

PROGRESS REPORT OF THE CDM ACCREDITATION PANEL

Ninth Meeting of the accreditation panel

21-22 November 2003

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I. INTRODUCTION

1. The Board took note of progress in the accreditation process, reported to the Board through oral report by the Chair or Vice Chair, typically supported by a written note distributed at the Board meeting and recommendations by the panel in written form. The Board, at its eleventh meeting, 16-17 October 2003, invited the CDM accreditation panel (CDM-AP) to prepare, at its next meeting (21-22 November 2003), a written report for consideration by the Board at its twelfth meeting, 27-28 November 2003, covering the process of desk reviews and on-site assessments including information on applications for which the CDM-AP intends to issue an indicative letter. The panel acknowledges the request from the Board and present this progress report which contains summary information on work undertaken by the panel since its launch in August 2002.

2. The panel, since the launch of the accreditation process by the Board, held nine meetings. The panel, in its initial meetings focused on issues related to the accreditation procedure in light of the experience with the first applications and practical aspects of the accreditation field as well as on modalities of its work. Based on its work, it prepared a recommended to the Board a revision of the procedure which the Board adopted 30 January 2003. Since, the panel met 5 times and, based on experience, recommendations have been submitted to the Board on issues such as phased accreditation by sectoral scope(s), issues related to the form of witnessing activities with the aim to reduce further costs of accreditation as well as considering additional 8 applications. For example, based on aspects related to the prompt start of the CDM the panel prepared recommendations regarding the phasing of accreditation with regard to function (validation; verification and certification) and sectoral scope(s). The Board considered these recommendations and adopted them.

3. Over time, the focus of work of the panel shifts from process/ policy issues, identified, inter alia, through the implementation of the accreditation procedure, to detailed consideration of applications. Some of the applications have passed the stage of on-site assessment (for more detail see below).

II. ROSTER OF EXPERTS

4. In accordance with the accreditation procedure, the CDM-AP shall establish the CDM assessment teams (CDM-AT) to undertake detailed assessment of the applicant entities (AEs) and/or designated operational entities (DOEs), identify non-conformities and report to the CDM-AP. The members of CDM-AT shall be drawn from a roster of experts established for this purpose. The panel maintains, with the assistance of the secretariat, the roster of experts for the CDM assessment teams.

5. The roster contains information on each expert allowing the CDM-AP to identify the best members for a team based on the terms of reference for CDM assessment teams and the characteristics of an application (e.g. such as sectoral scope experience, assessor/auditor experience, language skills, nationality).

6. Of the total of 55 applicants for inclusion into the roster of experts, 48 have been retained by the panel as possible members of assessment teams. Only 7 experts meet qualifications for a AT leader. Based on those experts in the roster, the panel established 19 teams of three members.

7. The panel when establishing its teams took also into consideration the issue of capacity building and regional balance in the assessment teams. For nineteen applications, the panel included in each team at least one member from non Annex I Parties. In four teams 2 of the three members are from Non Annex I Parties. 5 teams involve at least one non Annex I expert from Africa, in 14 teams from the Asia and Pacific Region and 3 teams from the Latin America and Caribbean Region (see annex 1). However, it is important to note that some experts are involved in several teams. 3 teams are lead by a team leader

from Non Annex I. Some of the Non Annex I team members could with some further experience become team leaders.

8. The panel and the secretariat actively reach out to accreditation bodies and experts to encourage experts to submit their application for inclusion in the roster. This included attendance and presentations at IAF and ILAC meetings, letters to accreditation bodies as well as active promotion by panel members through their business affiliations. In 2004, the efforts to reach out will continued and if possible enhanced.

9. To facilitate applications and their processing by the panel, the secretariat developed an on-line electronic application system. The system shall in near future provide, like it is in the case of the roster of experts for methodology, an online selection, maintenance and team identification system accessible to panel members.

10. The AP provided a recommendation to the board regarding the revision of the terms of reference for CDM-AT based on experience of the establishment and functioning of the first CDM-ATs which was adopted by the Board at its ninth meeting..

III. STATUS OF APPLICATIONS

11. Since the eleventh meeting of the Board, no new applications have been received. Two entities have indicated that they are close to submitting their application one of which has already transferred the application fee.

12. The total number of applications remains therefore at nineteen. The geographical distribution of the applications is as follows: Eight are from Asia and Pacific region and 11 from Western Europe and Other region. Two applicants from the Asia and Pacific region are from Non Annex I Parties (Republic of Korea and Malaysia).

13. The panel considered these applications and, based on a draft work plan prepared by an AP member serving as the case leader (the leader is determined on a rotational basis), agreed on particular issues to be covered by the assessment teams.

14. Four applications have passed the desk review and on-site assessment successfully (see next section). Two companies are identifying corrective actions in accordance with the procedure for accreditation. For two other companies the date of the on-site assessment has been confirmed, for another two the dates for on-site are being planned, two companies requested a 3 month delay of the determination of the dates for on-site, for one company the desk review is completed and another one it is in the drafting stage and the five most recent applications are in the stages prior to the drafting of desk review (for detail see table in annex 2 which is made available on the UNFCCC CDM web site).

IV. INDICATIVE LETTERS AND RECOMMENDATION FOR ACCREDITATION

15. The panel at its ninth meeting agreed to issue an indicative letter for each of the four applicant entities that have successfully completed desk review and on-site assessment. The chair of the panel will issue those letters on 1 December 2003, after the Board has been informed of this decision through this report, and in some case subject to minor editorial improvement of the reports by the CDM-AT. The companies are: E-0001 Japan Quality Assurance (JQA); E-0003 Det Norske Veritas Certification (DNVCert); E-0005 TÜV Süddeutschland Bau und Betrieb GmbH (TUV Sud) and E-0006 Tohmatsu Evaluation and Certification Organization (TECO).

16. The preliminary report for the four cases will be made available to the Board which in accordance with the procedure for accreditation shall remain confidential. In addition, the Board will be able to consult two reference files for each of the four applications during its twelfth meeting.

17. The panel has not yet made any recommendation for accreditation in a sectoral scope for validation because no witnessing opportunity has been concluded. Witnessing opportunities depend on the public availability of approved methodologies as well as of the number of potential project activities for witnessing in the corresponding sectoral scope. Presently only four AEs have proposed such opportunities.

V. OTHER RECOMMENDATIONS

18. Since the beginning of its work, the panel submitted recommendations to the Board in writing. At its ninth meeting the panel identified no issue for immediate clarification, guidance or decision making by the Board.

VI. OTHER OUTPUTS OF THE PANEL

19. The panel, based on preparatory work of two panel members, prepared document containing a compilation of requirements for information/facilitation purpose. (CDM-ACCR02). The document was circulated to all CDM-ATs and is made available on the UNFCCC CDM web site. The document is maintained up to date with the assistance of the secretariat. A revised version will be made available shortly after the ninth meeting of the panel.

20. The panel provided a total 19 clarifications/guidance some of which were forwarded to the Board for consideration. The panel, with assistance of secretariat, developed and maintains an up to date document (CDM-ACCR03) compiling all clarifications which since its ninth meeting made available on the UNFCCC CDM web site.

21. The panel, with the assistance of the secretariat, is preparing a document containing a list of all documents/forms available on the UNFCCC CDM web site relevant to the accreditation process. This document will be made available on the UNFCCC CDM website and announced through the UNFCCC CDM News facility. This will be complemented, subject to availability of funds, by a documents control document in the first quarter of 2004.

22. The presentation provided by a panel member at the joint workshop for members of the Board, the accreditation panel and assessment teams, on issues related to accreditation under the CDM was revised by the panel after the workshop and made available to participants and assessment teams.

23. Amongst other outputs, the panel, in light of the experience with applications process and practical aspects of the accreditation field:

(a) Provided a recommendation on a revised procedure for accreditation based on public input invited by the Board and its own revision in light of the experience with the first applications and practical aspects of the accreditation field;

(b) Provided a recommendation regarding the revision of terms of reference for CDM-ATs;

(c) Developed, in accordance with the procedure for accreditation, a list of sectoral scope(s) including competence requirements;

(d) Revised and streamlined forms for accreditation for example merging forms relating to desk review and on-site assessment onto one form. Others revision of forms will be issued before mid December 2003.

VII. ISSUES UNDER CONSIDERATION

24. The panel, learning from the first assessment experiences, will investigate the possibility of bringing more uniformity to the assessment process by possibly limiting the number of assessment teams through scheduling of assessment process, organizing teleconferences among team leaders to allow the

exchange of experiences and information sharing and conveying key conclusions to team members with the assistance of the secretariat. It is noted that the present experience of back to back scheduling, e.g. combining of assessments involving same team members, also provide important cost saving opportunities to AEs which is an important issue to the panel.

25. To facilitate the work of CDM-ATs, the panel agreed to develop a “handbook” for team leaders and team members. The handbook will cover issues such as the focus of an assessment and definition of non-conformity, conflict of interest, scope of conflict of interest, in particular with regard to related bodies. The panel requested the secretariat to invite team leaders and team members to provide elements which would be helpful to them to be covered in the handbook.

26. The panel reiterated the importance and usefulness to have the opportunity for panel and team members to have a joint workshop. It would welcome and be ready to prepare presentations if a joint workshop by the Board including panel members, team leaders and team members could be organized within the first trimester of 2004. Such a workshop provides a very good opportunity to the participants to foster a common understanding of issues and exchange experiences related to the CDM accreditation process and CDM in general.

27. The panel notes that a number of clarifications/guidance provided, important to provide an accreditation process that is appropriate to the prompt start and the operation of the CDM, created changes to the process of accreditation which need to be reflected in a revision of the procedure for accreditation (e.g. phased accreditation by function and sectoral scope(s), clarifications regarding witnessing) to facilitate its implementation. The panel will address this issue, with the assistance of the secretariat, and make a recommendation to the Board in the first trimester of 2004

28. The panel agreed that experts, to be included in the roster, will be shortly interviewed in English by a panel member through telephone. It also noted that not all staff of an AE is necessary fluent in English and concluded that in cases where interpreter services are required by the AT team to undertake its work, in particular at on-site assessment, the AE not only has to bear the cost of an independent interpreter service but also, if required, the cost related to longer work time of the AT.

29. The CDM-AP had provided generic competence requirements for DOE validation, verification and certification personnel related to sectoral scope(s). Based on the assessment/review of more detailed competence requirements prepared by AEs, the panel will further analyze whether more guidance needs be given with regards to ensuring a consistent service provided by parts of the CDM infrastructure.

30. The panel also identified elements of the desk review and on-site assessment report form (F-CDM-DOR available on the UNFCCC CDM web site in the Reference-forms section) which require revision in order to avoid misinterpretation of reports. A revised version will be issued, with the assistance of the secretariat, before mid December 2003.

Annex 1

Table: Regional distribution of team members

(in bold character members from Non Annex I Parties)

Organisation	Leader	Member	Member
0001 JQA	WEO	WEO	AFR
0002 JACO	WEO	ASP	ASP
0003 DNVCert	WEO	WEO	AFR
0004 CHUO	ASP	ASP	WEO
0005 TUV Sued	WEO	WEO	ASP
0006 TECO	ASP	WEO	ASP
0007 JCI	WEO	ASP	ASP[LAC] ¹
0008 Asahi	ASP	LAC	WEO
0009 BVQI	WEO	WEO	ASP
0010 SGS	ASP	ASP	LAC
0011 KEMCO	ASP	ASP	WEO
0012 PWCC	WEO	ASP	WEO
0013 TUV Rhein.	WEO	WEO	AFR
0014 KPMG	WEO	WEO	AFR
0015 URS	WEO	ASP	WEO
0016 ERM-CVS	WEO	WEO	AFR
0017 Clouston Env.	WEO	ASP	ASP
0018 BSI UK	ASP	WEO	ASP
0019 Nexant	WEO	ASP	LAC

¹ Square brackets indicate a member that was replaced

Annex 2

Table: Status of application of AEs

Entity	Completeness check	Initial consideration	CDM-AT	Work plan (1 st draft)	Desk review	Add. Docs	On-site assessment	Witnessing activities	Indicative letter	Legend: X=stage completed N/A= stage not yet reached PR=provided N=not requested D=Drafting P=Planned DC=Dates confirmed RD=Requested Delay WOI= Witnessing opportunities identified by AT WOP=Witnessing opportunities proposed by AE WOIa= WOI identified for <i>all</i> sectoral scope(s) applied for WOPa= WOP identified for <i>all</i> sectoral scope(s) applied for I (date) =Issuing date
E-0001 / JQA	X	X	X	X	X	PR	X	WOI	I(1.12.2003)	
E-0002 / JACO	X	X	X	X	X	PR	N/A	N/A	N/A	
E-0003 / DNVCert	X	X	X	X	X	PR	X	WOI	I(1.12.2003)	
E-0004 / CHUO	X	X	X	X	D	N	N/A	N/A	N/A	
E-0005 / TUEV sued	X	X	X	X	X	PR	X	WOI	I(1.12.2003)	
E-0006 / TECO	X	X	X	X	X	N	X	N/A	I(1.12.2003)	
E-0007 / JCI	X	X	X	X	X	PR	P	N/A	N/A	
E-0008 / Asahi	X	X	X	X	X	PR	X	N/A	N/A	
E-0009 / BVQI	X	X	X	X	X	PR	DC	N/A	N/A	
E-0010 / SGS	X	X	X	X	X	PR	DC	WOI	N/A	
E-0011 / KEMCO	X	X	X	X	X	PR	RD	N/A	N/A	
E-0012 / PWC C	X	X	X	X	X	PR	X	N/A	N/A	
E-0013 / TUEV Rhein	X	X	X	X	X	PR	RD	N/A	N/A	
E-0014 / KPMG	X	X	X	X	X	N	P	N/A	N/A	
E-0015 / URS	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0016 / ERM	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
E-0017 / Clouston	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0018 / BSI	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
E-0019 / Nextant	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A	