



**Report from Third Meeting of the High Level Panel
for the CDM Policy Dialogue
24 - 26 July 2012, Johannesburg, South Africa**

1. BACKGROUND

The high level Panel for the CDM Policy Dialogue convened its third meeting from 24 to 26 July in Johannesburg, South Africa. The meeting was attended by all Panel members and most advisers to the Panel. In addition staff from the secretariat, as well as the lead author, lead researchers and invited experts attended the meeting. Please refer to annex A for a complete participants' list.

The objective of the meeting was to elaborate the final recommendations of the high level Panel, based on research and stakeholder consultations conducted as part of the CDM Policy Dialogue. The agenda for the meeting is attached in Annex B.

The meeting was structured to allow final presentations of the three research reports on impact, governance and future context of the CDM, as well as of the summary of stakeholder meetings. Based on this the main part of the meeting was devoted to discussions and analysis of specific recommendations, as defined in the CDM policy dialogue research programme.

Towards the end of the meeting, the Panel also discussed and agreed on the process for finalizing the report, and how to communicate the report to the CDM Executive Board and other stakeholders.

2. MAIN ISSUES DISCUSSED

The substantive discussions and findings of the high level Panel at this meeting are extensively reflected in the final report of the high level Panel of the CDM Policy Dialogue, which was officially released on 10 September 2012. The report can be accessed in its entirety at www.cdmpolicydialogue.org.

It should be noted that the Panel carefully reviewed both research and stakeholder inputs in relation to each issue, often cross referencing them to other issues so as to ensure consistency across all recommendations, seeking to identify common threads and themes that could help to package the recommendations within the report.

The Panel agreed that while the recommendations may become the most prominent features of the report, there are a number of fundamental observations that should be highlighted within the report as well. The panel agreed to reflect these in an initial

“Statement from the Panel “which was also to be included in the executive summary of the report.

Furthermore, the Panel decided to release all research reports and reports from official stakeholder consultations in the spirit of transparency and full disclosure of the information underpinning the recommendations.

2 PROCESSES IN THE POLICY DIALOGUE

2.1 Finalization of the report

The Panel agreed on all major issues and recommendations at the meeting in Johannesburg. It was decided that these should be reflected in the final report, which is to be elaborated on-line by Panel members, their advisers and concerned experts. A final version of the report is to be signed off by each Panel member by 27 August so as to allow the report to be included as part of the annexes to the 69th meeting of the CDM Executive Board.

The final layout of the report shall be completed in time to be available by its official release date of 10 September. The report will not be printed but only be made available as an e-report.

It was further agreed that the executive summary of the report will be translated to the official UN languages (Arabic, Chinese, English, French, Russian and Spanish), and be provided with layout similar to the main report, and be printed in hard copy.

The Panel also agreed that all main research reports will be made available on-line at the CDM policy dialogue website. The three main research reports, as well as the summary report of stakeholder consultations and the report on the CDM finances will undergo language editing and be provided with layout consistent with the main report. Other research reports will be published “as is”.

2.2 Presentation of report to the Executive Board and the public

The final report of the high level panel of the CDM Policy Dialogue report will be presented to the CDM Executive Board at its 69th meeting in Bangkok, as per the terms of reference provided to the high level Panel. In addition the report will be made available for the public through the CDM Policy Dialogue website. A press conference will be organized in Bangkok and London (linked through Webex) jointly with the chair and vice chair of the CDM Executive Board on 11 September.

The Panel requested the chair to send the report directly to parties to UNFCCC so as to further highlight the recommendations, some of which are directed at national governments and parties to the convention. The Panel agreed that panel members, in their individual capacities, will seek to present the report to relevant policy makers and decision makers in their own constituencies, as well as to international meetings as may be relevant. It was noted that the CDM Policy Dialogue report will also be presented at a side event to COP 18 in Doha. The secretariat was requested to make

arrangement for the meeting and participation by Panel members who may be available to attend.

2.3 Research

The secretariat was requested to review whether parts of the research undertaken in the CDM Policy Dialogue is suitable to be further refined to be published in scientific journals, and whether this can be accommodated within the approved budget. In case this is possible the Panel recommends the research to be published so as to support a continued informed debate about the CDM and carbon markets, and as a long-term legacy of the CDM Policy Dialogue.

2.4 Budget

The secretariat reported that the projected total expenditures for the CDM Policy Dialogue remains within the approved budget of US\$ 2,2 million. This includes costs for meetings, research, communication and other miscellaneous costs.

3 FOLLOW-UP ACTIONS AND NEXT STEPS

The Panel agreed that the outcome from the Johannesburg meeting was good and did not warrant any further face-to-face meetings of the Panel, although additional on-line meetings may be required to sign off the final report.

The secretariat was requested to ensure that communication and information sharing continues as may be needed beyond the Johannesburg meeting, in particular providing feedback from the presentation of the report to the CDM Executive Board. The secretariat was also requested to ensure that all administrative processes, as well as queries and other matters that may arise, are handled swiftly, and are consulted with the chair or vice chair for the Panel as may be required.

The Panel agreed that with the presentation of the report to the CDM Executive Board, the Panel has fulfilled its mandate.

The Panel expressed its thanks to all stakeholders, researchers, experts, advisers, secretariat staff and others, who have provided input and support to the CDM Policy Dialogue.

The Panel finally expressed its thanks to the CDM Executive Board for trusting the Panel with the mandate to carry out the CDM Policy Dialogue independently and with full transparency.

Annex A

LIST OF PARTICIPANTS

Panel members

Luciano Coutinho
Maggie L. Fox
Ross Garnaut
Prodipto Ghosh
Yolanda Kakabadse
Joan MacNaughton
Mohammed Valli Moosa
Margaret Mukahanana
Paul Simpson
Nobuo Tanaka
Changhua Wu

Senior Expert Advisers

Maria Paola Andreoni
Ingrid Burfurd
Vanessa Cassano
Akihiro Kuroki
Margaret Lo
Crispian Olver
Nigel Purvis
Ritika Tewari
Sergio Weguelin
Naoyuki Yamagishi
Shravya Reddy

Support staff

Luiza Curado (supporting Mr. Luciano
Coutinho)
Vishanti Arumugam (local support
staff)

Lead Authors/Researchers

Simon Baptist
Mischa Classen
Nicholas Silver

PD staff

Pedro Barata
Lolo Gardesie
Grant Kirkman
Robin Rix
Irina Roumboglou
Niclas Svenningsen
Lindita Xhaferi-Salihi

Annex B:

Draft Agenda (version 3, 20 July 2012)

Chair: Valli Moosa

Item	Time	Description	To be introduced by	Action required
Tuesday 24 July				
1.	09.30 – 10.00	Welcome and review of the agenda - Message from UNFCCC Executive Secretary	Chair, Valli Moosa	
2.	10.00 – 10.30	Stakeholder consultations <i>This session will review the overall stakeholder consultation programme, and update the Panel on any changes to main findings since last Panel meeting, and any potential shortcomings. Specifics will be discussed later in the program</i>	Vice chair, Joan MacNaughton	For noting
<i>Coffee break</i>				
3.		Overview of research outcomes <i>These presentations will be strictly limited to 10 minutes each focussing on the “hot headlines” from each research area + 30 minutes for Q&A for each</i>		
3.1	11.00 – 11.40	Research on impact of the CDM	Lead research Impact; Randall Spalding-Fecher	For noting
3.2	11.40 – 12.20	Research on governance of the CDM	Lead researcher Governance; Mischa Classen Crispian Olver	For noting
3.3	12.20 – 13.00	Research on future context	Lead researcher on Context; Simon Baptist	For noting

Item	Time	Description	To be introduced by	Action required
<i>Lunch break</i>				
4.		Deliberation of recommendations In the following sessions it is suggested that each draft recommendation (referring to the draft prepared by the chair and circulated and commented upon by the Panel members on-line) is discussed and – if possible - agreed.		
4.1	14.00 – 14.30	<ol style="list-style-type: none"> 1. Introduction of methodology: The chair will recall the decision from the first meeting of the panel about what constitute a consensus and how diverging opinions may be reflected (refer to “<i>Modalities and procedures for the high-level Panel of the CDM Policy Dialogue</i>”) 2. For the elaboration of recommendations, the following process is suggested: <ul style="list-style-type: none"> • Each recommendation will be introduced by a max 5 minutes presentation of the relevant research findings and relevant output from stakeholder consultations (research lead and the vice chair). • This will be followed by a reading of the draft recommendation and comments received on-line to the recommendation. • This will be followed by a round of comments/discussion by the Panel members. • Based on the discussion, the chair is to propose a recommendation for adoption. In case this is not possible to agree on, the chair may call for voting or postponement for continued discussion on the last day of the meeting. 	Chair	For decision

Item	Time	Description	To be introduced by	Action required
4.2	14.30 - 16.00	<u>Recommendations related to Impact</u> Rec 1. Increase net mitigation impact and scale Rec 2. Role of DNA viz sustainable development Rec 3. Continue to operate CDM	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
<i>Coffee break</i>				
4.2	16.30 - 17.30	<u>Recommendations related to Impact</u> Rec 4. Increase regional distribution Rec 5. Reporting on sustainable development	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
4.2	17.30 – 18.30	<u>Additional recommendations related to Impact</u> i.e. recommendations not included in the draft recommendations	Chair	For decision
<i>Dinner</i>				
Wednesday 25 July				
4.3	09.00 - 10.30	<u>Recommendations related to future Context of the CDM</u> Rec 12. Use projected drop in demand to reform CDM Rec 13. Recognize need for demand Rec 14. Use CDM to avoid fragmentation of markets	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
<i>Coffee break</i>				

Item	Time	Description	To be introduced by	Action required
4.3	10.30 - 12.30	<u>Recommendations related to future Context of the CDM</u> Rec 15. Recognize continued role of project based mechs Rec 16. Test REDD+ as part of CDM Rec 17. Use CDM standards for new mechanisms Rec 18. Retain UNFCCC as host of CDM	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
<i>Lunch</i>				
4.3	13.30 – 15.00	<u>Additional recommendations related to Context</u> i.e recommendations not included in the draft recommendations - Presentation by vice chair on research on CDM - GCF	Chair Vice Chair	For decision
4.4	15.00 – 16.00	<u>Recommendations related to Governance</u> Rec 6. Appointment of EB members Rec 7. Improve accountability for EB and secretariat	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
<i>Coffee break</i>				
4.4	16.30 – 18.30	<u>Recommendations related to Governance</u> Rec 8. Improve communication and outreach about CDM Rec 9. Further streamline the CDM processes Rec 10. Improve/simplify methods for additionality Rec 11. Strengthen the stakeholder process and introduce a grievance mechanism.	Each recommendation will be introduced by a designated SEA, researcher of secretariat staff.	For decision
<i>Cocktail/Dinner at Gallery Circa (round the corner from hotel)</i>				

Item	Time	Description	To be introduced by	Action required
Thursday 26 July				
4.4	9.00 – 10.00	<u>Additional recommendations related to Governance</u> i.e. recommendations not included in the draft recommendations	Chair	For decision
<i>Coffee break</i>				
4.4	10.30 – 13.00	Reserve time: Finalize any outstanding recommendations	Chair	For decision
<i>Lunch</i>				
5.	14.00 – 15.00	Process for finalizing the final report	Vice Chair & lead drafter, Nick Silver	For decision
6.	15.00 – 15.30	Dissemination of research reports	Secretariat	For decision
<i>Coffee break</i>				
7.	16.00 – 16.30	Presentation of the report to the EB in Bangkok	Secretariat	For decision
8.	16.30 – 17.00	Presentation of the report to the parties and the public - Press conference in London - Communication campaign - Side event to COP 18 -	Secretariat	For decision
9.	17.00 – 17.30	Any other business	Chair	
<i>Meeting Closed</i>				

