



Mr. Nino Sergio Bottini
Green Domus Desenvolvimento Sustentável Ltda
Rua Eliseu de Oliveira
28 - São Paulo - SP
Brazil

Date: 23 August 2013
Reference: 2013-256-S
Direct line: +49 228 815 1687

Sent by e-mail to: nino@greendomus.com.br

Re.: DOE ethical behaviour claim sent to Accreditation Panel and lack of transparency and action of the Accreditation Panel

Dear Mr. Bottini,

On behalf of the Chair of the Board, I would like to thank you for your letter of 03 May 2013, requesting the Board to consider your complaint, Reference 2011-001, submitted on 11 January 2011 about the actions of an accredited entity viz. E0022 TUV NORD CERT GmbH (the DOE), concerning the fulfillment or lack thereof of contractual obligations on the validation of project ‘‘Lwarcel/Green Domus-Co-generating system-LP’’ and its impact on the accreditation of the DOE.

Since the initial submission of your complaint, the CDM Executive Board with support from its CDM accreditation panel (CDM-AP) and UNFCCC secretariat have undertaken a number of actions to handle your complaint which included the use of the accreditation toolbox within the CDM rules and seek corrective measures where required.

As previously communicated, at its sixty-first meeting, the CDM-AP considered the Complaint 2011-001 Green Domus Desenvolvimento Sustentavel Ltda. against the DOE. The CDM-AP agreed that the complaint is justified¹ in the section of the complaint pertaining to the performance of the DOE in relation to the uploading of the validation report to the UNFCCC website. In relation to this entity, the CDM-AP launched two assessments consecutively (a spot check and a re-accreditation assessment) focusing on the system which guarantees that termination of contracts are duly published at the UNFCCC website and that clear timelines for issuing a negative validation opinion are included in the DOE’s processes. The assessments at the central office have already been launched.

The spot check was considered at the sixty-third meeting of the CDM-AP and it revealed that the DOE’s operations are found to be in compliance with the CDM accreditation standard in respect of the issues verified (the DOE has put in place a system which ensures that the termination of contracts is

¹ Justified as per Appendix 3, of the ‘‘Procedure for accrediting operational entities by the Executive Board of the clean development mechanism’’ in paragraph 11 ‘‘A complaint may be considered justified if the assessment reveals that the DOE has not complied with its own accredited system and/or the CDM requirements’’.



duly published on the UNFCCC website and that clear timelines are included in the DOE processes). The re-accreditation assessment will be considered by the CDM-AP at its sixty-fifth meeting. It is important to highlight that non-conformities and corrective actions, if any, resulting from these processes are/will be treated within a specified timeline as per the accreditation procedure.

In addition, the Board considered your letter and understood the gravity of the issue you raised and first and foremost evaluated whether the DOE had operated within the requirements of the CDM. After application of the CDM requirements to this complaint including an on-site evaluation of the DOE's accredited management system, the CDM Executive Board concluded that the DOE had operated within the CDM requirements. We therefore believe that the CDM mechanism was not compromised by the activities of the DOE.

Where the DOEs accredited management system required strengthening this was highlighted to them and corrective actions were taken.

However, with this being said, the CDM Executive Board did identify potential areas of policy improvements where clarifications and or procedural actions may be required to guide DOEs and PPs on their contractual relationships with each other. These potential system improvements should help existing UNFCCC projects. Of course, the outputs will result from our further considerations at our future meetings. So you may understand that the outputs are not immediate for us to inform you about them.

Finally, on behalf of the Board, I would like to inform you that a negative validation opinion means that the specific project could not, in the view of the validating DOE, demonstrate its compliance with CDM requirements. As per the CDM Modalities and Procedures², a proposed project activity that receives a validating opinion may be reconsidered for validation and subsequent registration, after appropriate revisions, provided that it follows the procedures and meets the requirements for validation and registration, including those relating to public comments.

The Board thanks you for trusting us to take suitable actions and providing this opportunity to continuously improve our systems.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Andrew Howard'.

Andrew Howard
Secretary to the CDM Executive Board

² Please refer to 3/CMP.1 Annex paragraph 42.