

**THIRTY-FOURTH PROGRESS REPORT  
OF THE  
CDM ACCREDITATION PANEL (CDM-AP)**

**Forty-Fourth Meeting of the CDM-AP**

**21 – 23 September 2009**

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## I. Introduction

1. This thirty-fourth progress report covers the period from 20 August 2009 to 23 September 2009. During this period the CDM accreditation panel (CDM-AP) held one meeting.

## II. Expert Resources

2. The CDM-AP took note of the updated analysis by the secretariat on the level of existing resources and on the resource estimation required to conduct assessment activities planned for 2009-2010. The CDM AP agreed to keep the level of resources under review at each meeting, and while it noted that planned resources met planned requirements, it also expressed continuing concern with the lead time required for employment and deployment of secretariat resources.

3. The CDM-AP also discussed outline of a proposed competency standard for the CDM assessment team members prepared by the secretariat. The proposed standard intends to define the knowledge components, skills and specific competencies for CDM assessment. The standard will also define the criterion for establishing competencies, requirements for the maintenance of competence and methods for evaluating the competencies. The CDM-AP appreciated the work initiated by the secretariat, provided specific inputs on the draft and agreed to hiring a consultant to support the work.

## III. Status of applications

4. The total number of applications currently under consideration by the CDM-AP is forty three (43), including twenty seven (27) accredited entities and sixteen (16) non-accredited applicant entities. A total of five (5) applications have been withdrawn and one (1) has been rejected by the Executive Board.

5. In terms of geographical distribution, out of the forty three (43) applications currently under consideration, the highest number of applications, twenty four (24), is from the Asia and Pacific region, followed by sixteen (17) from the Western Europe and Other regions. Two (2) applications are from Latin America and the Caribbean region.

6. A total of fourteen (14) applications are from Non-Annex I Parties, including twelve (12) applicants from the Asia and Pacific region and two (2) from Latin America and the Caribbean. With respect to individual countries: three (3) applicants are from Republic of Korea, two (2) from Malaysia, six (6) from China, one (1) from India, one (1) from Brazil, and one (1) from Colombia.

## IV. Update on work of the CDM-AP

7. The CDM-AP continued its consideration of potential measures related to the accreditation process, as requested by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) of the Board. In this regard the CDM-AP considered the following issues:

- (a) Measures to facilitate the accreditation of more applicant entities from developing countries by, inter alia, reducing costs for the necessary accreditation procedures incurred by AEs from developing countries, in order to address the shortage of validation and verification services and enhance the equitable regional distribution of CDM project activities. A proposal of the CDM-AP on this issue is contained in Annex 1 to this report;
- (b) On-going implementation of the policy framework on addressing non-compliance by DOEs in a systematic manner, adopted by the Board at its forty-ninth meeting. The panel discussed implementation of the framework and highlighted the need for a balance between quantitative and qualitative assessment of activities, and the need to relate assessment to the full range of compliance sanctions;

- (c) Means to enhance the impartiality and independence of DOEs in undertaking their validation and verification functions. The panel considered a range of options including measures that would require amendments to the modalities and procedures. The panel was particularly concerned to balance the need for impartiality with ensuring the availability of technical competence. A proposal of the CDM-AP on this issue is contained in the Annex 2 to this report;
- (d) Possible arrangements for ensuring that projects under validation and verification by a suspended DOE are not prejudiced by the suspension. A proposal of the CDM-AP on this issue is contained in the Annex 3 to this report;

8. The CDM-AP also continued its discussion on operationalization of multi-site provisions contained in the CDM Accreditation Procedure and the CDM Accreditation Standard. Taking note of the non-central sites declared by the AEs and DOEs, the CDM-AP further elaborated the criteria and internal procedures for selecting sites to be assessed, in line with the CDM Accreditation Procedure and its previous decisions. The CDM-AP requested the secretariat to finalize the criteria and proceed with its implementation.

9. The CDM-AP had a substantive discussion on issues regarding confidentiality, disclosure of information and transparency of the assessment process, with a reference to existing procedures and established practices. The CDM-AP will continue its consideration of these issues at its next meeting, with the intention of presenting a proposal to the Board on options to enhance transparency, and requested the secretariat to provide an analysis of potential implications of wider publication of assessment results.

10. The CDM-AP continued the information and experience sharing with the Joint Implementation accreditation panel, exploring ways for further collaboration.

## **V. Case specific issues and recommendations for accreditation of entities**

11. The CDM-AP also considered progress of the follow-up activities of the DOE ‘Det Norske Veritas Certification AS’ under spot-check. An update on the progress of the work shall be presented to the Board under confidentiality.

12. The CDM-AP considered three (3) applications for initial accreditation and one (1) application for re-accreditation and agreed on the assessment teams.

13. The CDM-AP also considered five (5) witnessing activities initiated prior to the revision of the CDM Accreditation Procedure and considered as performance assessments. Four (4) cases have been referred back to the assessment teams for further information/clarification, whereas recommendation in respect of one (1) performance assessment case will be submitted for the consideration by the Board under confidentiality.

14. The CDM-AP considered withdrawal notice from three (3) applicant entities. The notices will be submitted for the consideration by the Board under confidentiality for its consideration and decision.

15. The CDM-AP, while considering individual cases, expressed a general concern regarding compliance of applicant entities and DOEs with competency requirements of the CDM Accreditation Standard. The CDM-AP agreed to further discuss the matter at its next meeting with a view to submit a concrete proposal for the consideration of the Board.

## **VI. Key issues under consideration**

16. The following key issues are under on-going consideration of the CDM-AP:
- (a) Regular review and preparation for revision of the core accreditation documents, including the CDM Accreditation Procedure, the CDM Accreditation Standard and the Validation and Verification Manual;
  - (b) The training of assessment team members in order to seek further improvement and achieve greater consistency in the assessment process.

## **VII. Further schedule of the CDM-AP**

17. The Board may wish to note that the forty-fifth meeting of the CDM-AP is scheduled for 28 – 30 October 2009, in Bonn, Germany.

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## **Proposal on facilitating accreditation of more applicant entities from developing countries**

### **A. Background**

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), at its fourth meeting, requested the CDM Executive Board (CDM-EB) to facilitate the accreditation of more applicant entities (AEs) from developing countries by, inter alia, reducing costs for the necessary accreditation procedures incurred by AEs from developing countries, in order to address the shortage of validation and verification services and enhance the equitable regional distribution of CDM project activities (decision 2/CMP.4).
2. The CDM-AP at its forty-third meeting requested a sub-group led by the Vice-Chair and supported by the secretariat to prepare a document on options for further facilitation of the accreditation of AEs from developing countries for its consideration at the forty-fourth meeting.
3. This note presents an analysis of the availability of validation and verification services, potential causes of shortage of such services, and a proposal on options to improve availability of the services, including through facilitation of the accreditation of applicant entities from developing countries.

### **B. Analysis of the current situation**

4. The total number of applications currently under consideration of the CDM-AP is forty-three (43), including twenty seven (27) accredited entities and sixteen (16) non-accredited AEs. A total of five (5) applications have been withdrawn and one (1) has been rejected by the CDM-EB.
5. Thirty two (32) percent of all applications under consideration are from Non-Annex I (NAI) Parties, including twelve (12) applicants from the Asia and Pacific region, two (2) from Latin America and the Caribbean. In terms of individual countries, three (3) applicants are from Republic of Korea, two (2) from Malaysia, six (6) from China, one (1) from Brazil, one (1) from India, and one (1) from Colombia.
6. One (1) additional application was received recently from an organization based in India, one (1) in China and one (1) in South Africa. These applications will be considered by the CDM-AP in accordance with the CDM Accreditation Procedure, bring share of applications from NAI Parties to 37 percent.
7. The CDM Accreditation Procedure provides an opportunity to entities from NAI Parties of paying 50% of the non-reimbursable fee when they apply for accreditation, provided that they state their inability to pay the full fee at the application. The remaining 50% of the fee should be paid at a later stage once and if the AE is accredited and designated and starts operations. Majority of the AEs from NAI Parties opt to take advantage of that provision.

### **C. Recent accreditation of new DOEs**

8. The CDM-AP has observed that at the time of the CMP 4, three or less DOEs were accredited for certain sectoral scope. With such limitation there was a limited choice available to project proponents to choose DOEs to undertake the verification and certification functions. The CDM-AP noted with concern that such situation led to significant delays in verification and issuance, potentially defaults in contractual obligations, and disruptions of the market.

9. The CDM-EB at its forty-seventh has adopted a revised accreditation procedure and accredited a number of AEs that have recently completed an on-site assessment. That led to a significant increase in the total number of accredited entities, as well as in the number of entities accredited in each sector.

10. The CDM-AP observed that the choice of DOEs to perform validation and verification/certification function was no longer limited in any of the sectoral scopes. The constraint with respect to a limited number has been therefore removed. With such an increase even suspension of one or two DOEs will not create a situation where project participants will be limited in their choice of a DOE for verification functions. The CDM-AP felt that the increased number of DOEs and increased market competition should address previously observed delays in verification and issuance and reduce the potential for defaults in contractual obligations.

#### **D. Recently changes in allocation of DOE functions to regional sites**

11. The revised CDM accreditation procedure and CDM accreditation standard adopted by CDM-EB at its forty-fourth meeting provide for the allocation of certain DOE functions to non-central sites. These provisions are expected to greatly increase regional availability of validation and verification services to project participants. A total of sixty four (64) non-central sites have been declared by the entities.

12. The CDM-AP noted that allocation of certain CDM functions to non-central sites located in regional hubs, which are predominantly in developing countries, should significantly contribute towards building local human capacity and eventually facilitating applications from local entities.

#### **E. Remaining potential causes of shortage of validation and verification services**

13. The CDM-AP noted that the following barriers could contribute to a shortage of validation and verification services:

- (a) Lack of business opportunities and low CDM potential in certain regions;
- (b) Lack of local human capacity and expertise in certain regions;
- (c) Lack of overall predictability of the CDM market beyond 2012;
- (d) Costs associated with compliance with CDM accreditation requirements;
- (e) Insufficient guidance on CDM accreditation requirements;
- (f) Costs associated with the accreditation process, including application fee and additional costs associated with on-site and performance assessments, as described in Appendix 4 of the CDM Accreditation Procedure. The costs include business class airfare for each assessment team member and applicable UN daily subsistence allowance for the assessment mission.

14. The CDM-AP further noted that the costs associated with the accreditation process are not substantial compared with the costs associated with compliance with CDM accreditation requirements and implementation of the Validation and Verification Manual. The CDM-AP does not recommend lowering requirements or providing exceptions specifically for NAI AEs from compliance. It did agree however that a further elaboration of requirements and provision of additional guidance may assist in reducing operational costs.

15. The CDM-AP considered a proposal to establish a ceiling on the service fees that could be charged by DOEs and a proposal to make it mandatory for all DOEs to have regional representation in Africa. The CDM-AP considers that such measures could lead to reduction in the availability of

validation and verification services overall, and recommended that a thorough analysis of impacts on services be undertaken before introduction of this sort of regulation could be considered.

## **F. Recommendation of the CDM-AP**

16. The CDM-AP recommends the implement the following measures to improve availability of validation and verification services in developing countries:

- (a) To explore further enhancement of local skills through review of provisions for allocation of certain CDM functions to non-central sites by the AEs/DOEs;
- (b) To consider reducing and subsidising costs associated with travel of accreditation team members through use of local assessors and increased use of provision for travel on economy class for short flights;
- (c) To promote broader understanding of CDM requirements through publication of simple informal guides and materials on compliance with CDM requirements;
- (d) To encourage and provide online training in respect of requirements, which is available to assessment team members, DOEs, AEs, and potential applicants as well as the general public;
- (e) To invite representatives of organizations located in developing counties and interested in applying for accreditation to attend workshops organized for the AEs/DOEs;
- (f) To explore the possibility of collaborating with other development and capacity-building agencies to increase local expertise and raise awareness of the CDM Accreditation Requirements in developing countries;
- (g) To invite other agencies and the secretariat to conduct further analysis of CDM potential in regions with limited number of CDM projects.

17. The CDM-AP also recommends conducting a comprehensive review of the regional availability, costs and timeliness of the validation and verification services in developing countries through a survey open to the DOEs and all stakeholders. The survey should also address identification of remaining barriers, including any that are cost-related.

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## **Proposal on analysing the means to enhance the impartiality and independence of DOEs**

### **A. Background**

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP), at its fourth meeting, requested the CDM Executive Board (CDM-EB) to analyse the means to enhance the impartiality and independence of DOEs (paragraph 27, decision 2/CMP.4). The Board requested the CDM accreditation panel (CDM-AP) to submit its proposals for its consideration.
2. The CDM-AP, at its forty-fourth meeting, considered the issue and agreed to submit this proposal on options for the consideration of the Board at its forty-ninth meeting.
3. This document contains an analysis of the situation regarding the impartiality and independence of designated operational entities (DOEs) at the time of the CMP request, the current situation and proposal on options for enhancing the impartiality and independence of the DOEs.

### **B. Analysis of the situation at the time the CMP request**

4. The requirements regarding impartiality and independence of DOEs are contained in paragraph 2a of Appendix A of the CDM modalities and procedures (M&P). These requirements can be summarized as the need for the DOEs to have a documented structure to safeguard impartiality and independence, in particular, when other parts of the DOEs are involved in project identification, development, financing. This implies that the DOEs have to declare the nature and level of this involvement and to demonstrate how the risks to impartiality are minimized and to ensure that no conflict of interest exists that would influence its judgement or endanger trust in its independence and integrity.
5. A further requirement can be found in Section E “Designated operational entities” of the CDM M&P 27.(d): ‘[DOEs] to demonstrate that it, and its subcontractors, have no real or potential conflict of interest with the participants in the CDM project functions for which it has been selected to carry out validation or verification and certification functions’.
6. From the above requirements stipulated in the M&P it should be noted that involvement of DOEs in identification, development and financing of CDM project activities is not prohibited, however, DOEs must be responsible to ensure that these activities do not affect impartiality, independence and integrity of its validation and verification functions.

### **C. Analysis of the current situation**

7. Taking the requirements of CDM M&P into consideration, the requirements on impartiality and independence of DOEs have been further elaborated in the “CDM Accreditation standards for operational entities” adopted by the Board at its forty-sixth meeting. The standard provides detailed guidance on potential situations that may affect the DOE impartiality and independence. It also elaborates the possible mitigation actions that can be performed at all levels of the DOE and its related bodies.

8. In preparation for further elucidating the requirements and preparing options for the Board, inputs have been sought from the CDM assessment team members (CDM-AT) in order to identify possible shortcomings in the accreditation standard.
9. From the inputs received, it can be concluded that the current accreditation standards contains all the necessary requirements and serves as a good tool for assessing the impartiality and independence of DOEs. However, it has also been found also that further elaboration is needed. And this further elaboration should be particularly focussed on the requirements for documented structure to safeguard the impartiality of a DOE. Such as, membership, roles and responsibilities of the impartiality committee, its areas of authority, the expected outcome of its deliberations and the possible actions that it can undertake if the management of the DOE does not follow its recommendations. It has been proposed that this required further elaboration should be explicitly stated either in guidance or in the standard itself.
10. Further guidance is also required regarding at which level the impartiality should be implemented and on how to carry out a conflict of interest analysis at all levels of the AE/DOE (Organization, Decision making, individuals) and related bodies.
11. Taking into consideration the above needs, requirements can be further clarified and related guidance should be issued in a separate document.

## **D. Other Possible options**

### **D.1 Involvement of DOEs and their related bodies in activities other than validation/verifications that may constitute a potential threat to impartiality**

12. The involvement of an AE/DOE in other activities other than validation and verification that may be considered as potential threats to impartiality may include development or financing CDM project activities, providing consultancy for CDM validation, verification and monitoring functions, training the project participant towards the same. In this respect, two options can be considered. The first option is the prohibition of any involvement of an AE/DOE and its related bodies from performing activities other than validation and verification. The second option is allowing such activities under defined conditions. Further elaboration of both options is provided below:

#### **Option 1: Prohibition of any involvement of an AE/DOE and its related bodies from performing activities other than validation and verification**

13. The main advantage of this option is that it eliminates all risks to independence and impartiality and would provide a total confidence in the impartiality and independence of the DOE. However, the disadvantage of this option is that it would drastically limit the access to CDM validation and verification of AE/DOEs that are or their related bodies involved in other CDM activities. This might have a big impact on the market and result into deprival of some AEs/DOEs that have gained competence and market share in other activities, such as, consultancy, development of project activities.

#### **Option 2: Allowing such activities under defined conditions**

14. The advantage of this option is that it would help to expand and diversify the market to potential entities that have acquired competencies through performing other activities than validations/verifications.

15. However, this option can not be allowed without limitations owing to the fact that threats to impartiality and independence would be too critical. It would be also makes it difficult to assess the impartiality and independence of the AE/DOEs taking into consideration the range and scale of operations of entities. It would require the AE/DOEs to

put in place adequate structures and necessary firewalls in commensurate to the potential threats.

16. It may be noted that the newly adopted accreditation standards has addressed to some extent this concern by restricting the AE/DOE from carrying out some activities as per paragraph 140 b and c of the accreditation standards (version 01.1).

17. However, the accreditation standard has to be strengthened to introduce a provision to prohibit AEs/DOEs from performing validation/verification of project activities for which any activity apart from third party conformity assessment excluding testing and calibration , has been carried out by itself or a related body.

18. The accreditation standard has to be further strengthened by extending the above prohibition not only in relation to project activities but also to a client/PPs of which the DOE or its related bodies has carried out any activity other than third party conformity assessment excluding testing and calibration.

#### **D.2. DOEs to be hired by EB instead of project participants (PPs)**

19. The main advantage of this option is that eliminates any potential temptations and possibilities for threats to the impartiality and independence. However, some of challenges relating to this option are as follows:

- (a) If a DOE is hired by the CDM-EB, the DOE would not be able to plan its resources or make market estimation as it won't know how many projects it would have and which sectoral scopes and which geographical areas. At the same time, the CDM-EB would not know the availability of resources of the DOE. Therefore, it might be end-up in a situation that a contract is awarded to a DOE that does not have the resources to carry out the work;
- (b) The CDM-EB also when appointing a DOE would not have the full information on its involvement and its related companies and personnel in activities other than validation/verification. Thus there is a risk that the CDM-EB contracts a DOE that has a real or potential conflict of interest with the project activity;
- (c) It might bring some legal liability issues to the CDM-EB as well. In case the project activity is put under review or is rejected by the CDM-EB due to the incompetence of the DOE, who would be legally liable the EB or the DOE;
- (d) The CDM-EB might face a large number of disputes on the criteria used to allocate projects to the DOEs;
- (e) This option will require a substantial logistical effort to be operationalized in a fair and transparent manner.
- (f) Financial issues on how DOEs are going to be paid.

#### **E. Recommendation of the CDM-AP**

20. Based on the above considerations, the CDM-AP recommends the following measures to enhance impartiality and independence of the AE/DOEs:

- (a) Revision of the accreditation standards with an aim to only maintain the requirements and remove the guidance elements.
- (b) Establish a guidance document that would provide guidelines to the AE/DOEs on how to implement the requirements related to impartiality and

independence and to the CDM-assessment teams on how to assess such requirements;

- (c) Revision of the accreditation standards in order to prohibit AEs/DOEs from performing validation/verification of project activities belonging to the same client and/or PPs, for which any activity apart from third party conformity assessment, excluding testing and calibration, has been carried out by itself or a related body;
- (d) To keep the current system where the DOEs are directly hired by PPs and ensure that only competent and impartial DOEs are operating in the market. The revision of the accreditation standard and the enhancements of the assessment process should contribute in achieving this aim.

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## Annex III

# **Proposal on possible arrangements for ensuring that projects under validation and verification by a suspended designated operational entity are not prejudiced by the suspension**

## **A. Background**

1. The Conference of the Parties serving as the meeting of the Parties (CMP), at its fourth meeting, has requested the CDM Executive Board (CDM-EB) to consider possible arrangements for ensuring that projects under validation and verification by a suspended designated operational entity (DOE) are not prejudiced by the suspension.
2. The CDM-EB has requested the secretariat and the CDM Accreditation Panel (CDM-AP) to consider in its work requests from the CMP and to elaborate such possible arrangements for the consideration of the Executive Board.
3. At its forty-third and forty-fourth meeting, the CDM-AP has considered such possible arrangements. This note contains an analysis of possible arrangements, including a recommendation of the CDM-AP.
4. The CDM-AP noted that the negative impact of the suspension is inevitable for projects under validation or verification by the suspended DOE. A systematic non-compliance of a DOE with the CDM requirements leading to a suspension can have an impact on all CDM-related activities. The suspension prevents such activities from taking place until the cause of the non-compliance is addressed through appropriate corrective actions. A number of measures however can be put in place to prevent the suspension and to reduce the impact of the suspension on projects under validation and verification.

## **Current practice**

5. The possibility for suspension of accreditation status of DOEs is stipulated in the CDM modalities and procedure and, accordingly, in the CDM accreditation procedure. The CDM accreditation procedure, version 9.1, provides for either a full or partial suspension of DOEs in cases of identified non-conformities with CDM accreditation requirements. Whereas decision 2/CMP.4 provides for partial suspension in regard of certain sectoral scopes or validation and verification functions. In this respect, the possibility for suspension is an integral part of the accreditation process and both DOEs and the project participants are knowledgeable about it.
6. The CDM-EB has further elaborated modalities of suspension in two individual cases in an ad-hoc manner. In both cases the CDM-EB balanced the impact of the suspension on on-going project activities by defining the areas and functions which these DOEs were allowed and not allowed to function.
7. The CDM-EB allowed the suspended DOEs to continue providing information on requests already submitted to the CDM-EB. The DOEs were allowed to perform the following activities:
  - (a) Respond to issues raised related to completeness checks of requests for registration and issuance;
  - (b) Respond to issues raised in reviews and requests for reviews for registration and issuance;
  - (c) Submit documentation requested by the CDM-EB as part of the outcome of a previous request for review or review;

- (d) Undertake activities related to validation and verification under existing contracts, except the following:
  - (i) Upload PDDs for public comments as part of the validation process;
  - (ii) Upload monitoring reports as part of the verification process;
  - (iii) Submit new requests for registration for CDM project activities;
  - (iv) Submit new requests for issuance of certified emission reductions;
  - (v) Submit new requests for renewal of crediting periods;
  - (vi) Submit new requests for revision of monitoring plan;
  - (vii) Submit new requests for deviation;
  - (viii) Submit new requests for changes from the PDD.

### **B. Analysis of possible arrangements**

8. The CDM-AP considers the ad-hoc approach to defining modalities of suspension as non-sustainable. Further elaboration of partial suspension, as defined in the decision 2/CMP.4 and CDM Accreditation Procedure, is required and should include suspension in regard to individual activities, following examples of previous cases.

9. The CDM-AP recommends to the Board to develop a clear criteria for suspension that should support objective and consistent decision making on suspension, on modalities of the suspension and on conditions for lifting the suspension of DOEs.

10. The CDM-AP also considered a possibility of regulating contractual agreements between project proponents and a DOE. The regulation can include mandatory clause on liabilities of both parties in case of a suspension and requirement for obtaining insurance for such cases. A further work will be required to estimate impact of such regulation.

11. Alternatively the CDM-EB may establish a secondary verification and validation system through another DOE directly contracted by the CDM-EB. The projects under validation or verification by a suspended DOE will be transferred to the authority of such secondary system for finalization of the work. A further work will be required to estimate impact of such secondary system.

12. The CDM-AP also noted that additional measures can be developed to enhance performance of DOEs which would indirectly address the issue and minimizes the impact. Measures already included in the framework policy to monitor non-compliance of DOEs should address this issue to some extent.

### **C. Recommendation of the CDM-AP**

13. The CDM-AP, after thorough analysis, recommends to review the rules of full and partial suspension to ensure that projects under validation and verification by a suspended DOE are not prejudiced by the suspension:

- (a) To include partial suspension in regard of other then central and accredited sites;
- (b) To include partial suspension in regard of individual activities undertaken by DOEs, including actual validation and verification work;
- (c) To establish criteria for full and partial suspension;

(d) To consider other sanctions to be applied as an alternative to a suspension.

14. The CDM-EB may wish to mandate the CDM-AP to undertake the revision of the CDM accreditation procedure as well as other associated documents and present for the consideration of the Board.

15. The CDM-AP also recommends intensifying work on the implementation of the framework policy to monitor non-compliance of DOEs in view of enhancing quality of their work. The implementation of the policy should include other sanctions applied as an alternative to a suspension. It should also provide for making the information on the performance of DOEs public, minimizing risks of project proponents related to the suspension and withdrawal of accreditation status of DOEs.

16. The CDM-AP further recommends continuing analysis of alternative arrangements, including regulation of contractual agreements between DOEs and project proponents and establishment of a secondary validation and verification system.

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