CLEAN DEVELOPMENT MECHANISM (CDM) - STAGES IN ACQUIRING FUNDING.

The procedures for submitting CDM projects to the Designated National Authority (DNA) are somewhat complex and may require specialised audits, baselines, methodologies, and verification certification and project management services.

The stages in acquiring funding for CDM projects are as follows:

**Stage 1: The Project Idea**
This contains the most important information concerning the project, together with a rough estimate of the possible emission reductions.

**Stage 2: The Project Design Document (PDD) and the Consent of the Host Country**
The PDD contains all information about the project and stipulates the anticipated volume of emission reductions over a certain time period. Focus is placed on selecting suitable methodology to calculate GHG savings and the contribution to sustainable development of the country. The PDD, and thus the suggested CDM project, must be authorised through the Designated National Authority (DNA).

**Stage 3: Validation**
In addition, the PDD must be checked by a United Nations accredited organisation.

**Stage 4: Registration**
Once validated, the project developer makes an application to register the intended project with the CDM Executive Board. This Executive Board has the last word, as it is the executive organ of the United Nations in all CDM matters. Once the CDM Executive Board agrees, the project is officially registered and Certified Emission Reductions (CER'Ss) can be generated.

**Stage 5: Monitoring**
At this stage, the project developer must prove whether the performance predicted by the PDD is actually generated over the credit period of the project.

**Stage 6: Verification**
Despite the monitoring reports, accredited organisations keep a close eye on project developers. This process is called Verification and is normally carried out annually. After inspection, the independent Verifier validates the integrity and accuracy of the information provided in the monitoring report.
Stage 7: Issuing of the CERs
Provided that the monitoring reports are approved without objection during the verification, the CDM Executive Board issues the generated CERs. A CER is a certificate which is tradable in various emission trading systems, transferred between the accounts of seller and buyer in electronic format.

The Western Cape Provincial Department of Environmental Affairs and Development Planning has established a provincial Clean Development Mechanism (CDM) Desk to assist in the initial phase of this process.

Please contact the department for further assistance:

CONTACT:
Deputy Director: Operational Policy and Transversal Co-ordination
Mr Joos Roelofse
Electronic Mail: jroelofs@pgwc.gov.za
Contact Number: +27 (0) 21 483 4627
Facsimile: +27 (0) 21 483 4440