment fees to the secretariat in lieu of being paid to assessment team members.

Actor (ACCR)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
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CDM – Executive Board

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Actor (ACCR)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Executive Board	<ul style="list-style-type: none"> ○ Decide on accreditation and recommendations of entities to the COP/CMP for designation as operational entities ○ Review accreditation procedure ○ Review the accreditation standards and make recommendations to the COP/CMP for consideration, as appropriate ○ Report to COP/CMP information on the regional and subregional distribution of designated operational entities ○ Determine whether DOEs are in compliance with accreditation standards ○ Decide on need for spot-checking . 	<ul style="list-style-type: none"> ○ 275 decisions (phased accreditation, guidance, procedures, spot-checks) 	<ul style="list-style-type: none"> ○ 35 decisions (phased accreditation, guidance, procedures, spot-checks) 	<ul style="list-style-type: none"> ○ 275 decisions (phased accreditation, guidance, procedures, spot-checks) 	<ul style="list-style-type: none"> ○ Same as 2007
Panel members	<ul style="list-style-type: none"> ○ Recommend accreditation decisions to EB ○ Drafting prior to and at meetings ○ Participation in assessment teams ○ Participation in panel meetings and the Board's joint coordination workshop <ul style="list-style-type: none"> – Decrease drafting workload – Participation in assessment teams + Increase number of recommendations + Preparation of draft recommendations based on input from secretariat + Training and further guidance for the assessment teams. 	<ul style="list-style-type: none"> ○ 6 panel meeting@3d. ○ 275 recommendations relating to initial application screening, on-site assessments, witnessing activities (document, on-site), spot-check and follow up) 	<ul style="list-style-type: none"> ○ 3 meetings @3 d. ○ 42 	<ul style="list-style-type: none"> ○ 7 panel meeting@3d. ○ 275 recommendations relating to initial application screening, on-site assessments, witnessing activities (document, on-site), spot-check and follow up) 	<ul style="list-style-type: none"> + Same as 2007



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Actor (ACCR)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Expert/ATs	<ul style="list-style-type: none"> ○ The secretariat to resume the majority of functions at assessment. ○ Expert contribution to assessment by secretariat regarding: <ul style="list-style-type: none"> ➤ Desk reviews ➤ Preparation of an assessment plan ➤ On-site assessment and witnessing activities ➤ Verification of implementation of corrective actions ➤ Preparation of desk reviews and on-site assessments, witnessing reports ➤ Preliminary and final reports as the recommendation to the panel 	<ul style="list-style-type: none"> ○ desk reviews 2007: 11 2008: 15 ○ on-site assessments 2007: 11 2008: 15 ○ witnessing 2007: 200 2008: 100 ○ Verification of corrective action 2007: 100 2008: 50 ○ 250 reports 	<ul style="list-style-type: none"> ○ desk reviews 2007: 11 ○ on-site assessments 2007: 6 ○ witnessing 2007: 15 ○ Verification of corrective action 2007: 18 ○ 65 reports 	<ul style="list-style-type: none"> ○ desk reviews 2007: 11 2008: 18 ○ on-site assessments 2007: 6 2008: 15 ○ witnessing 2007: 50 2008: 100 ○ Verification of corrective action 2007: 120 2008: 150 ○ 250 reports 	<ul style="list-style-type: none"> ○ same as 2007



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Actor (ACCR)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Secretariat	<ul style="list-style-type: none"> ○ Procedural and process support to panel and EB ○ Undertake completeness check of the application documentation ○ Undertake administrative steps to establish CDM-ATs ○ Provide support and facilitate other accreditation procedural steps ○ Enhanced support and facilitate the meetings and communications of DOE Forum ○ Feed information in the CDM information system, including the UNFCCC CDM website + Undertake Desk reviews + Provide draft inputs/outputs, options, as required on procedural aspects + Preparation of an assessment plan + On-site assessment and witnessing activities + Verification of implementation of corrective actions + Preparation of desk reviews and on-site assessments, witnessing reports + Preliminary and final reports as the recommendation to the panel + Provide a summary of assessment findings highlighting key technical areas to facilitate decision-making of the CDM-AP. + Provide draft recommendations on cases for phased accreditation to be considered by the panel and recommended to the Board. ○ Provide enhanced support to improve quality of feedback by Board to DOEs 	<ul style="list-style-type: none"> ○ Support above ○ 6 P ○ 3 G 	<ul style="list-style-type: none"> ○ Support above ○ 2 P* ○ 3 G <p>* As of 1 July 2007, 3 new P staff will join the Accreditation team</p>	<ul style="list-style-type: none"> ○ Support above ○ 9 P ○ 4 G 	<ul style="list-style-type: none"> ○ Same as 2007



III.4. UNFCCC CDM information system (incl. website) and registry

26. The UNFCCC CDM information system is a custom-made system based on open source (cost free) software which provides for sophisticated electronic workflows relating to the project cycle and procedures, integrating users with different access rights and roles within and outside the secretariat. The system stores all documentation relating to CDM and displays information to users, including the public, according to their role. The development, programming and maintenance of the system is undertaken by dedicated staff within the CDM subprogramme to ensure full control over priority-setting, workload and quality. Because the CDM's processes and procedures are evolving, frequent redesign and reprogramming are required. **The management of change, quality, the forecasted continuous demand of new or modified features of the CDM information system require increased continuous attention.** The system has to a large extent contributed to the cost-effective and timely implementation of the CDM process.
27. The area of work also covers **the technical support, administration and maintenance of** work on the CDM Registry, into which all certified emission reductions (CERs) are issued and forwarded. The CDM Registry **is initialized with the** international transaction log (ITL) **and is expected to go live once the ITL is operational.** The secretariat, working with a contractor, maintains and programmes the CDM Registry as necessary.
28. The secretariat maintains and initiates purchase of equipment for the CDM information system and registry. The cost of equipment, previously covered to a large extent from the secretariat's core budget, is reflected in this CDM MAP. In 2008, other services provided by other parts of secretariat will also be reflected in the CDM MAP, in order to reveal the true cost of the mechanism.

Actor (Info system)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Executive Board	<ul style="list-style-type: none"> ○ Identify its process and information needs, as needed ○ Approve regulatory documents defining functionality of the CDM Registry 	n/a	n/a	n/a	○ Same as 2006
Secretariat	<ul style="list-style-type: none"> ○ Identify process and information needs, as needed ○ Design, develop, programme and maintain UNFCCC CDM information system ○ Initiate equipment purchase ○ Provide for electronic interaction between CDM information system and CDM registry, and the main UNFCCC website ○ Provide technical support to internal and external users ○ Maintain servers and some other specific 	<ul style="list-style-type: none"> ○ 5 P ○ 2 G. 	<ul style="list-style-type: none"> ○ 3 P ○ 2 G ○ 	<ul style="list-style-type: none"> ○ 6 P ○ 3 G ○ consultancies ○ procurement related to modernization of the hardware platform 	○ Same as 2007



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Actor (Info system)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
	hardware + Integration of catalogue of decision in UNFCCC CDM information system electronic workflows + CDM Bazaar + Risk analysis and business continuity planning + Strengthening of software development methods o Software re-development and improvement - contacts system, new rosters of experts, "banking" system, catalogue of decisions, relaunch of the methodology, issuance and registration workflows to reflect policy changes o Analysis and planning for integration with the UNFCCC records management system o Establishment of the ITL link o System maintenance and technical support o Improvement in software and data quality assurance and quality control				

III.5. Communication, Board, management and special activities

III.5.1. Communication

29. In the first half of 2007, the communication unit focused on proactively engaging the media and on improving communication with project participants and potential project participants, by improving the quality and timeliness of responses to queries and by improving the CDM website. In the latter half of 2007, the needs of other target groups will be further addressed. The unit will continue to provide media and outreach support.

Actor (Communication)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12



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Actor (Communication)	Activity in 2007	MAP 2007v1 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Executive Board	<ul style="list-style-type: none"> ○ Provide guidance regarding issues relating to public information 	○ n/a	○ n/a	○ n/a	○ same as 2007
Secretariat	<ul style="list-style-type: none"> ○ Review and further improve UNFCCC CDM website ○ Devise and implement a plan catering to the information needs of particular target groups ○ Respond to, or coordinate response to, public and media queries ○ Review Board documentation and suggest ways to enhance readability ○ Design information and outreach material ○ Develop and document communication procedures 	<ul style="list-style-type: none"> ○ 1 P ○ 1 G 	<ul style="list-style-type: none"> ○ 2 P ○ 1 G 	<ul style="list-style-type: none"> ○ 2 P ○ 1 G 	○ same as 2007

1 P staff member has been transferred from the IS and CDM Registry unit in November 2006 as the main function was web/design and content management.



III.5.2. Management, secretary to the Board and special activities

30. In addition to leading the substantive focal areas referred to above, this focal area: prepares and organizes the EB meetings (an Annex containing calendar of meetings in 2007 and 2008 will be added to this MAP at the thirty-second meeting of the EB); drafts and finalizes the EB report to COP/CMP and the CDM MAP; identifies and leads the increasing human resources; identifies and coordinates special activities such as legal support, record/knowledge management (about 10,000 documents a year), catalogue of decisions, CDM Bazaar, DNA forum, representation to and relations with other organizations.
31. Together with team leaders of focal areas, the section provides/coordinates the support to COP/CMP and the UNFCCC process on SDM/CDM and relevant carbon market related issues. It ensures cooperation with units working on financial mechanism, transfer of technology and capacity building. The Manager of the CDM sub-programme is the Secretary to the Board, the administrator of the CDM Registry and assists in the coordination and management of the SDM programme.
32. In the context of the CDM-MAP moving toward self-finance based on fees and shares of proceeds, as well as the substantially increased work-, and related travel-load of Board members and alternate members, the Board agreed to request the secretariat, that subject to the availability of resources, the travel of Board members and alternates henceforth, follow the same UN rules and regulations as those applied to UN staff. (EB 25 meeting report). The Secretariat has complied with this request, starting with the 26th meeting of the EB.

Actor (Management)	Activity in 2007	MAP 2007v01 Assumption	2007 Level (31 May 2007)	MAP 2007v2 Assumptions	Activity in 2008-12
Secretariat	<ul style="list-style-type: none"> o CDM section human resource management o Substantive management and coordination o EB meetings (see Annex one for 2007 schedule) o Organize annual EB Coordination workshops o Administrator functions for CDM registry o Support (analytical/process) to relevant COP/CMP and UNFCCC cross cutting issues + min 2 DNA forum substantive/logistics coordination and support + Catalogue of decision, CDM Bazaar + Knowledge/record management 	<ul style="list-style-type: none"> o 3 P o 3 G. 	<ul style="list-style-type: none"> o 3 P o 3 G. 	<ul style="list-style-type: none"> o 3 P o 4 G o Plus 85% of dedicated SDM legal SDM advisor and of knowledge/rec ord management resource and SDM M/C resources. 	<ul style="list-style-type: none"> o same as 2007



IV. Budget 2007 and 2008-2012

IV.1. Summary budget for 2007 and for the period-2008-2012

33. Chapter III has defined the changes in the nature of services to be provided by the secretariat and the increased caseload expected for 2007 and in the period 2008-2012. The assumptions for the period 2008 - 2012 presented in this revision of the MAP needs to be reviewed during the second half of 2007, if applicable, to reflect the operational requirements of the POA and changes in caseload. The summary table below indicates the budgetary needs by focal area by year and by funding source.

Summary of the budget 2006, 2007, 2007 v2 and year budget in the period 2008 - 2012 in support of CDM operations (as of 31 May 2007)
(in USD)

Focal area	2006 Budget		2007 Budget ver. 1		2007 Ver. 2		2008 -2012 Budget (yearly)	
	Core	Suppl.	Core	Suppl.	Core	Suppl./SOP	Core	Fees
Methodology	886,200	2,154,800	886,200	2,959,200	886,200	2,852,933	0	3,944,500
Registration and Issuance	135,000	3,018,000	135,000	3,542,000	135,000	2,673,667	0	2,673,000
Accreditation	434,200	450,700	464,800	866,800	464,800	925,800	0	2,661,200
Information Systems and CDM Registry	40,000	823,000	40,000	1,186,000	40,000	1,100,000	0	1,259,000
Management, Communication, Board and special activities	506,429	1,565,680	506,429	3,830,700	506,429	4,009,795	296,750	5,868,659
Subtotal	2,001,829	8,012,180	2,032,429	12,384,700	2,032,429	11,562,195	296,750	16,406,359
13% overhead	260,238	1,041,583	264,216	1,610,011	264,216	1,503,085	38,578	2,132,827
Total by budget	2,262,067	9,053,763	2,296,645	13,994,711	2,296,645	13,065,281	335,328	18,539,186
<i>Total of Core and Suppl. budget (*)</i>	11,315,830		16,291,356		15,269,153		18,874,513	
<i>% of supplementary/fees in total</i>	19.99%	80.01%	14.10%	85.90%	15.04%	84.96%	1.78%	98.22%

Note: (1) The growth of the CDM has been higher than anticipated in the 2006-2007 UNFCCC programme budget. Consequently, provisions for the additional services (e.g., IT services and equipment, common services such as office space, as well as administrative and conference services) need to be covered from resources in the CDM-MAP. Hence the CDM-MAP has been adjusted in this MAP to reflect such costs additional in a transparent and secretariat wide consistent manner, in accordance with decision 15/CP.1 and the draft 2008-2009 UNFCCC programme budget (to be approved at COP/MOP 3), ”.

34. The change of nature of services required and caseload is reflected by an increase in both analytical and process management support staff and not occurring at senior lead and management level. Hence the enhancement takes place in the medium level professional (P3/P2 level) and assistant/support (G4) functions as can be seen by the following table.



Budgeted change of number of staff (core and non) by level between 2006, 2007 v1, 2007 v2 and the annual level during the period 2008-2012 (absolute and per cent)

Level	2006	2007 v1	2007 V2	2008-2012	Change 2006 - 2007v1		Change 2007 v1 - 2007 v2		Change 2007v2-2008
					Absolute	per cent	Absolute	per cent	
P5	1	1	1	1	0	0%	0	0	0
P4	5	5	5	5	0	0%	0	0	0
P3	13	16	19	19	+3	23%	+3	19%	0
P2	4	14	21	21	+10	250%	+7	50%	0
P1	1	1	1	1	0	0%	0	0	0
G6	1	1	1	1	0	0%	0	0	0
G5	6	6	6	7	0	0%	0	0	0
G4	8	12	15	15	+4	50%	+3	25%	0
G3		1	1	1	+1	n/a	0	0	0
G2	1	1	1	1	0	0%	0	0	0
Total	40	58	71	71	+18	45%	+13	22%	+0
<i>G staff</i>	16	21	24	24	5	31%	3	14%	0
<i>P staff</i>	24	37	47	47	13	54%	10	27%	0

Shifts in staff from core to SOP funding (absolute and per cent)

	2006-2007 (V2)	2008-2012	Change	Change%
Suppl./Fee Positions	61	69	+8	13%
Core	10	2	-8	-80%
Total	71	71	0	



IV.2. Detail of budget 2007 v2 and -2008 - 2012

35. This chapter provides detail for the CDM Budget for the remaining of 2007 and for the period 2008-2012 (on annual basis) by focal area. In accordance with the UNFCCC programme budgets, those expenditures covered by core budget have been identified (columns with grey shading).

IV.2.1. Methodology

Methodology 2007 v2	unit cost	cases/ meetings	2007 V2	2007 Core
CDM-MP (6(3 core) in 2007) 21 participants/5 days	120,500*	3	523,500	199,500
CDM-A&R WG (5(1) in 2007) 11 participants/ 3 days	56,700	4	305,100	30,600
CDM-SSC WG (5(1) in 2007) 7 participants/ 3 days	37,900	3	173,500	30,600
MP/AR Specialized expertise	7,500	40	300,000	172,500
Staff			1,550,833	453,000
		subtotal	2,852,933	886,200

*Please, note that core provisions were calculated at the 2005 prices. Later increases in costs have been included under the MAP provisions. This approach has been followed and reflected in each of the table below.

Methodology 2008	unit cost	cases/ meetings	2008-2012
CDM-MP (5 meetings in 2008) 21 part./ 5 days	120,500	5	602,500
CDM-A&R WG (5 meetings in 2008) 11 part./ 3 days	56,700	5	283,500
CDM-SSC WG (5 meetings in 2008) 7 part/ 3 days	37,900	5	189,500
MP/AR Specialized expertise			612,000
Staff			2,257,000
		subtotal	3,944,500



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IV.2.2. Registration and issuance

Registration and Issuance 2007 v2	unit cost	cases/ meetings	2007	2007 Core
CDM-RIT meeting	91,000	1	91,000	
- matters relating to requests for project registration and issuance	1,250	800	1,000,000	
staff			1,582,667	135,000
		subtotal	2,673,667	135,000

Registration and Issuance 2008	unit cost	cases/ meetings	2008-12
CDM-RIT meeting (40 participants no fees) Cost based on 1.5 day and cost sharing with other meeting	75,000	1	75,000
Experts/consultancy 1240 cases at 400 USD a case)	400	1,240	496,000
Staff			2,102,000
		subtotal	2,673,000



IV.2.3. Accreditation

Accreditation 2007 v2	unit cost	cases/ meetings	2007v2	2007 Core
CDM-AP (6(3) in 2007; 6(1) in 2008) -9 participants	46,100	3	184,800	91,800
- AP Specialized expertise	6,000	10	60,000	
staff			681,000	373,000
		subtotal	925,800	464,800

Accreditation	unit cost	cases/ meetings	2008-12	2008 Assess. Fee
CDM-AP (7 meetings in 2008) -9 part./ 3 days	46,100	7	322,700	
Staff			1,210,000	303,500
Staff travel (based on experience USD 5500 per mission (60 missions with 2/3 staff attending))				825,000
		subtotal	1, 532, 700	1,128,500



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IV.2.4. UNFCCC CDM information system (incl. website) and registry

CDM Information System and CDM Registry Unit	unit cost	cases/ meetings	2007v2	2007 Core
- Web interface, CDM Registry and VMWare license/support			45,000	
- Web interface/ CDM information system / CDM registry			325,000	40,000
Staff			730,000	
		subtotal	1,100,000	40,000

CDM Information System and CDM Registry Unit	unit cost	cases/ meetings	2008-12
Experts/consultancy			240,000
- Web interface and CDM Registry/IS Hardware/VMWare license/support			50,000
Staff			969,000
		subtotal	1,259,000



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IV.2.5. Communication, Board, management and special activities

Communication, Board, management and special activities	unit cost	cases/meetings	2007V2	2007 Core
EB meetings (8 (3) in 2007)* 20 participants	62,500	5	312,500	180,000
- Add. travel cost for EB members	21,000	8	168,000	
- Add. costs for addit. travel and remuneration	42,500	8	340,000	
- Add. Costs for meeting abroad. 15 S/Ms travel, 2 web cast staff + shipment less costs of facilities(host)	82,500	1	82,500	
- DNA Forum	500,000	2	1,000,000	
- Coordination Workshops for Board, Panels, Working Groups and Expert Teams	465,000	1	465,000	
- Preparation/convening of workshops (70 participants/35 funded)	132,500	0	0	
Office surface/meeting space/ UNFCCC internal services				
IT Support (software/Hardware) and telecomm. As 1/7/07	6,835	63	213,662	
Staff Training	1,000	not in 2007		
- Office space for non-core SDM-CDM staff	4,250	not in 2007		
- Services provided by ICA	146,562	not in 2007		
Mobile/Phones and Blackberries	3,000	not in 2007		
- knowledge management			132,720	
- Miscellaneous - information material (DVD, handouts etc)			20,000	20,000
- SDM-MC G-4 admin. Support costs			80,000	
Legal matters staff			132,720	
			150,000	
Staff			611,333	259,000
Staff to address unexpected peaks or special tasks			80,000	3,200
- Staff travel			200,000	63,685
- Overtime			21,760	544
		Subtotal	4,009,795	506,429



CDM – Executive Board

Communication, Board, management and special activities	unit cost	cases/meetings	2008-12	2008 Core
EB meetings (8 meetings in 2008)* 20 participants	62,500	8	500,000	
- Add. travel cost for 6 EB members	21,000	8	168,000	
- Add. costs for addit. travel and remuneration	42,500	8	340,000	
- Add. Costs for meeting abroad. 15 S/Ms travel, 2 web cast staff + shipment less costs of facilities(host)	82,500	1	82,500	
- DNA Forum	500,000	2	1,000,000	
- Coordination Workshops for Board, Panels, Working Groups and Expert Teams	465,000	1	465,000	
- Preparation/convening of workshops (70 participants/35 funded)	132,500	1	132,500	
Staff			728,000	259,000
Staff related (overtime 0.017% of GS staff) and travel			189,680	3,950
Staff to address unexpected peaks or special tasks			78,114	
Consultancies				
Legal matters specialized expertise (80% of P4)			126,400	
- Miscellaneous - information material (DVD, handouts etc)			20,000	
- matters of general type (catalogue etc - based on current experience)			265,000	
CDM support to staff based in SDM MC ³			545,360	
UNFCCC shared cost and services				
- Mobile/Phones and Blackberries	3,000	11.68	35,040	3,000
- Services provided by ICA	146,562	flat rate	109,922	0
- IT Support (software/Hardware) and telecomm.	10,150	70.36	714,154	20,250
- Staff Training	1000	70.36	70,360	2,000
- Office space for non-core PBM-CDM staff	4250	70.36	299,030	8,500
		subtotal	5,868,659	296,750

³ This cost includes staff under the direct and general supervision of the Director of the Sustainable Development Programme (SDM). These posts are cost-shared with the Joint Implementation (JI) sub-programme.

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(*) (1) In accordance with decision 7/CMP.1, the costs include for all members and alternate members of the Board, attending meetings, the payment of travel, daily subsistence allowance (DSA) and a remuneration through an increased DSA rate (40%) which is limited to a maximum of USD5,000 per annum. This remuneration is not so much an adequate compensation for services but an acknowledgement of a substantial sacrifice of time and financial interest on the part of Executive Board members and alternates. (2) In the context of the CDM-MAP moving toward self-finance based on fees and shares of proceeds, as well as the substantially increased work-, and related travel-load of Board members and alternate members, the Board agreed to request the secretariat, that subject to the availability of resources, the travel of Board members and alternates henceforth, follow the same UN rules and regulations as those applied to UN staff. (EB 25 meeting report). The Secretariat has complied with this request, starting with the 26th meeting of the EB. (3) Estimates for specialized expertise assume an average remuneration at USD 400-500 per day.



V. Resources in support of the CDM Executive Board in 2007–2008

V.1. Sources of funding

36. The source in support of the CDM Executive Board for the remaining of 2007 and for the period 2008-2012 are:

- The UNFCCC programme budget (core): assessed contributions by Parties (14% in 2007 and 2 % in 2008-2009);
- Supplementary resources , to be generated by:

Source for supplementary funding	2006/2007	As of beginning of 2008
Party contributions	X	none
Accreditation fees	X	X
Assessment Fees	TBD	X
Share of proceeds (methodology fee and registration fee are down payments of the share of proceeds)	Collected, but only for use as of 1 January 2008*	X

* See also section V3 below for further details.

V.2. Status of resources and operating reserve availability

37. The tables below give a status of the various sources of funding and of the accumulation of an operating reserve as of 31 May 2007. They show that the shortfall at this stage is USD 4.6 million. It is also shown that the accumulation of the operating reserve has reached more than 85 per cent of the operating reserve (currently calculated as 1 and a half year of the 2008 budget which is presently amounting to USD 18.5 million)⁴.

Table: Income from contributions and fees from Applicant Entities (in USD)

Carry over figure from 2006	5,742,558
- contribution towards the DNA forum in Africa received in 2006*	-19,652
Carry over figure from 2006	5,722,906
Contributions in 2007	617,245
Fees from Applicant Entities	74,945
Total	6,415,096

* In addition to the two DNA forum meetings covered by CDM MAP provisions, the CDM EB is promoting additional DNA forum meetings to be held in Developing Countries. The first of these additional meetings will be held in Africa in October 2007. As these meetings are additional to the resource requirement of the MAP, specific contributions are sought from Parties.

⁴ Parties in decision 7/CMP.1 had agreed to accumulate the revenues from the share of proceeds over the period 2006 and 2007 to establish implicitly an operating reserve of 1 and a half years (see also the annual report of the Board to CMP at its second session)

**Table: Income from SOPs and Registration fees in 2007 including carry over from 2006 (in USD)**

Carry over figure from 2006	13,513,451
Request for Registration	6,581,264
Methodology Fees	28,868
Share of Proceeds (SOP)	4,126,619
Sub-total 2007	10,736,751
Total	24,250,201

Table: Status of reserve and shortfall for 2007 (in USD)

Reserve requirement based on 2008 budget (MAP 2007 v2)*	27,808,779
Reserve Accumulated as at 31 May 2007(**)	24,250,201
Difference (requirement-reserve accumulated)	- 3,558,578

(*) equivalent to approx 1 year and 6 months

(**) equivalent to approx 1 year and 3 month

Budget for 2007v2	13,065,281
Sub-total Income in 2007	6,415,096
- contribution towards DNA forum Africa received in 2007	150,000
= sub-total Income in 2007	6,265,096
+ outstanding pledges	2,207,011
Expected income in 2007	9,702,696
Shortfall	4,593,174

V.3. Forecast of the level of resources: existing pledges by Parties; expected levels of the share of proceed

38. The secretariat has continued to receive, and put aside for future use, income from fees and shares of proceeds, totaling USD 24.3 as at 31 May 2007. Based on a realistic, but conservative analysis of expected issuances, the secretariat expects that the 18 month operating margin (based on the USD18.9 million annual 2008-2012 budget of MAP-2007 v2) will be reached by some time toward the end of August /early September 2007. Consequently, the expectation is that the CDM-MAP could start to be fully financed from the fees and shares of proceeds towards the end of the 3rd quarter of 2007 being backed by the 1.5 year operating margin.
39. The current level of resources available (approximately USD 2.6 million) will allow the secretariat to operate the activities of the CDM-MAP-2007 until approximately the end of July 2007. Additional resources would be still needed for the remainder of the 3rd quarter, before financing of CDM-MAP activities from fees and shares of proceeds can start. If the outstanding pledges (USD 2.2 million as at 30 May 2007 made by Parties at CMP1 in Montreal in 2005 are paid in full, the gap in the 3rd quarter will be covered, and no additional pledges and payments will be sought from Parties.
40. In order to ensure that the above-mentioned pledged are converted into contributions, in a timely manner, the secretariat in consultation with the CDM EB will undertake initiatives to urge Parties to do so.



VI. Performance indicators

41. This section will identify indicators regarding the overall evolution of the CDM as well as some indicators monitoring the caseload assumptions. The UNFCCC CDM website section on statistics will be revised to provide to Board members and the public on-line information on the status of such indicators. This service will have to be developed till the end of 2006 and enhanced in the course of 2007.

VI.1. Overall evolution of the CDM

42. Such indicators include:
- a. With regard to number project activities in the CDM system
 - i. Number of CDM project activities
 - ii. Number of project activities requesting registration
 - iii. Number of project activities at the validation stage
 - iv. items i - iii by region and country
 - v. items i - iii by scope and methodology
 - vi. item iv further refined by methodology and scope
 - b. With regard to CERs issued
 - i. Number of CDM project activities
 - ii. Number of project activities requesting registration
 - iii. items i - ii by region and country
 - iv. items i - ii by scope and methodology
 - v. item iv further refined by methodology and scope

VI.2. Project cycle and process

43. Such indicators include:
- a. With regard to project cycle (numbers):
 - i. Number of project activities in at the validation stage (overall / evolution over time)
 - ii. Number of project activities rejected by DOEs at validation in comparison to number for which registration was requested (overall / evolution over time)
 - iii. Number of project activities requesting registration (overall / evolution over time)
 - iv. Number of project activities registered without review (overall / by DOE)
 - v. Number of project activities for which review was requested (overall / by DOE)
 - 1. Registered based on initial clarifications provided by PP and DOE



2. Registered with changes based on initial clarifications provided by PP and DOE
- vi. Number of project activities for which review was conducted (overall / by DOE)
1. Registered with no changes based on information gathered in review
 2. Registered with changes
 3. Rejected
- b. With regard to project cycle (time of steps / decisions). Various steps in the project cycle have procedurally minimum and maximum time requirements to provide for interactions or to ensure that steps are taken without a delay beyond the given timeline. A set of indicators will be developed that allow to determine under and over performance with regard to such time requirements.