

# EB 46

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Relations with Designated Operational  
and Applicant Entities

# DOE Inputs- EB46

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## □ Validation and Verification timelines

Requesting Registration (Validation) - Total timeline 180 days

- **Issue:** Request Registration within 6 months after PDD was published **given that the Project Proponent's response to a CAR/CL was sufficient to close the issues** raised in draft validation report within 30 days of its receipt.

In case CAR/CL not closed within 180 days then?

- Three classes of DOE's opinion are possible:
  - Unqualified Opinion (Positive Opinion)- Reasonable assurance
  - Qualified Opinion - Opinion is subject to certain qualifications. At a later point if those qualifications can be fulfilled then the opinion would be changed to a unqualified opinion
  - Negative Opinion. Issuing negative opinions for projects which would otherwise fall under the category of 'Qualified Opinion' is not justified, and subject to litigation/legal consequences.
  
- **Suggestion:** EB recommends that an opinion should (not **shall**) be issued within 180 days, under one of the following categories
  - Unqualified (positive)
  - Qualified (new validation/contract is needed, if new information is made available)
  - Negative (for cases where there is reasonable assurance)

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## □ Requesting issuance- Total Timeline 90 Days

- Request Issuance within 3 months after receipt of monitoring report given that the Project Proponent's response to a CAR/CL was sufficient to close the issue raised in draft verification report (findings) with 15 days of its receipt
  - Unqualified Opinion (Positive Opinion)- Reasonable assurance
  - Qualified Opinion - Opinion is subject to certain qualifications( issue related to 'Limited assurance'). At a later point if those qualifications can be fulfilled then the opinion would be changed to a unqualified opinion
  - Negative Opinion. Issuing negative opinions for projects which would otherwise fall under the category of 'Qualified Opinion' is possible
  
- Issue: Clarifications, deviations, revision of monitoring plan timelines

# DOE Inputs- EB46 (Inputs submitted earlier)

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## **Increase in Validation and Verification prices being attributed to release of VVM result of the following:**

Traditionally, DOEs reported the non-conformities in their Validation Reports; however, VVM Version 1 offers clarity on the validation approach (reporting for conformities and non conformities) and the underlying level of details expected by the EB in validation opinions.

The increase in prices is mainly as a result of :

- The increase in man days needed for validation/verification
- The general competition in the CDM market for limited human resources and increase in man day costs
- The general increase in DOEs costs as a result of trainings / access to expertise

Related to the issue of 'Level of Assurance' and 'Materiality'

DISCLAIMER: The above is the view of SGS and publicly available information from other DOEs. DOEs will never discuss or agree price levels.

## DOE Inputs- EB46 (Inputs submitted earlier)

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- DOEs insist on IRR approach during project validations
  - DOE's confirm that they do not insist on the IRR approach while assessing 'additionality' arguments contained in the PDD.
  - DOE's agree that they will continue to validate/assess the information provided by the project developer without providing any suggestions/recommendations on the merit of the indicator used in the PDD
  
- Update of the validation of grid emission factors released DNAs (work in progress)

## DOE Inputs- EB46 (Inputs submitted earlier)

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- Verification - Requesting a deviation and revision of monitoring plan simultaneously
  - DOE issues a validation report which covers the elements from deviation & revision procedures combined
  - Modalities suggested in the detailed input
  
- Possible inconsistencies between the VVM, the Guidance on the assessment of investment analysis and Tool for the assessment and demonstration of additionality
  - Revision of VVM be considered, dates for regional workshops be confirmed

## DOE Inputs- EB46 (Inputs submitted earlier)

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Incomplete submission due to differences in software versions – an IT Issue

Clarification on and revision to newly released guidance

- Contact person for the respective fields
- Definition on timelines (EB meeting or secretariat decision/clarification)

## DOE Inputs- EB46

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- **EB45, Input 2-** Change of Project Participant prior to registration request (original PP gone in receivership/cease operations)
- DOE/EB Workshop – Dates to be communicated

Thank you!