

Project Cycle Process – Validation and Verification Standard (VVS)

3rd CDM Roundtable

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Project Cycle Process - Background

The Board has taken several measures, including:

- Introduction of an enhanced completeness check for project submissions (EB 48);
- Prioritizing new submissions over resubmissions (EB 53);
- Adoption of new procedures for registration of project activities and issuance of CERs (EB 54);
- Adoption of new review procedures for registration and issuance (EB 55).

More to be done:

- Although registration related submissions may be sustainably handled with recent operational adjustments and resource plans (including outsourcing), this is unlikely for issuance given the continued expected growth in requests.
- To achieve a longer term balance and to ensure secretariat provides timely assessment of projects, the Board will need to consider further improvements and clarifications of its rules and guidelines.

Project Cycle Process – Current situation

- The current system of assessments is not sustainable
 - ✓ The Board is reviewing individual requests
 - ✓ In order to cope with high number of requests, secretariat has:
 - On-site exercise (6 – 18 December 2010)
 - Call for experts
- Sustainable situation which would result in a streamlined and efficient assessment of projects
 - ✓ Risk-based assessment
 - ✓ Defining monitoring period intervals
 - ✓ Allowing the bundling of issuance requests
 - ✓ Standardizing and digitizing key elements of project related submissions
 - ✓ Simplifying methodologies and related requirements



Project Cycle Process - Risk-based assessment

- A type of assessment where users may allow specific risk factor to determine the scope and evidence required in the assessment
- In the context of assessment of CDM projects, the risk can be analysed from past experience:
 - ✓ Designated Operational Entities (DOEs) performing the validation or verification function
 - ✓ Complexity of methodology being used
 - ✓ Historic record of project
- Prioritisation of assessment of project submissions and re-defining the expectation of level of assessments
 - ✓ Profiling of submissions classified into several categories of risks, from high to low risk
 - ✓ How the different aspects contribute to the desired outcomes and the probability of the non-compliance occurring



Project Cycle Process - Monitoring period intervals

- At present, no minimum period intervals that can be covered in a monitoring period
 - ✓ Requests for issuance that cover monitoring periods as short as fifteen to thirty
 - ✓ More frequent requests for issuance being submitted
 - ✓ Such requests increase the workload per project
- Setting the minimum interval for the monitoring period

Project Cycle Process - Bundling issuance requests

- Bundling of requests for issuance for identical or similar registered project activities
 - ✓ For example, animal waste management projects in Brazil and Mexico, wind/hydro project activities in China
 - ✓ Allowing a DOE to bundle their verification activities under a single request for issuance would reduce the volume of submissions
- Bundling of issuance requests with other processes
 - ✓ For example, integrating minor amendments of monitoring plan and project design document (PDD) into the verification cycle
minor amendments of monitoring plan and project design document (PDD)



Project Cycle Process - Standardizing & digitizing

- Providing standardized templates and would reduce errors and assessment time per project
 - ✓ Improving the format of existing templates for PDDs and monitoring reports in order to extract the core information easily
 - ✓ Introducing templates for validation and verification reports
- Digitizing key information
 - ✓ Introducing digitized forms to allow for full data capture

Project Cycle Process - Simplifying methodologies

- Complexity of additionality and methodological requirements increase significantly the extent of the assessment required to assess/confirm compliance
 - ✓ Simplified approach to additionality for micro-scale projects
 - ✓ A new Tool for baseline selection
 - ✓ New approaches to the demonstration and assessment of additionality, which place a focus on objective criteria
 - ✓ Review of existing methodologies to remove or simplify specific requirements and ensure consistency of approaches between methodologies.



VVS - Background

What is VVM?

Validation and verification manual (VVM) is a document:

- To provide requirements to designated operational entities (DOEs) for their validation and verification work; and
- To promote quality and consistency in the preparation of DOEs' validation and verification reports

HISTORY

- EB 44 (Nov 2008): Adoption of VVM (version 01)
- EB 49 (Sep 2009):
 - Agreement on six-monthly review to incorporate EB's new decisions and minor editorial changes → currently version 01.2
 - Biannually comprehensive review
- EB 59 (Feb 2011): Agreement to revise VVM into Validation and Verification Standard (VVS) and a consolidated validation and verification procedure (VVP)

VVS - Objectives

- To separate (mandatory) determination and verification requirements from guidance and procedures
- To consolidate all determination and verification requirements found in various EB documents into one document
- To ensure consistency in and improve clarity of all EB's decisions on determination and verification
- To streamline all existing procedures to make the entire validation and verification process less cumbersome, more efficient and ultimately provide for faster decisions

VVS - Planned steps

- Extract all validation and verification requirements from the existing EB regulatory documents
- Consolidate them into VVS
- Clarify, consolidate and ensure the consistency of all existing EB's regulatory decisions relating to validation and verification
- Streamline all existing procedures relating to validation and verification process
- Stakeholder consultation (call for inputs, workshops)
- EB 63 (Sep 2011) to adopt VVS and VVP



Thank you.

Questions?

