

Agenda item 4

Paragraph 54 of the annotated agenda, Annex 10

Clean Development Mechanism Validation and Verification Standard

CDM EB 63

Quito, Ecuador, 25 – 29 September, 2011



Overview

1. Scope
2. Objectives
3. Application
4. Development process
5. Structure
6. Example of requirements
7. New requirement
8. Expectation



1. Scope of VVS

What is the VVS:

- A consolidation of existing requirements applicable to Designated Operational Entities (DOEs) in conducting validation and verification activities

- Applicable to DOEs who are under contractual arrangements with project participants to validate/verify any CDM project activity including:
 - Small-scale (SSC)
 - Afforestation/reforestation (A/R)
 - Programme of activities (PoA)



1. Scope of VVS

What will change from the VVM?

- VVM contains requirements for DOEs, PPs, as well as procedural requirements
- The VVS establishes requirements only for DOEs
 - Requirements for PPs were migrated to the CDM Project Standard
- Procedural requirements were migrated to the CDM Project Cycle Procedure (PCP)
- Existing requirements from CDM documents including all standards, procedures, guidelines, clarifications, forms, information notes, and EB decisions (up to EB 62) are also included in the VVS.



2. Objectives of the VVS

The VVS aims to:

- Enhance consistency and clarity of requirements of validation and verification activities for all types of CDM projects
- Facilitate the improvement of quality and consistency in the preparation, execution, and the reporting of validation and verification activities
- Enhance the overall efficiency and integrity in the CDM



3. Application of the VVS

- DOEs shall comply with the VVS when validating / verifying any CDM project activity or PoA and determining whether the project meets all applicable CDM requirements including those specified by the:
 - CDM Project Standard;
 - Applied CDM methodology; and
 - Applicable tools and guidelines

4. Development process

Consolidation of requirements

- Extracted requirements pertaining to DOEs from all CDM documents including all standards, procedures, guidelines, clarifications, forms, information notes, and EB decisions (up to EB 62)
- These requirements were organized and compiled to develop the VVS

Drafting

- Requirements were edited to improve their clarity



4. Development process

Stakeholder comments

- Comments that helped to improve the clarity and consistency of the documents were accepted
- Comments that introduced new requirements or would change the intent of the original requirement were rejected
- In some cases, comments that we were unsure how to resolve because the potential impacts of the change were not clear were simply noted

What we heard

- Improve alignment with PoA Standards
- Improvements required to section on Post Registration Changes
- Changes to requirements pertaining to Modalities of Communication

Specific changes as a result of comments

- Updated and clarified the new requirements on post registration changes

Work Pending: Alignment with PoA Standards (pending their review by the EB)



5. Structure of the Standard

- Most requirements in the VVS are organized as follows (similar to VVM):
 - Validation / verification requirement
 - Means of validation / verification
 - Reporting requirement

- Where the means of validation/verification is not specified, the DOE is required to apply standard auditing techniques

- Appendices C and D identify documents that will be superseded or revised as a result of the VVS

- Review of the structure of the VVS



6. Example of Requirements – Before and After

10. Environmental impacts (before in VVM)

Requirement to be validated

131. Project participants shall submit documentation to the DOE on the analysis of the environmental impacts of the project activity in accordance with paragraph 37(c) of the CDM modalities and procedures.

7.10 Environmental impacts (after in VVS)

Validation requirement

139. The DOE shall confirm (i) that the project participants conducted an analysis of environmental impacts of the proposed CDM project activity, including transboundary impacts and (ii) if those impacts are considered significant by the project participants or the host party.



7. New requirements in the Standard

- Post registration changes

8. Expectation

- The Board is expected to approve the proposed VVS.



Thank you for your attention

