

Break-out session

Session: Accreditation

Workshop on the review of CDM modalities and procedures

Bonn, Germany, 8–9 June 2013



Accreditation

➤ Simplifying rules and setting out principles

- Current M&P
 - Appendix A to 3/CMP.1: standards for the accreditation of operational entities
 - Other rules relating to accreditation also set out in the body of 3/CMP.1
- Inputs
 - Delete the accreditation appendix and keep only principles in the main body of M&P



➤ Significant deficiencies

- Current M&P (paragraphs 22 to 24 of M&P) provides for cancellation of issued CERs (or other KP units) where significant deficiencies are identified in validation, verification or certification reports – all in the context of suspension or withdrawal of DOEs.
- Decision 3/CMP.6 requested the Board to review 22 to 24 of M&P, and adopt and apply a procedure, with the instruction that the Board could review and amend rules relating to liability scope, suspension, second review by another DOE and the cancellation time period.
- CMP 7 requested the Board to consider other approaches to dealing with significant deficiencies. Board looked at other approaches during 2012.
- Draft procedure recommended by Board to CMP 8; CMP 8 noted that Parties may wish to address the issue as part of the review of M&P.

Accreditation

➤ Significant deficiencies (cont.)

- Inputs
 - Elaborate a set of key principles of liability of DOEs for significant deficiencies differently from current M&P
 - Ensure a quantifiable limited risk and liability for DOEs
 - Consider a levy akin to a share of proceeds to protect the system against significant deficiencies
 - Differentiate between professional negligence, fraud, and excess issuance by all possible causes



Accreditation

➤ Promotion of regional distribution of DOEs

- Current M&P
 - CMP to review the regional and sub-regional distribution of DOEs and take appropriate decision to promote accreditation of DOEs from developing country Parties
- Inputs
 - DOEs are operating globally with local offices in developing countries. Regulatory supervision should not be used to distort what is a global market open to local, regional and international players



Accreditation

➤ Alignment of accreditation principles CDM/JI

- Current M&P
 - CDM and JI accreditation systems are defined in separate CMP decisions (CDM M&P and JI guidelines)
- Inputs
 - Alignment would provide potential for reducing transaction costs for DOEs



Accreditation

➤ **Contractual relationship with DOE**

- Current M&P
 - To perform validation and verification, a DOE has to have a contractual relationship with the project participants
- Inputs
 - Contractual relationship could also be with another company which has been empowered by the project participants

