

# **REPORT OF THE CDM ACCREDITATION PANEL (CDM-AP)**

## **Fifty-eighth meeting of the CDM-AP**

**30 January – 2 February 2012**

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## **I. Introduction**

1. This report of the CDM Accreditation Panel (CDM-AP) covers the period from 15 October 2011 to 2 February 2012, including its fifty-eighth meeting (30 January – 2 February 2012).

## **II. Status of applications**

2. The total number of entities currently under consideration by the CDM-AP is 47, including 38 designated operational entities (DOEs)<sup>1</sup> and nine applicant entities (AEs). To date, a total of 11 entities have withdrawn their applications or accreditation, the accreditation of one entity has expired and three applications have been rejected by the Executive Board of the clean development mechanism (hereinafter referred to as the Board).

3. In terms of geographical distribution, out of the 47 entities currently under consideration, the highest number of entities, 29, is from the Asia and Pacific region, followed by 15 from the Western Europe and Other regions. One entity is from Africa and two are from the Latin America and Caribbean region.

4. A total of 23 entities are from non-Annex I Parties, including 20 entities from the Asia and Pacific region, one from Africa and two from the Latin America and Caribbean region. With respect to individual countries, six entities are from the Republic of Korea, eight are from China, four from India, one from Thailand, one from Brazil, one from Colombia, one from Malaysia and one from South Africa.

## **III. Case-specific issues**

5. The CDM-AP considered four initial accreditation assessment cases. The recommendation on one case will be submitted to the Board under confidentiality.

6. The CDM-AP considered 18 on-going re-accreditation assessment cases. A recommendation will be submitted to the Board under confidentiality.

7. The CDM-AP considered nine regular on-site surveillances of central offices and non-central sites. Notifications on seven cases will be submitted to the Board under confidentiality.

8. The CDM-AP considered the final reports on 36 performance assessments. Notifications on 23 cases will be submitted to the Board under confidentiality.

9. The CDM-AP considered seven additional focused desk review assessments. Notifications on four cases will be submitted to the Board under confidentiality.

10. The CDM-AP considered 12 notifications on changes. No recommendation will be submitted to the Board at this time.

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

11. In accordance with the “Modalities and procedures for direct communication with stakeholders”, the CDM-AP interacted with the DOE/AIE Coordination Forum representative. The subject of this interaction was limited to policy issues, particularly on the CDM accreditation standard and the CDM accreditation procedure and did not include case-specific issues.

12. The CDM-AP took note of the inputs reported by the Chair of the DOE/AIE Coordination Forum, Mr. Werner Betzenbichler, who elaborated the input provided by entities on the following:

- (a) Accreditation procedure, including early scheduling of assessments, reducing frequency and number of assessments and introduction of 5-year long accreditation cycle;

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<sup>1</sup> Includes entities accredited and provisionally designated by the Board.

- (b) Accreditation standard, including requirements on financial stability and on qualification of personnel;
- (c) Enhanced interaction with the CDM-AP and further harmonization of the CDM assessment teams;
- (d) Synergies with the JI accreditation process.

13. The CDM-AP thanked the DOE/AIE Coordination Forum for its input and encouraged the forum to continue to raise similar issues in the future and to substantiate such input by providing concrete examples.

14. The CDM-AP agreed to conduct a second interaction with the DOE/AIE Coordination Forum at its sixty-first meeting in August 2012.

15. The CDM-AP agreed on criteria to establish individual assessment plans for each DOE for 2012. The assessment plans, outlining dates of the regular surveillance visits to the central office and non-central sites, as well as planned number of performance assessments, will be sent to each DOE individually. These plans will be kept under review, in accordance with relevant provisions of the CDM accreditation procedure.

16. The CDM-AP considered the draft revised CDM accreditation standard and provided further guidance to the secretariat on the revision. In accordance with the “Scope and timelines for the revision of the CDM accreditation standard for operational entities”, submitted to the Board as a part of the last CDM-AP report, a call for public input on the revised draft will be opened in February 2012.

17. The CDM-AP, responding to the request of the Board, agreed on the “Guidelines for the CDM Accreditation Panel decision-making”, as contained in Annex 1 to this report. This document, aiming to ensure consistency of the CDM-AP decision-making process, is submitted to the Board for its consideration.

18. The CDM-AP will continue its work on the compendium of the decision-making practices, referred to in the aforementioned Guidelines. The compendium will be submitted to the Board at a future meeting.

19. The CDM-AP held its first direct interaction with the joint implementation accreditation panel (JI-AP) by means of a joint session of both panels. During this session the CDM-AP and the JI-AP considered the existing mandates and discussed possible areas for collaboration, including alignment of the CDM and JI accreditation procedures, standards and practices. While recognizing existing boundaries, members of the CDM-AP and the JI-AP identified a number of possible “quick-wins” to benefit from synergies between the two accreditation processes and reduce unnecessary burden on the entities. This work will be continued at a next joint session.

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

20. The Board may wish to note that the fifty-ninth meeting of the CDM-AP is scheduled for 26 – 29 March 2012.

21. The CDM-AP would like to express its concern with regard to the planned number of the CDM-AP meetings in 2012, their duration and existing gaps in the current schedule, leading to delays and potential backlogs in consideration of the accreditation assessment reports. The CDM-AP would like to request the Board to either increase the number of meetings or extend their duration to five days, as needed. The Board may wish to consider allowing the CDM-AP chair, in consultation with the secretariat to decide on such adjustment on an ad-hoc basis, based on the estimated amount of work prior to each meeting.

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# **GUIDELINES FOR CDM ACCREDITATION PANEL DECISION-MAKING**

**(Version 01.0)**

**DRAFT**

## **I. Introduction**

1. In accordance with the Procedure for accrediting operational entities by the Executive Board of the Clean Development Mechanism (version 10.1)<sup>1</sup> (CDM accreditation procedure), the CDM accreditation panel (CDM-AP) “*serves as the technical panel of the Board<sup>2</sup> in accordance with its terms of reference<sup>3</sup> and makes recommendations to the Board on effective implementation of the accreditation process.*”
2. In accordance with the CDM accreditation procedure, when considering accreditation assessment cases the CDM-AP makes recommendations and notifications to the Board as well as other decisions, as outlined in paragraphs 36, 57, 86, 113, 132 and others of that procedure. The CDM-AP is also required by the CDM accreditation procedure to undertake other activities, such as preparing assessment work plans (paragraph 20), appointing CDM assessment teams (CDM-ATs) (paragraph 21), and deciding on the non-central sites to be subject to regular surveillance (paragraph 91), among others.
3. In this document, the actions mentioned in paragraph 2 above are referred to as CDM-AP decisions.
4. Following a request from the Board for the development and maintenance of a guidance document to support consistency of the CDM-AP decision-making process the CDM-AP has agreed to:
  - (a) Establish a compendium of CDM-AP decision-making practices (compendium)<sup>4</sup>;
  - (b) Implement enhanced information-recording practices.
5. With the actions outlined in paragraph 4 above, the CDM-AP aims to ensure consistency, fairness, transparency and efficiency in its decision-making process.
6. It is acknowledged that each accreditation assessment case is to be handled on its own merit taking into account the specificity of the case. Thus, this guideline does not contain mandatory requirements to the CDM-AP, nor does it introduce any new accreditation requirements beyond those contained in the CDM accreditation standard for operational entities<sup>5</sup> (version 03) (CDM accreditation standard), or procedural steps beyond those contained in the CDM accreditation procedure.

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<sup>1</sup> [http://cdm.unfccc.int/Reference/Procedures/accr\\_proc01.pdf](http://cdm.unfccc.int/Reference/Procedures/accr_proc01.pdf)

<sup>2</sup> Executive Board of the Clean Development Mechanism (Board)

<sup>3</sup> Terms of reference of the support structure of the CDM Executive Board (version 01), [http://cdm.unfccc.int/Reference/Procedures/panels\\_proc02.pdf](http://cdm.unfccc.int/Reference/Procedures/panels_proc02.pdf)

<sup>4</sup> The compendium is currently under drafting by the CDM-AP, and will be made available to the Board once finalized by the CDM-AP.

<sup>5</sup> [http://cdm.unfccc.int/Reference/Standards/accr\\_stan01.pdf](http://cdm.unfccc.int/Reference/Standards/accr_stan01.pdf)

## II. Modalities of CDM-AP consideration of accreditation assessment cases and recording of decisions

7. At each meeting, when considering an accreditation assessment case, the CDM-AP should take into account the following:
- (a) The assessment reports produced by the assessment team (CDM-AT), comments and documents provided by the applicant entity (AE) or the designated operational entity (DOE), as required by the CDM accreditation procedure;
  - (b) The compendium;
  - (c) Previous CDM-AP decisions taken in past similar cases, as contained in the records referred to in paragraph 8 below.
  - (d) Other information relevant to the case, such as the result of the DOE performance monitoring pursuant to the “Procedure on performance monitoring of designated operational entities”;
8. CDM-AP decisions should be recorded in writing, including the reasoning behind them. The recording should include sufficient information to enable the CDM-AP to consider its decisions taken in past cases, as outlined in paragraph 7(c) above, and to enable the regular review of records, as outlined in paragraph 9 below.

## III. Maintenance of the compendium

9. The CDM-AP, with the support of the secretariat, should review the records of CDM-AP decisions on a six-monthly basis, with a view to updating the decision-making practices contained in the compendium.
10. Versions of the compendium should be published as a part of the CDM-AP meeting report to the Board.
11. Consolidated practices contained in the compendium should be incorporated into the CDM accreditation procedure at its next revision, as appropriate.

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Version	Date	Nature of revision(s)
01.0	EB 66 02 March 2012	Initial publication.
<b>Decision Class:</b> Operational <b>Document Type:</b> Guideline (Internal) <b>Business Function:</b> Governance, Accreditation		