

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

Twenty-Fifth Meeting of the CDM-AP

03 – 05 December 2006

CONTENTS

	<i>Paragraphs</i>	<i>Page</i>
I. INTRODUCTION.....	1	2
II. EXPERT RESOURCES.....	2–3	2
III. STATUS OF APPLICATIONS	4–10	2
IV. INDICATIVE LETTERS AND RECOMMENDATION FOR ACCREDITATION	11–13	3
V. OTHER RECOMMENDATIONS.....	14–18	3
VI. KEY ISSUES UNDER CONSIDERATION	19–21	4

Annexes

I. Table: Regional distribution of team members	5
II. Status of application of AEs	6
III. Note on the Regular Surveillance System under the CDM Accreditation process	7

I. Introduction

1. This fifteenth progress report covers the period from 15 October 2006 to 05 December 2006. During this period the accreditation panel (CDM-AP) held only one meeting.

II. Expert Resources

2. As reported to the Board at its last meeting, the CDM-AP, having realized the seriousness of the issues of limited availability of experts and overburdening of work on some experts agreed to establish a limited pool of experts and establish yearly Independent Contractor Agreements with these experts. The CDM-AP in this meeting took note of the progress made towards the implementation of this system. It was noted that initial communications with some experts have shown some encouraging responses and it is expected that first yearly Independent Contractor Agreements will be established in early next year. The CDM-AP in order to consider the training modules for these experts and also to consider cost implications of such facilities, appointed one panel member to identify suitable training options and also information of cost involved. The CDM-AP agreed to further consider it at its next meeting and will submit to the Board for its consideration at its twenty-ninth meeting.

3. The CDM-AP also took note that two new applications have been received through the online application facility and experts have been evaluated. The CDM-AP requested the secretariat to include experts from the current roster of experts to the extent possible, taking into consideration their expertise, and evaluation of their past performance.

III. Status of applications

4. The total number of active applications currently under consideration by the CDM-AP is 36. It may be noted that three applications are withdrawn.

5. The **geographical distribution of the 36 applications** under consideration is as follows: 16 are from Asia and Pacific region, 17 from Western Europe and Other region, two from Latin America and Caribbean region and one from African region. Seven applicants from the Asia and Pacific region, two from Latin America and Caribbean region and one from the African region are from Non-Annex I Parties (Republic of Korea (3), Malaysia (2), China (2), Columbia, Brazil and South Africa). Thus a total of ten applications are from Non-Annex I Parties and one from economies in transition country.

6. The CDM-AP, at this meeting, had the initial consideration of one application and identified particular issues for the attention of the CDM-ATs. The CDM-AP also agreed on the work plan and established the CDM-AT for this case to undertake the detailed assessment work. With regard to other entities, four are at the initial stage of launching the CDM-ATs, three are addressing nonconformities in accordance with the procedure for accreditation, for one AE the documentation was found incomplete. Four other entities are undertaking witnessing activities for validation and verification functions.

7. A total of seventeen entities are accredited for validation functions and six for verification functions, covering a wide range of sectoral scopes. It may be noted that at least one DOE exists for each sectoral scope.

8. The Board may also wish to note that 24 entities have been issued indicative letters by the CDM-AP so far, which indicates that these entities have successfully passed the stage of desk review and on-site assessment. Seven AEs out these 24 are waiting for the witnessing activities to accomplish their accreditation. For details on status of all applications please refer to the overview table in annex 2.

9. The CDM-AP considered the requests for shifting locations for two entities and agreed to proceed in accordance with the procedure. It may be noted that in one case an on-site visit of the new premises of the entity already took place and the second entity is being informed that their request shall require an on-site visit.

10. The CDM-AP also considered requests of four DOEs for their re-accreditation. The CDM-AP undertook the preliminary consideration of these requests and agreed to proceed in accordance with the procedure. The CDM-AP also agreed on the revision of the application form to address the re-accreditation requirements.

IV. Indicative letters and recommendation for accreditation

11. The CDM-AP considered a case for extension of scope and agreed that additional information was required to finalize the case. During this period the CDM-AP did not issue indicative letter to any entity.

12. The CDM-AP considered a case for recommendation regarding phased accreditation for validation and its deliberation on this matter is presented to the Board under strict confidentiality.

13. The CDM-AP considered the reports for the spot-check raised by the Board at its twenty-seventh meeting and its deliberations on this matter are presented to the Board under strict confidentiality.

V. Other recommendations

14. In further consideration of the request from the Board on how to facilitate applications for accreditation from entities located in Non-Annex I Parties to the Convention, and considering the guidance of the Board at its twenty-seventh meeting, the CDM-AP provided guidance to the secretariat to develop information packages of the CDM accreditation process to be shared with international, regional and national accreditation bodies. The CDM-AP further guided the secretariat to develop and conduct surveys with such bodies to identify barriers and find out reasons for the lack of interest from the entities located in Non-Annex I Parties. Furthermore, the CDM-AP considered an option for undertaking training and capacity development of local entities already operational in the certification business areas in developing countries. The CDM-AP requested the secretariat and panel members to seek information from International Accreditation Forum about their programme of technical assistance to the accreditation bodies in developing countries.

15. The CDM-AP in continuing its consideration of the request from the Board to develop options for measures that provide incentives to the designated operational entities (DOEs) to meet quality standards of the Board other than, and prior to, spot-check, further exchanged views on the possibility of instituting regular surveillance system as the long-term measure. The CDM-AP agreed to submit a note for the consideration of the Board providing generic characteristics of the regular surveillance system. The note is contained in annex 3 to this report. The CDM-AP, taking into consideration the guidance from the Board on this proposal, will develop detailed procedural description of the regular surveillance system.

16. As part of the short-term measures, the CDM-AP, in consideration to the decision of the Board to share information related to performance of DOEs from the registration and issuance team appraisals, requested the secretariat to provide compiled information to the CDM-AP. The CDM-AP also exchanged views on how to utilize this information in its consideration of cases and agreed that this information will improve its decision making process. And will also provide opportunities and possibility for CDM-AP to recommend for an early warning to the DOEs and possible intervention by the Board.

17. The CDM-AP recognized that vast differences exists among the DOEs in the understanding of the accreditation requirements that ‘only those premises of an AE where the on-site assessment took place shall receive the accreditation/designation as an operational entity. Any other part of that entity is not accredited/designated’. The CDM-AP recommends to the Board to clarify to the DOEs that “in carrying out validation and verification/certification, the responsibility(ies) on the decision-making regarding validation, verification and certification shall remain with the accredited office. Management review, contract review, signing of the CDM related contractual arrangements, validation reports, verification/certification reports, requests for registration/issuance and other relevant documents as well as resources allocation shall also remain within the responsibility(ies) of the accredited office. It,

however, may be noted that the above-mentioned provisions do not exclude utilization of the external resources by the accredited entity(ies) under the due contractual arrangements”.

18. The CDM-AP agreed to submit the synthesis report of the DOE annual activity reports for the consideration of the Board. The synthesis report has been sent to the Board under a separate cover.

VI. Key Issues under consideration

19. The CDM-AP, in order to provide guidance to the CDM assessment teams to undertake assessment work relating to extension of scopes, considered a guidance note. The guidance note identifies specific areas and aspects to be focused by the CDM-ATs in their assessment. The CDM-AP agreed to adopt the guidance note electronically so that it could be circulated to the CDM-AT leaders and members as soon as possible.

20. The CDM-AP recognized the importance of the uniformity and harmonization in the assessment process and, in particular, in the assessment reporting. The CDM-AP noted differences in the understanding of key concepts relating to the accreditation and assessment process amongst the team leaders and team members and agreed that further guidance is needed. The CDM-AP considered a guidance document elaborating the key concepts of the accreditation process and agreed to issue it to the CDM-AT members and leaders. The CDM-AP also requested the secretariat to find out the possibility for additional resources to undertake an assessment of the accreditation process and identify those areas where further guidance and clarifications are required by the CDM-AP. Furthermore, to prepare a compilation of all the clarifications and guidance notes for the CDM-ATs to facilitate their assessment work.

21. To ensure systematic management of the CDM accreditation documents and records, the CDM-AP, with the assistance of the secretariat, is developing “**document control and record management procedures**”. This item has been put on hold till more resources are available at the secretariat to carry the document forward.

Annex I

Table: Regional distribution of team members

(in bold character members from Non-Annex I Parties)

Organisation	Leader	Member	Member
0001 JQA	AFR	WEO	AFR
0002 JACO CDM	ASP	ASP	ASP
0003 DNVCert	AFR	WEO	LAC
0004 CHUO	ASP	ASP	WEO
0005 TÜV Sued	WEO	WEO	AFR
0006 TECO	ASP	WEO	ASP
0007 JCI	WEO	ASP	ASP
0008 AZSA	ASP	LAC	WEO
0009 BVQI	AFR	ASP	WEO
0010 SGS	ASP	WEO	WEO
0011 KEMCO	WEO	ASP	LAC
0012 PWCC	Application Withdrawn		
0013 TÜV Rhein.	WEO	WEO	AFR
0014 KPMG	WEO	WEO	AFR
0015 URS	Application Withdrawn		
0016 ERM-CVS	WEO	WEO	ASP
0017 Clouston Env.	AFR	ASP	ASP
0018 BSI UK	AFR	ASP	WEO
0019 Nexant	Application Withdrawn		
0020 CRA	WEO	WEO	ASP
0021 AENOR	AFR	ASP	WEO
0022 RWTÜV	AFR	WEO	WEO
0023 LRQA	AFR	ASP	WEO
0024 ICONTEC	AFR	ASP	LAC
0025 KFQ	WEO	WEO	ASP
0026 TECPAR	ASP	ASP	LAC
0027 SQS	WEO	ASP	WEO
0028 Shin Nihon	ASP	WEO	ASP
0029 PWC, SA	ASP	AFR	WEO
0030 NKKKQA	ASP	ASP	WEO
0031 Perry Johnson	WEO	ASP	LAC
0032 LGAI Tech.	WEO	WEO	AFR
0033 ECA Cert.	WEO	AFR	ASP
0034 CEC	WEO	ASP	ASP
0035 Tsinghua	WEO	ASP	LAC
0036 AWMS	WEO	WEO	AFR
0037 RINA S.p.A	WEO	LAC	ASP
0038 SIRIM QAS Int.	ASP	WEO	AFR
0039 KSA	ASP	AFR	ASP

Annex II

Table: Status of application of AEs

Entity	Completeness check	Initial consideration	CDM-AT	Work plan	Desk review	Add. Docs	On-site assessment	Witnessing activities	Indicative letter	Phased Accreditation and provisional designation
E-0001 / JQA	X	X	X	X	X	PR	X	WOP	I (1.12.03) I (5.10.06)	AC (24.03.04) AC (11.05.05)
E-0002 / JACO CDM	X	X	X	X	X	PR	X	WOP	I (4.2.05)	AC (23.2.05)
E-0003 / DNV Cert	X	X	X	X	X	PR	X	WOI	I (1.12.03) Ie (5.2.05)	AC (24.03.04) AC (12.06.04) AC (08.06.05) ACv (29.8.05) AC (20.7.06) ACv (20.7.06)
E-0004 / CHUO	X	X	X	X	X	N	X	X	I (23.04.05)	
E-0005 / TUEV sued	X	X	X	X	X	PR	X	WOI	I (1.12.03) Ie (5.2.05)	AC (12.06.04) AC (23.2.05) ACv (28.9.05) AC (24.11.05) ACv (22.02.06) ACv (20.7.06) AC (1.11.06) ACv (1.11.06)
E-0006 / TECO	X	X	X	X	X	N	X	WOI	I (1.12.03)	AC (11.05.06)
E-0007 / JCI	X	X	X	X	X	PR	X	WOI	I (26.7.04)	AC (11.05.05) AC (24.11.05)
E-0008 / AZSA Sustainability Co.	X	X	X	X	X	PR	X	NP	I(13.11.04)	
E-0009 / BVQ	X	X	X	X	X	PR	X	WOI	I (15.3.04)	AC (08.07.05) ACv (11.05.06)

Entity	Completeness check	Initial consideration	CDM-AT	Work plan	Desk review	Add. Docs	On-site assessment	Witnessing activities	Indicative letter	Phased Accreditation and provisional designation
E-0010 / SGS UK Ltd	X	X	X	X	X	PR	X	WOI	I (25.5.04) Ie (23.4.05)	AC (12.06.04) AC (23.2.05) AC (08.07.05) AC (28.9.05) ACv (24.11.05)
E-0011 / KEMCO	X	X	X	X	X	PR	X	WOI	I (13.11.04)	AC (25.11.05)
E-0012 / PWCC	Application Withdrawn									
E-0013 / TUEV Rhein	X	X	X	X	X	PR	X	WOP	I (25.5.04)	AC (13.05.05) AC (22.02.06)
E-0014 / KPMG	X	X	X	X	X	N	X	XNC	I (4.2.05)	AC (08.07.05) AC (1.11.06)
E-0015 / URS	Application Withdrawn									
E-0016 / ERM	X	X	X	X	D	N	XNC	NP	N/A	
E-0017 / Clouston*	X	X	X	X	RD	N/A	N/A	N/A	N/A	
E-0018 / BSI	X	X	X	X	X	N	X	WOI	I (23.04.05)	AC (11.05.06)
E-0019 / Nexant	Application Withdrawn									
E-0020 / CRA	X	X	X	X	D	PR	X	N/A	I (25.11.05)	
E-0021 / AENOR	X	X	X	X	X	PR	X	WOI	I (5.2.05)	AC (13.05.05) ACv (11.05.06)
E-0022 / RWTUV	X	X	X	X	X	PR	X	WOI	I (4.2.05) I (5.10.06)	AC (28.9.05) AC (20.7.06) ACv (20.7.06)
E-0023 / LRQA	X	X	X	X	X	PR	X	WOI	I (4.2.05)	AC (1.11.06)
E-0024 / ICONTEC	X	X	X	X	X	PR	X	WOI	I (19.06.05)	
E-0025 / KFQ	X	X	X	X	X	PR	X	WOI	I (23.04.05)	AC (25.02.06)
E-0026 / TECPAR ¹	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0027 / SQS	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0028 / Shin Nihon	X	X	X	X	X	N	X	N/A	I (06.09.06)	
E-0029 / PWC, SA	X	X	X	X	X	N	X	WOI		AC (11.05.06)
E-0030 / NKKKQA	X	X	X	X	X	PR	X		I (06.09.06)	
E-0031 / Perry Johnson	X	X	X	X	X	PR	X		I (06.09.06)	

Entity	Completeness check	Initial consideration	CDM-AT	Work plan	Desk review	Add. Docs	On-site assessment	Witnessing activities	Indicative letter	Phased Accreditation and provisional designation
E-0032 / LGAI Tech.	X	X	X	X	X	PR	XNC			
E-0033 / ECA Cert.	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0034 / CEC China	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0035 / Tsinghua	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0036 / AWMS	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	
E-0037 / RINA	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0038 / Sirim Qas Int	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0039 / KSA	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	

Note: E-0012 / PWC C, E-0015 URS Corporation and E-0019 Nexant withdrew their applications

** The entity has not submitted adequate documentation at the desk review stage as requested by the panel.*

Legend:

X=stage completed

PX= partly completed

N/A= stage not yet reached

PR=provided

NP=not 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 all sectoral scope(s) applied for

WOPa = WOP identified for all sectoral scope(s) applied for

I (date) = Issuing date

Ie (date) = Issuing date for scope extension

AC (date) = Accredited and provisionally designated (validation)

ACv (date) = Accredited and provisionally designated (verification)

XNC = AE addresses non-conformities

Note on the Regular Surveillance System under the CDM Accreditation process

1. The Executive Board of the CDM, at its twenty-fifth meeting, requested the CDM accreditation panel (CDM-AP) to develop options for measures that provide incentives to designated operational entities (DOEs) to meet quality standards of the Board other than, and prior to, spot-check. The CDM-AP, at its twenty-fifth meeting, considered options both from a short and long-term perspective.
2. The panel, as a long-term measure, considered the option for the institution of a periodic surveillance system to regularly monitor the overall performance of DOEs. The periodic surveillance system is also expected to provide opportunities to identify areas for further improvement of the accreditation system of DOEs. The Board took note of the regular surveillance as the long-term measure and requested the panel to submit proposal for the consideration of the Board. The need for such a system has been further recognised on the basis of recent experiences with spot-checks.
3. The CDM-AP, at its twenty-fifth meeting, considered the possibility and need for a regular surveillance system as a measure to address the concerns of the Board. Such a system will allow continual confirmation of the fulfilment of the requirements and continual assurance of the performance of the DOEs on a regular basis. The system will also provide opportunities for improvement to the DOEs through the identification and implementation of preventive actions.
4. It may be noted that such a system is a widely practiced and recognised tool to verify and ascertain compliance with the requirements and adding value to the accreditation processes in other conformity assessment schemes.
5. The CDM-AP agreed to recommend to the Board following aspects related to the regular surveillance of the DOEs:
 - (a) Surveillance visits shall take place annually unless otherwise determined by the CDM-AP;
 - (b) The scope of the regular surveillance visits will focus on the effective implementation of the DOE's system, in particular, continual fulfilment with the requirements and commitment of the DOE with the quality assurance and quality control aspects in carrying out validation and verification/certification functions;
 - (c) Any discrepancies found during the regular surveillance visits shall have to be addressed by the DOE;
 - (d) The CDM-AP may, based on the results of the regular surveillance and depending upon the gravity of the case, recommend appropriate actions concerning the DOE to the Executive Board;
 - (e) Efforts shall be made to minimise the costs of regular surveillance by the CDM-AP by combining the regular surveillance with witnessing activities, assessments related to extension of scopes, if appropriate.
6. The CDM-AP recommends to the Board to consider to include regular surveillance system as part of the CDM accreditation procedure. Based on the guidance received from the Board, detailed procedural steps shall be defined.