

Basics about Validation and Verification

I. Glossary of CDM validation and verification

Designated operational entity (DOE)

An entity designated by the COP/MOP, based on the recommendation by the Executive Board, as qualified to validate proposed CDM project activities as well as verify and certify reductions in anthropogenic emissions by sources of greenhouse gases (GHG) and net anthropogenic GHG removals by sinks.

Project participants

In accordance with the use of the term project participant in the CDM modalities and procedures, a project participant is (a) a Party involved, which has indicated to be a project participant, or (b) a private and/or public entity authorized by a Party involved to participate in a CDM project activity.

Validation

Validation is the process of independent evaluation of a project activity by a designated operational entity against the requirements of the CDM as set out in decision 3/CMP.1 its annex and relevant decisions of the COP/MOP, on the basis of the project design document (CDM-PDD).

Registration

Registration is the formal acceptance by the Executive Board of a validated project activity as a CDM project activity. Registration is the prerequisite for the verification, certification and issuance of CERs related to that project activity.

Verification

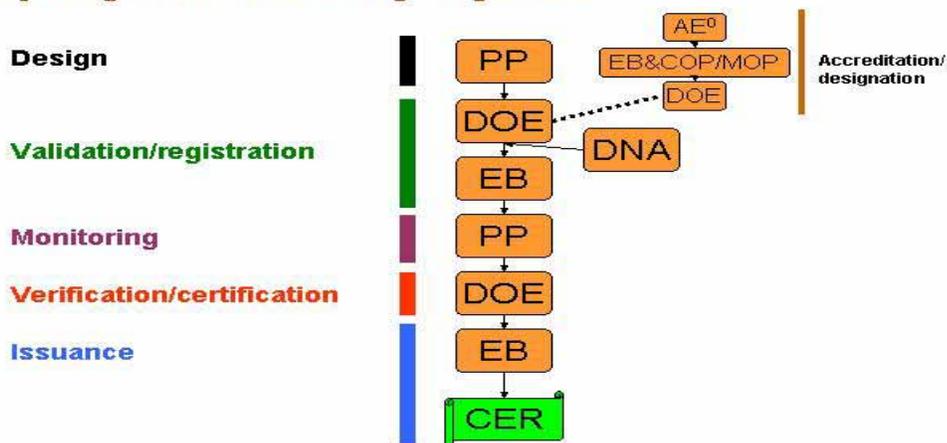
Verification is the periodic independent review and ex post determination by a designated operational entity of monitored reductions in anthropogenic emissions by sources of greenhouse gases (GHG) that have occurred as a result of a registered CDM project activity during the verification period. There is no prescribed length of the verification period. It shall, however, not be longer than the crediting period.

Monitoring of a CDM project activity

Monitoring refers to the collection and archiving of all relevant data necessary for determining the baseline, measuring anthropogenic emissions by sources of greenhouse gases (GHG) within the project boundary of a CDM project activity and leakage, as applicable.

II. Project activity cycle

CDM project activity cycle



III. FAQ

1. Q: Who can do the validation or verification?

A: Only Designated Operational Entity (DOE) could do the validation or verification.

2. Q: Where could I find DOE?

A: UNFCCC presents all the DOEs with the related scopes at:

<http://cdm.unfccc.int/DOE/list/index.html>

3. Q: What are the assessment criteria for a DOE?

A: DOE shall always assess the project according to CDM requirements, such as methodology, tool, guideline and VVM (validation and verification manual). The result of assessment might be positive, which means the project will be submitted by DOE for

request for registration/request of issuance; but might be negative, which means the project is rejected by DOE.

4. Q: Is there any standard to regulate DOE's activity?

A: Yes, all the DOEs are accredited as per UNFCCC accreditation standard which regulates the structure of DOE and working procedures of DOE's daily work. Furthermore, for each project, the assessment shall be executed and reported as per VVM.

5. Q: Whether DOE could prepare PDD or Monitoring Report?

A: No. As an independent 3rd party, DOE is not allowed to provide any consulting service, such as writing PDD or preparing Monitoring Report.

6. Q: What's the procedure of validation?

A: Normally, 5 steps will be taken by DOE to finalize a validation. They are:

- GSC (publishing the PDD at the webpage of UNFCCC);
- Document review;
- Site inspection;
- Reporting;
- Registration request to UNFCCC / reject project and report it to UNFCCC

7. Q: It is a must that DOE shall be on site for validation?

A: According to VVM, site inspection shall be made unless it could be well justified.

8. Q: How long will one validation take?

A: It depends on lots issues, such as whether the quality of PDD is good, whether a deviation to methodology is needed, whether the audit team is experienced, etc.? According to the discussion at EB meeting (not officially presented in the EB meeting report), members of EB prefer 6-month period. However, in reality, it might take 8 months or longer.

9. Q: Which issue will lead to a rejection to project after validation?

A: The project shall be fully complied with the applied methodologies, tools and guidelines. If there's any deviation and the deviation is not approved by EB, the project will be doubtlessly rejected. Most of the rejection was made because the project is not additional.

10. Q: If one project is slightly different to the existing methodology, what shall project participants (PP) do?

A: A deviation to methodology or revision to methodology shall be prepared and submitted to UNFCCC for approval.

11. Q: If the requirement in the applied methodology/tool is not so clear either for PP or for DOE, what shall PP/DOE do?

A: PP/DOE could deliver a clarification request to UNFCCC for further explanation.

12. Q: What's the procedure of verification?

A: Normally, 5 steps will be taken by DOE to finalize a verification. They are:

- Publishing Monitoring Report;
- Document review;
- Site inspection;
- Reporting;
- Issuance request to UNFCCC / reject project and report it to UNFCCC

13. Q: It is a must that DOE shall be on site for verification?

A. Yes.

14. Q: Why the real CER value is much lower than the assumed one in the PDD?

A: There are lots issues which lead to less CER. The main problem is: the monitoring plan set out in section B.7 of PDD is not fully followed during the operation period, which triggers the doubts on whether the data for CER calculation are reliable. Another problem is that the real operation situation is not as good as planned, in other words, the CER was overestimated in the PDD.

15. Q: If the real CER value is much higher than the assumed one in the PDD, what shall PP/DOE do?

A: Such scenario shall be clearly explained in the Monitoring Report and DOE shall provide verification opinion on this issue. Normally, if it's proved to be permanent change, the additionality will be re-assessed by DOE to confirm whether the project is still qualified to be CDM project. The assessment result will be reported to EB for final decision (based on VVM 1.2 version).

16. Q: If the real monitoring system is deviated to the monitoring plan in the PDD, what PP/DOE shall do?

A: If such deviation only occurs in certain period, a deviation to monitoring plan shall be prepared by PP and assessed by DOE. EB will make the final decision on whether the deviation could be approved. If such deviation is permanent in the entire crediting period, a revision to monitoring plan shall be made. However, it shall be ensured that the revised monitoring system is in same or higher accuracy level.

17. Q: If the monitoring plan in the PDD is not 100% in line with the methodology, what shall DOE/PP do?

A: Such scenario might happen. A revision to monitoring plan shall be made by PP and audited by DOE. Afterwards, DOE's opinion needs to be delivered to EB for final decision.

18. Q: If the project was rejected by EB, whether there's still chance to get registration later?

A: It's allowed that a DOE could do a re-validation for a rejected project or re-verification for a rejected monitoring period. However, if the rejection decision was made because the project is not additional with evidences or there's no reliable data for CER calculation, the same conclusion will be drawn after re-validation or re-verification.