

**CDM-AP62**

## Meeting report

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# CDM Accreditation Panel sixty-second meeting

Version 01.1

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**United Nations**  
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## **Agenda item 1. Agenda and meeting organization**

### **Agenda item 1.1. Opening**

1. Ms. Natalie Kushko, Vice-Chair of the Clean Development Mechanism Accreditation Panel (hereinafter referred to as the CDM-AP), opened the meeting.
2. The CDM-AP noted that Mr. Jauhri and Mr. Falcklam were unable to attend the meeting. The CDM-AP also noted the absence of Mr. Badarin on the first day of the meeting.

### **Agenda item 1.2. Adoption of the agenda**

3. The CDM-AP adopted the agenda of the meeting as proposed.

## **Agenda item 2. Governance and management matters**

### **Agenda item 2.1. Membership issues**

4. The CDM-AP considered information provided by members with respect to any potential conflict of interest.
5. The CDM-AP also noted that a revised code of conduct will be developed for the support structure of the Clean Development Mechanism Executive Board (referred to as the Board).

### **Agenda item 2.2. Planning issues**

#### **Agenda item 2.2.1. Assessment plans 2013**

6. The CDM-AP agreed to establish individual assessment plans for the accreditation cycle of each applicant entity (AE)/designated operational entity (DOE) based on the following principles:
  - (a) Initial accreditation to be planned and conducted in accordance with the clean development mechanism (CDM) accreditation procedure;
  - (b) Re-accreditation to be planned and conducted in accordance with the CDM accreditation procedure;
  - (c) Regular surveillance of the central site to be planned and conducted in accordance with the CDM accreditation procedure;
  - (d) Regular surveillance of the non-central site to be undertaken once per accreditation cycle, unless decided otherwise based on functions allocated, volume of validation/verification work and number of employees. Each previously assessed non-central site to be re-assessed in the third calendar year following its last assessment;
  - (e) Number of performance assessments in accordance with the procedure are to be calculated based on existing formulas:

- (i) One assessment for each three sectoral scopes for which the entity is accredited. This number is calculated on re-accreditation and any extension of scope during the accreditation cycle;
  - (ii) One assessment for every 50 submissions of project activities (validation and verification). This number is calculated every six-month period (January to June and July to December);
  - (iii) The number of performance assessments may be adjusted based on the results of the DOE performance monitoring results and outcomes of individual assessments, in accordance with the CDM accreditation procedure;
  - (iv) The number of performance assessments should not exceed six performance assessments per year and 18 assessments per three-year accreditation cycle, unless decided otherwise by the CDM-AP
7. The CDM-AP requested the secretariat to prepare assessment plans for each DOE for the remainder of their current accreditation cycle, taking into account decisions taken at this meeting.
8. The CDM-AP acknowledges that the 2013 assessment could be subject to change due to market circumstances (e.g. number/type of submissions), resource availability and the revision of the procedure and performance monitoring procedure as part of management plan (MAP) project 163 (*“Improve the performance and role-definition of operational entities within the mechanism, including through revised standards and procedures”*).

**Agenda item 2.2.2. Ideas for 2013 accreditation work**

9. The CDM-AP discussed the ongoing work on the revision of the key accreditation documentation, and provided the following ideas to be considered in the preparation of the CDM-AP workplan for 2013:
- (a) Further improvement of the operations and decision-making process of the CDM-AP;
  - (b) Work on increasing transparency of the CDM-AP reports and supporting documentation;
  - (c) Work on further integration of the CDM and joint implementation (JI) accreditation processes, including joint assessments and the establishment of a single harmonized accreditation procedure and standard;
  - (d) Work on assessment of cost implications and economic impacts of the accreditation-related recommendations.
10. The CDM-AP also expressed its interest in providing the policy recommendations directly to the Board, in addition to provision of input to the secretariat.

**Agenda item 2.3. Performance management**

**Agenda item 2.3.1. Synthesis report of DOE annual activity reports**

11. The CDM-AP considered summary information on the annual activity reports by DOEs for the period from July 2011 to June 2012. The synthesis report, prepared by the secretariat, will be submitted to the Board for its consideration at its seventieth meeting.

**Agenda item 2.3.2. Review of implementation of assessment plans in 2012**

12. The panel took note of the report by the secretariat on the implementation of the 2012 assessment plan, outlining the experiences gained and proposals for the next year.

**Agenda item 2.3.3. Briefing on the status of re-accreditation assessments**

13. The secretariat provided a report on the status of the re-accreditation assessments. The CDM-AP took note of the report.

**Agenda item 2.3.4. Report on visits deviating from the default duration of four person-days**

14. The secretariat reported that no visit deviated from the default duration of four person-days since the last meeting of CDM-AP. The CDM-AP took note of the update.

**Agenda item 2.3.5. Report on delays in accreditation assessments**

15. The panel took note of a report on the delays of more than seven days, which took place in ongoing assessments.
16. The CDM-AP requested the secretariat to include an item on the agenda for the 63rd meeting of the CDM-AP to discuss the root causes of the delays by the CDM assessment teams in accreditation assessments.

**Agenda item 2.3.6. Report on performance of CDM-AT leaders and members**

17. The panel considered a report on the performance of the CDM assessment team (CDM-AT) leaders and members and agreed on actions related to the accreditation roster of experts.

**Agenda item 2.3.7. Review of the implementation of the CDM-AP workplan for 2012**

18. The secretariat reported on the implementation of the CDM-AP workplan for 2012, describing specific activities that addressed requests of the Board.
19. The CDM-AP took note of the report and confirmed the status of implementation of the 2012 workplan.

**Agenda item 2.4. Matters related to the panel**

**Agenda item 2.4.1. Briefing on the latest meeting of the CDM Executive Board**

20. The secretariat briefed the CDM-AP on the outcome of the sixty-ninth meeting of the Board. The CDM-AP took note of the update.

**Agenda item 2.4.2. Briefing on the AIE/DOE coordination forum**

21. The secretariat briefed the CDM-AP on the outcomes of the 11th AIE/DOE Coordination Forum. The CDM-AP took note of the updates, which included feedback from DOEs on a draft form for the performance of CDM-ATs and on ideas to elaborate modalities of joint assessments/visits by the CDM and JI assessment teams within the existing procedural framework.

**Agenda item 2.4.3. Recent developments in the JI accreditation process**

22. The secretariat briefed the CDM-AP on the recent developments in the JI accreditation process. The CDM-AP took note of the update.

**Agenda item 2.4.4. Update on CDM documentation**

23. The secretariat briefed the CDM-AP on the updated CDM documentation, related to the MAP project 148 ("Improvement of CDM documentation"). The CDM-AP took note of the update.

**Agenda item 2.4.5. Feedback on the guidance to the CDM-ATs on the formulation of recommendations to the CDM-AP**

24. The panel provided input on a draft template of the final report form for the formulation of recommendations to the CDM-AP on performance assessments. The CDM-AP proposed that further changes be made so as to cover all types of assessments. The secretariat is to provide an updated draft template of the final report form at the next meeting.

**Agenda item 2.4.6. Discussion on the operational practices of the CDM-AP**

25. The panel discussed its operations and decision-making practices, and agreed on the following suggestions:
- (a) The use of electronic decisions should be limited to exceptional cases, to ensure proper consideration of the accreditation assessments by the CDM-AP;
  - (b) The role of case leaders should be strengthened, requesting designated panel members to prepare and lead in-meeting consideration of cases by the CDM-AP.

**Agenda item 2.4.7. Briefing on the online training for CDM-AP members**

26. The panel considered an update by the secretariat on the online training for the CDM-AP members.

**Agenda item 2.4.8. E-decisions taken since the previous meeting**

27. The panel took note of a report from the secretariat on electronic decisions taken since the last meeting.

**Agenda item 3. Rulings (case specific)**

28. The CDM-AP considered 1 spot check report. A recommendation will be submitted to the Board under confidentiality.

29. The CDM-AP considered 3 initial accreditation cases. Two recommendations will be submitted to the Board under confidentiality.
30. The CDM-AP considered 6 re-accreditation cases. Two recommendations will be submitted to the Board under confidentiality.
31. No extension of scope assessments were considered at this meeting.
32. The CDM-AP considered 6 regular surveillance assessments. Notifications on 4 cases will be submitted to the Board under confidentiality.
33. The CDM-AP considered 19 performance assessments. Notifications on 15 cases will be submitted to the Board under confidentiality.
34. The CDM-AP considered 12 notifications of change. One notification will be submitted to the Board under confidentiality.
35. The CDM-AP considered 3 complaints against DOEs as well as an update on the progress of the remaining cases. One recommendation will be submitted to the Board under confidentiality.
36. The CDM-AP also considered the status of disputes from DOEs.

## **Agenda item 4. Regulatory matters**

37. The panel took note of an update by the secretariat on the current status of the revision of three key CDM accreditation documents (accreditation standard, accreditation procedure and the DOE performance monitoring procedure) as part of the MAP project 163. The panel gave feedback on the update on the work conducted by the secretariat to date.

### **Agenda item 4.1. Standards/tools**

#### **Agenda item 4.1.1. CDM accreditation standard**

38. The secretariat presented the proposed objectives and scope of revision to the CDM accreditation standard, based on the general scope agreed by the Board at its sixty-eighth meeting. The secretariat also presented comments received by DOEs and CDM-AP members on the objectives and scope of revision. The secretariat informed the CDM-AP that as the next step it would prepare a concept note for consideration by the CDM-AP at its next meeting. The concept note will include key issues and proposals for revision, with the rationale behind each proposal.
39. The CDM-AP noted and raised concern on the change of timeline from the original plan to revise the CDM accreditation standard in two phases. The secretariat informed the CDM-AP that the change was made by the Board as part of its annual planning cycle. The CDM-AP welcomed receiving a concept note for consideration at its next meeting and provided the following inputs for the preparation of the concept note:
  - (a) Clarify that the intent of looking into other international standards is to consider relevant elements and experiences of other organizations with the implementation of these standards. The term "*alignment*" should be avoided;



- (b) The priority areas for the revision should be: *CDM accreditation standard* Annex A, Annex D, some conflict of interest requirements, and requirements related to subcontracting and the use of external individuals;
- (c) In addition to proposed options for addressing each area of revision, provide the rationale for the proposals;
- (d) Identify opportunities to improve the link between competence requirements for technical areas and CDM methodologies, and the Methodologies Panel should be engaged in this process.

## **Agenda item 4.2. Procedures**

### **Agenda item 4.2.1. CDM accreditation procedure**

40. The CDM-AP considered a concept note presented by the secretariat on the revision of the CDM accreditation procedure and provided input on all sections of the concept note, as follows:
- (a) Members' views were divided with regard to:
    - (i) Whether to grade non-conformities (NCs);
    - (ii) Whether to keep the option of requiring an additional performance assessment as a result of a performance assessment;
    - (iii) Whether to require AEs/DOEs to conduct a root-cause analysis for every NC;
  - (b) Cases where the same NCs are recurring for the same DOE may need to be treated stricter than other cases;
  - (c) A process to handle cases where NCs raised by the CDM-AT are not accepted by the AE/DOE would need to be developed;
  - (d) Both options presented regarding the issuance of accreditation certificates should be implemented, instead of choosing one or the other;
  - (e) Considering that the numbers of validations will decrease while those of verifications will increase in the near future, the thresholds for determining the number of performance assessments may be differentiated between validation activities and verification activities;
  - (f) The definitions of the terms "complaints", "disputes" and "appeals" should be made consistent with those in the CDM accreditation standard;
  - (g) The types of changes that require notifications from AEs/DOEs should be categorized, and the deadline for notification and the associated process of handling the notification should be set for each category of changes;
  - (h) Introducing technical reviews of CDM-AT assessment reports is welcome, but specific qualification criteria and a specific roster of technical reviewers may be needed to ensure the quality and objectivity of the reviews. Also, it would extend the time required for finalizing CDM-AT assessment reports;

- (i) “*Non-payment of required fees*” is not appropriate as a ground for the CDM-AP recommending suspension of a DOE to the Board;
  - (j) Most members did not support the ideas presented in the concept note on timelines for the accreditation process and stressed the need to maintain the current practice. In particular, the CDM-AP did not support the proposal to restrict the procedural requirement of submitting all cases to the CDM-AP;
  - (k) Members supported all other ideas presented in the concept note.
41. During the consideration of the assessment reports, the CDM-AP agreed to provide the following additional input to the secretariat for revision of the CDM accreditation procedure:
- (a) Options available to the CDM-AP for spot-check assessments should be expanded to allow, for example, the CDM-AP to raise, close and modify NCs in case the panel notices deficiencies in the work of the CDM-AT;
  - (b) The CDM-ATs should be encouraged to use observations, in addition to raising NCs;
  - (c) The grading of the NCs may be based on specific requirements of the accreditation standard and on materiality of the NCs with respect to the final decision by the DOE.

**Agenda item 4.2.2. DOE performance monitoring procedure**

42. The panel considered a concept note presented by the secretariat on the revision of the DOE performance monitoring procedure and provided input as follows:
- (a) Most members requested to explore more possibilities to further speed up the reporting of the indicators and results of the DOE performance;
  - (b) Members requested to maintain the link and consistency with the accreditation procedure, particularly with respect to the number of performance assessments.

**Agenda item 5. Other matters**

43. The CDM-AP agreed to request the Board to extend the duration of its next meeting to five days due to the foreseen increase in the number of accreditation cases to be considered at that meeting.

**Agenda item 6. Conclusion of the meeting**

44. The CDM-AP Chair, Mr. Hussein Badarin, closed the meeting and thanked all panel members and the secretariat for their dedication and excellent work.

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### Document information

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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.1	1 November 2012	Editorial and format changes. References and titles of MAP projects were included in paragraphs 8 and 23. Summaries related to the consideration of cases were completed in section 3.
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