SIXTEENTH PROGRESS REPORT OF THE CDM ACCREDITATION PANEL (CDM-AP)

Twenty-Sixth Meeting of the CDM-AP

22 -23 January 2007

CONTENTS

I. Introduction

1. This fifteenth progress report covers the period from 05 December 2006 to 24 January 2007. During this period the accreditation panel (CDM-AP) held only one meeting.

II. Expert Resources

2. The CDM-AP, with regard to establishment of a pool of experts identified experts from the current roster of experts to be included in the contracted pool of experts. The CDM-AP discussed and agreed on implementing a similar limited pool of methodological experts to support the accreditation experts. The CDM-AP also included new and well-qualified experts from the current roster of experts in the assessment teams that will undertake assessments and gain experience to subsequently support and build the limited pool of experts. The CDM-AP has requested the secretariat to identify qualified experts from the JI roster of accreditation experts to seek their willingness for inclusion in the current roster of experts under CDM.

3. The CDM-AP also took note of the progress made by the panel member assigned to provide options to develop training modules for team members. The CDM-AP considered the detailed profiles of competency requirements for the auditors and agreed on the requirement to include specific CDM related competency requirements desired for each role within the assessment team. The CDM-AP agreed to further consider it at its next meeting and will submit to the Board for its consideration at its thirtieth meeting.

III. Status of applications

4. The total number of active applications currently under consideration by the CDM-AP is 37. It may be noted that three applications are withdrawn. In this period the CDM-AP received one new application.

5. The **geographical distribution of the 37 applications** under consideration is as follows: 17 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 (4), Malaysia (2), China (2), Columbia, Brazil and South Africa). Thus a total of eleven applications are from Non-Annex I Parties and one from economies in transition country.

6. The CDM-AP, at this meeting, considered and adopted the workplan for one entity and established the CDM-AT for this case to undertake detailed assessment work. With regard to other entities, CDM-ATs have been launched for five which are at the initial stage of preparing desktop reviews, one entity has been requested to submit additional documents and one is addressing nonconformities in accordance with the procedure for accreditation. Three 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 in considering requests for shifting locations from two entities agreed to accept the request of one entity to shift in its accredited location. The request for shifting the location had been accepted following the recommendation by the CDM-AT after the on-site assessment of the DOE. Whereas, in other case the CDM-AP agreed that a site visit to the new location shall be required to

determine that the new site meets the CDM requirements and have institutional and competency requirements in place to carry out the CDM validation and verification services.

10. The CDM-AP also considered requests for one DOE 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 established the new CDM-AT to proceed with the detailed assessment work and also determined the additional documents required by the DOE to submit.

IV. Indicative letters and recommendation for accreditation

11. The CDM-AP considered two cases for recommendation regarding phased accreditation for verification and validation. For one case the CDM-AP sought additional explanations from the AE and decided to postpone its decision to the next meeting while for another the CDM-AP's deliberations are presented to the Board under strict confidentiality. During this period the CDM-AP did not issue indicative letter to any entity.

12. 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

13. In respect to the request from the Board to facilitate applications for accreditation from entities located in Non-Annex I Parties to the Convention, the CDM-AP considered the survey designed by the secretariat. The survey is to seek information from regional and national accreditation bodies specifically located in developing countries to find out the nature of barriers for the interested entities to apply for accreditation under the CDM. The information gathered from the responded survey will be used by the CDM-AP to identify barriers and prioritize areas to recommend to the Board.

14. The CDM-AP in continuing its consideration of the request from the Board to develop options for measures to provide incentives to the designated operational entities (DOEs) to meet quality standards of the Board other than, and prior to, spot-check and following the decision of the Board at its last meeting, developed detailed procedural steps for regular surveillance system The detailed procedural steps are contained in annex 3 to this report.

15. The secretariat presented to the CDM-AP information complied by the registration and issuance team appraisal on project activity specific instances. The panel considered the information and provided guidance to the secretariat to improve the information presented to the CDM-AP that will improve its decision-making. The panel further agreed to nominate one panel member to prepare draft proposals to utilize the presented information to bring benefit to the other short and long-term initiatives of the accreditation process. These proposals will be considered by the next CDM-AP.

16. The CDM-AP, considering the request of the Board has a prepared a new version of the synthesis report of the DOE annual activity reports. The new version contains detailed information submitted by the DOEs in their annual activity reports. The synthesis report has been sent to the Board under a separate cover.

VI. Key Issues under consideration

17. 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 on the guidance note and requested the secretariat to issue it to the CDM-AT members.

18. 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.

19. 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**
0040 EMC			

Annex III

Procedural Steps for Regular Surveillance System under the CDM Accreditation process

1. The purpose of regular surveillance system is to provide confidence about the full implementation and effectiveness of the entire system, including such aspects as the DOE's management responsibilities, resource and organizational management and technical and analytical review processes, that are essential to conduct and deliver its intended service. Further, the regular surveillance intends to assess the effectiveness of the DOE's fully implemented system to deliver the intended quality of its services.

2. The regular surveillance consists of periodic surveillance visits to the accredited office of the DOE and assesses the key areas (as referred in the paragraph 10 (b & c) below) of the operations of the DOE system. The scope of the regular surveillance visits will thus 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.

3. Regular surveillance visits shall take place at least once during the three years of the accredited period of the DOE, unless otherwise determined by the CDM-AP.

4. Regular surveillance visit shall comprise two days of the on-site assessment of the accredited office of the DOE. The team leader, depending on the case, may request to the CDM-AP additional days for the assessment work.

5. The assessment team may comprise of two members. If possible, the same team leader, who conducted the initial assessment visit, shall undertake the regular surveillance visit. The team leader may request to the CDM-AP for a methodological expert(s) to be included in the team.

6. Based on the information on the volume and quality of the validation and verification/certification undertaken by the entity in the interim period from the secretariat the CDM-AP shall approve the surveillance visit for the DOE. The secretariat shall include the due cases for regular surveillance visits for the approval of the CDM-AP in the upcoming meeting.

7. The secretariat shall facilitate the coordination of the regular surveillance visit.

8. On approval by the CDM-AP, the team leader shall prepare an assessment plan. The assessment plan shall be approved by the CDM-AP and shall include the key areas to be covered in the assessment. The assessment plan shall be shared with the DOE ten working days before the date of the assessment.

9. The DOE may wish to combine regular surveillance visit with the extension of a scope(s). In this case the applicable accreditation procedures for the extension of scope(s) shall apply.

10. The regular surveillance visit shall consist of the following steps:

(a) An opening meeting between the accreditation team, the DOE's management, managers of the units to be involved in the assessment and the person identified by the DOE as the official contact person for the CDM-AT. In this meeting, the CDM-AT shall explain its assessment activities;

(b) An assessment by the CDM-AT of the operational capability of the DOE against the requirements:

(i) Related to the particular "sectoral scope(s)" (contained in the Appendix A to the list of "sectoral scope(s)) for which the DOE is accredited;

(ii) Relevant decisions and clarifications issued by the EB

(c) Assessment will focus on the effective implementation of the CDM management system of the DOE, including inter alia:

(i) Compliance of their process of decision-making in accordance with the CDM requirements;

(ii) Quality of the validation and verification work undertaken by the DOE in this period including the competencies established by the DOE in performing these activities;

(iii) Internal audits, management reviews and follow-up actions undertaken by the DOE;

(iv) Contract reviews of the project activities;

(v) Changes in the DOEs management system documentation, other than those described in accreditation procedure's "notification on change of status of an AE/DOE, if any;

(d) A closing meeting, at the end of the regular surveillance visit, between the team leader and the DOE's management to inform the DOE of the details of its assessment, regarding conformity with the CDM accreditation requirements, basis for non-conformities, if any, and any additional comments. The DOE shall have the opportunity to seek clarification and ask questions, if any. The team leader shall remind the representatives of the DOE that, in accordance with the CDM accreditation procedure

11. The team leader may identify areas found to be not complying with the requirements by raising the non-conformities (F-CDM-NC) and/or observations (F-CDM-NC).

12. The team leader, after completion of the regular surveillance visit, shall have 15 working days to prepare the draft assessment report (F-CDM-SUR).

13. The DOE shall have six days to provide comments on the draft assessment report.

14. The DOE, after the receipt of the draft assessment report, shall have 15 days to identify corrective actions to resolve non conformities, using the nonconformity form (F-CDM-NC). All actions identified shall be completed within one month, after receipt of the draft assessment report, and verified. If actions are not completed within one month, the CDM-AT shall finalise the assessment report for the consideration of the CDM-AP.

15. The team leader shall submit the final report to the CDM-AP for its consideration. The CDM-AP shall inform the DOE about the outcome of the surveillance.

16. The CDM-AP, based on the gravity of NCs and the CDM AT reports on the regular surveillance visit, may recommend to the Board to:

(a) Trigger a spot-check for the DOE;

(b) Provisionally suspend the DOE.

17. The costs relating to the regular surveillance visits shall be borne by the DOE in accordance with annex D.3 of the accreditation procedure.

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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-0001 / JQA Re-accreditation	X	X	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A
E-0002 / JACO CDM	X	X	X	X	X	PR	X	WOP	I (4.2.05)	AC (23.2.05)
E-0003 / DNVCert	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	X	NP	N/A	N/A	N/A	
E-0027 / SQS	X	X	X	X	D	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	N/A		AC (11.05.06)
E-0030 / NKKKQA	X	X	X	X	X	PR	X	N/A	I (06.09.06)	
E-0031 / Perry Johnson	X	X	X	X	X	PR	X	N/A	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	D	N/A	N/A	N/A	N/A	
E-0034 / CEC China	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0035 / Tsinghua	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0036 / AWMS	X	X	X	X	N/A	N/A	N/A	N/A	N/A	
E-0037 / RINA	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0038 / Sirim Qas Int	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0039 / KSA	X	X	X	X	D	N/A	N/A	N/A	N/A	
E-0040 / EMC	N/A	N/A	N/A	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