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Annex 1

WORK PLAN FOR PERIODIC UPDATING OF THE VALIDATION AND VERIFICATION MANUAL

I. Introduction

1. The CDM Executive Board, at its forty-fourth meeting, approved the clean development mechanism (CDM) validation and verification manual (VVM) for designated operational entities (DOEs) for undertaking their validation and verification work.
2. The conference of the Parties serving as meeting of the Parties for the Kyoto Protocol (CMP), at its fourth session, requested the Board to maintain and regularly update the VVM and carry out outreach and implementation activities in order to enhance the understanding amongst DOEs of the requirements of the manual and facilitate its implementation; the initial update will take into account, as its highest priority, an assessment conducted by the Board on the implication of the possible inclusion in the VVM of the concepts of materiality and level of assurance.
3. The Board, at its forty-fifth meeting, agreed on a set of activities on the implementation of the CDM-VVM which includes holding four regional workshops to raise awareness while providing opportunities for sharing of experiences among AEs/DOEs. The Board, at its forty-seventh meeting, subsequently requested the secretariat to prepare a work plan for updating and improving the CDM-VVM for consideration at its forty-eighth meeting.

II. Objectives and components of the working plan

4. The over-all objective of undertaking a comprehensive revision and update of the document is to maintain the validity of the document for undertaking the validation and verification functions by AEs/DOEs and also to incorporate experiences with respect to application of its requirements. Furthermore, the revision should also encompass the requests from the CMP and applicable decisions of the Board.
5. Taking into consideration the above objective, the work plan consists of four key components. These are to:
 - (a) assess the present experience of AEs/DOEs with the application of specific requirements and associated implementation issues of the current version of the CDM-VVM;
 - (b) evaluate both the necessity, and associated urgency, for further strengthening of the CDM-VVM with due consideration of the relevant decisions of the Board and relevant data provided through the internal processes of the secretariat;
 - (c) seek agreement of the Board for the inclusion of new precepts and concepts within the CDM-VVM, such as materiality and level of assurance; and

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- (d) suggest appropriate timescales for future periodic revisions of the CDM-VVM based on issues that are encountered during the ongoing implementation and DOE monitoring exercises.

6. In addressing these four key components and converting these into suitable activities and proposed actions all possible sources and opportunities for inputs are being pro-actively sought. The four regional workshops and inputs from AEs/DOEs together with the experience already gained by the secretariat will be utilised as a basis for preparing for the future revision(s) of the CDM-VVM.

7. The table below lists a set of proposed steps and also provides details of suggested activities to be undertaken as part of the VVM revision process.

Intended Output	Activities
1. Compilation from a targeted assessment of experiences and views of AEs/DOEs on the application of CDM-VVM requirements and practical implementation thereof.	1.1 Four regional workshops planned. 1.2 An online facility for submitting experiences and issues being developed.
2. Agreement of the Board on new elements (level of assurance & materiality) for possible future inclusion in the CDM-VVM.	2.1 Secretariat presents initial drafts and seek views of the Board. 2.2 Agreement of the Board on these elements and their inclusion in the revised CDM-VVM.
3. A review of the experience already gained within the secretariat with respect to compliance with requirements of the CDM-VVM considering data generated through requests for registration and issuance.	3.1 Secretariat undertakes an internal review and submits an appropriate analysis, and periodic updates thereof, to the Board.
4. An analysis of the need for strengthening and expanding areas of the CDM-VVM in consideration of the recent decisions of the Board.	4.1 Secretariat undertakes a periodic analysis and identifies any areas requiring modification and / or improvement. 4.2 An appropriate review report is presented to the Board for its consideration.
5. Draft versions of future revisions of the CDM-VVM based on the previous activities is periodically prepared by the secretariat as	5.1 A revised draft version of the VVM is submitted for consideration by the Board. 5.2 The Board instruct the secretariat to undertake appropriate communication and implementation

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the need arises.	activities. 5.3 Public inputs are sought on proposed revisions.
6. A revised CDM-VVM is approved by the Board.	6.1 Adoption of a new version of the VVM by the Board.

8. On the basis of the above activities a detailed implementation schedule will be presented by the secretariat to the Board which will begin at the forty-eighth meeting of the Board and will also include the dates and venues of the regional workshops.
