

**CDM-EB111-A04**

## Standard

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# CDM validation and verification standard for programmes of activities

Version 03.0



**United Nations**  
Framework Convention on  
Climate Change

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# 1. Introduction

## 1.1. Background

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) established the basis of the regulatory framework for the clean development mechanism (CDM) to implement Article 12 of the Kyoto Protocol through the following:
  - (a) Annex to decision 3/CMP.1: Modalities and procedures for a clean development mechanism (hereinafter referred to as the CDM M&Ps);
  - (b) Annexes to decision 4/CMP.1, including annex II: Simplified modalities and procedures for small-scale clean development mechanism project activities (hereinafter referred to as the CDM SSC M&Ps);
  - (c) Annex to decision 5/CMP.1: Modalities and procedures for afforestation and reforestation project activities under the clean development mechanism (hereinafter referred to as the CDM A/R M&Ps);
  - (d) Annex to decision 6/CMP.1: Simplified modalities and procedures for small-scale afforestation and reforestation project activities under the clean development mechanism (hereinafter referred to as the CDM SSC A/R M&Ps);
  - (e) Decision 7/CMP.1: Further guidance relating to the clean development mechanism;
  - (f) Decision 10/CMP.7: Modalities and procedures for carbon dioxide capture and storage in geological formations as clean development mechanism project activities.
2. The CMP revised some of the provisions in these decisions through new decisions in subsequent sessions.
3. Pursuant to its mandate from the CMP to operationalize the CDM, the Executive Board of the CDM (hereinafter referred to as the Board) has adopted various standards (including baseline and monitoring methodologies (hereinafter referred to as methodologies) and standardized baselines), methodological tools, guidelines, procedures, clarifications and forms, and revised them with a view to improving the CDM process.

## 1.2. Objectives

4. The objectives of the “CDM validation and verification standard for programmes of activities” (hereinafter referred to as the standard) are to:
  - (a) Enhance consistency and clarity of minimum requirements for CDM validation and verification activities;
  - (b) Improve the quality and consistency in the preparation, execution and reporting of CDM validation and verification activities;
  - (c) Enhance the overall efficiency and integrity of the CDM.

## **2. Scope, applicability and entry into force**

### **2.1. General**

5. This standard provides designated operational entities (DOEs) with minimum requirements for the validation and verification of a programme of activity (PoA) based on the CDM rules and requirements approved by the Board.

### **2.2. Application**

6. Sections 5 and 6 contain general principles and requirements for validation and verification.
7. Sections 7 and 8 contain validation requirements for registration of PoAs and inclusion of component project activities (CPAs), respectively. The requirements in section 7 apply at the PoA level (i.e. programme of activities design document (PoA-DD)), including the requirements in section 7.13 that apply to generic CPAs, which are defined as part of the design of the PoA. The requirements in section 8 apply to the design and inclusion of CPAs (i.e. component project activity design document (CPA-DD)), including requirements that specifically apply to small-scale CPAs, large-scale afforestation and reforestation (A/R) CPAs and small-scale A/R CPAs in sections 8.8, 8.9 and 8.10, respectively.
8. Sections 9 and 11 contain validation requirements for post-registration activities applicable to PoAs and CPAs, including validation requirements for post-registration activities specific to large-scale A/R CPAs, and validation requirements for renewal of PoA period and crediting period of CPAs, respectively.
9. Sections 10 and 12 contain verification requirements applicable to PoAs and CPAs, including verification requirements specific to small-scale CPAs and large-scale A/R CPAs and validation for re-inclusion of CPAs, respectively.

### **2.3. Entry into force**

10. Version **02.0-03.0** of this standard enters into force on **1 January 2019-7 October 2021**.

## **3. Normative references**

11. The following referenced documents are indispensable for the application of this standard:
  - (a) "Standard: CDM accreditation standard";
  - (b) "Standard: CDM project cycle procedure for programmes of activities";
  - (c) "Standard: CDM project standard for programmes of activities";
  - (d) "Glossary: CDM terms".



## 4. Terms and definitions

12. In addition to the definitions contained in the “Glossary: CDM terms”, the following terms apply in this standard:
- (a) “Shall” is used to indicate requirements to be followed;
  - (b) “Should” is used to indicate that among several possibilities, one course of action is recommended as particularly suitable;
  - (c) “May” is used to indicate what is permitted;
  - (d) “CPA” and “CPA-DD” (not preceded by “generic”) mean they are of a specific-case CPA.

## 5. Principles

### 5.1. General

13. The following principles<sup>1</sup> guide the preparation, execution, and reporting of validation and verification activities.

### 5.2. Independence

14. Remain independent of the activity being validated or verified, and free from bias and conflict of interest. Maintain objectivity throughout the validation or verification to ensure that the findings and conclusions are based on objective evidence generated during the validation or verification.

### 5.3. Ethical conduct

15. Demonstrate ethical conduct through trust, integrity, confidentiality and discretion throughout the validation or verification.

### 5.4. Fair presentation

16. Reflect truthfully and accurately the validation or verification activity, findings, conclusions and reports. Report significant obstacles encountered during the validation or verification, as well as unresolved, diverging opinions among validators or verifiers, the responsible party (e.g. the secretariat/the Board) and the client (e.g. the coordinating/managing entity).

### 5.5. Due professional care

17. Exercise due professional care and judgement in accordance with the importance of the task performed and the confidence placed by clients and intended users. Have the necessary skills and competences to undertake the validation or verification.

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<sup>1</sup> This text is taken from ISO 14064-3:2006 - Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions and is reproduced with the permission of the International Organization for Standardization, ISO. This standard can be obtained from any ISO member from the website of the ISO Central Secretariat at the following address: <[www.iso.org](http://www.iso.org)>. Copyright remains with ISO.

## 6. General validation and verification requirements

### 6.1. General validation and verification approach

18. The DOE shall select a competent team to perform the validation or verification for the CDM PoA or CPA.
19. In carrying out its validation or verification work, the DOE shall:
  - (a) Follow this standard and integrate its provisions into the DOE's own quality management systems;
  - (b) Apply the most recent applicable decisions and guidance provided by the Board;
  - (c) Determine whether each CDM PoA or CPA meets all applicable CDM rules and requirements, including those specified in the "CDM project standard for programmes of activities", the selected methodologies, the selected standardized baselines and any other standards, methodologies, methodological tools and guidelines applied in accordance with the selected methodologies (hereinafter "any other standards, methodologies, methodological tools and guidelines (to be) applied in accordance with the selected(applied) methodologies" are collectively referred to as the other (applied) methodological regulatory documents);
  - (d) Assess the accuracy, conservativeness, relevance, completeness, consistency and transparency of the information provided by the coordinating/managing entity;<sup>2</sup>
  - (e) Determine whether information provided by the coordinating/managing entity is reliable and credible;<sup>3</sup>
  - (f) Apply consistent validation/verification criteria:
    - (i) To the requirements of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents throughout the crediting period(s);
    - (ii) To CDM PoAs with similar characteristics such as a similar application of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents, use of technology, time period or region;
    - (iii) To expert judgements, over time and among CDM PoAs or CPAs;
  - (g) Base its findings and conclusions on objective evidence and conduct all validation or verification activities in accordance with CDM rules and requirements;
  - (h) Not omit evidence that is likely to alter the validation or verification opinion;

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<sup>2</sup> Principles for each can be found in the "CDM project standard for programmes of activities".

<sup>3</sup> Information is credible if it is authentic and is able to inspire belief or trust, and the willingness of persons to accept the quality of evidence. Information is reliable if the quality of evidence is accurate and credible and able to yield the same results on a repeated basis.

- (i) Present information in the validation report or verification and certification report in a factual, neutral and coherent manner and document all assumptions, provide references to background material, and identify changes made to the documentation;
- (j) Safeguard the confidentiality of all information obtained or created during the validation or verification.

## **6.2. Use of and compliance with applicable standards**

20. In carrying out its validation and verification work, the DOE shall use and determine the compliance with the valid version of applicable standards, methodologies, standardized baselines, methodological tools, guidelines and other regulatory documents adopted by the CMP or the Board.

## **6.3. Use of applicable forms**

21. The DOE contracted to conduct validation for registration of a proposed CDM PoA, post-registration changes, renewal of PoA period of a registered CDM PoA, or inclusion of CPAs in a registered CDM PoA shall prepare a validation report using the valid version of the relevant validation report form.<sup>4</sup>
22. The DOE contracted to conduct verification and certification for the implementation of the registered CDM PoA or included CPAs and monitored greenhouse gas (GHG) emission reductions or net anthropogenic GHG removals shall prepare a verification and certification report using the valid version of the relevant verification and certification report form.<sup>5</sup>
23. When completing a validation or verification and certification report form, the DOE shall follow the instructions therein.

## **6.4. Use of applicable global warming potentials**

24. The DOE shall determine whether the global warming potentials (GWPs) were correctly applied in the PoA-DD, the CPA-DD and in the monitoring report in accordance with relevant requirements in the “CDM project standard for programmes of activities”.

# **7. Validation for registration of programmes of activities**

## **7.1. General validation requirements**

### **7.1.1. Objectives of validation**

25. The DOE shall conduct a thorough and independent assessment of a proposed CDM PoA against the applicable CDM rules and requirements.

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<sup>4</sup> All types of validation report forms are available on the UNFCCC CDM website.

<sup>5</sup> All types of verification and certification report forms are available on the UNFCCC CDM website.

### **7.1.2. Validation approach**

26. In carrying out its validation work, the DOE shall:
- (a) Determine whether the proposed CDM PoA complies with the requirements in paragraph 37 of the CDM M&Ps (with the exception of paragraph 37(c) for CCS CDM project activities), the applicability conditions of the selected methodologies, the selected standardized baselines, the other applied methodological regulatory documents and guidance provided by the Board;
  - (b) Assess the claims and assumptions in the PoA-DD. The evidence used in this assessment shall not be limited to that provided by the coordinating/managing entity.
27. The DOE shall make publicly available the PoA-DD received from the coordinating/managing entity in accordance with the “CDM project cycle procedure for programme of activities”.

### **7.1.3. Means of validation**

#### **7.1.3.1. Standard auditing techniques**

28. The DOE shall assess the information provided by the coordinating/managing entity.
29. In assessing the information, the DOE shall apply the means of validation specified throughout this standard and, where appropriate, standard auditing techniques, including, but not limited to:
- (a) Document review, involving:
    - (i) A review of data and information;
    - (ii) Cross checks between information provided in the PoA-DD and information from sources other than those used; if available, the DOE's sectoral or local expertise; and, if necessary, independent background investigations;
  - (b) Follow-up actions (e.g. on-site inspection and telephone or e-mail interviews), including:
    - (i) Interviews with relevant stakeholders in the host country, such as personnel with knowledge of the PoA design and implementation;
    - (ii) Cross checks between the information provided by interviewed personnel (i.e. by checking sources or other interviews) to ensure that no relevant information has been omitted;
  - (c) Reference to available information relating to programme, projects or technologies similar to the proposed CDM PoA under validation;
  - (d) Review, based on the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents, of the appropriateness of formulae and accuracy of calculations;

- (e) Sampling approach in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”, including:
  - (i) A random sampling for cases where the coordinating/managing entity did not apply a sampling approach;
  - (ii) An acceptance sampling or another sampling approach for cases where the coordinating/managing entity applied a sampling approach.

**29<sup>bis</sup>.** It is optional for the DOE to conduct an on-site inspection for validation for the registration of a PoA, renewal of PoA period, or post-registration changes of a registered PoA. If the DOE conducts an on-site inspection, it does not necessarily need to include the visit to the geographical locations where CPAs will be or are implemented, but could be to the office of the coordinating/managing entity. If the DOE does not conduct an on-site inspection as a means of validation, it shall describe the alternative means used and justify that they are sufficient for the purpose of validation.

- 30. Where no specific means of validation is specified, the DOE shall apply the standard auditing techniques described in paragraph 29 above.

#### **7.1.3.2. Corrective action requests, clarification requests and forward action requests**

- 31. If the DOE identifies issues that require further elaboration, research or expansion in order to determine whether the PoA meets the CDM rules and requirements and can achieve credible GHG emission reductions or net anthropogenic GHG removals, the DOE shall ensure that these issues are accurately identified, formulated, discussed and concluded in the validation report.
- 32. The DOE shall raise a corrective action request (CAR) if one of the following situations occurs:
  - (a) The coordinating/managing entity have made mistakes that will influence the ability of the proposed CDM PoA to achieve real, measurable, verifiable and additional GHG emission reductions or net anthropogenic GHG removals;
  - (b) The applicable CDM rules and requirements have not been met;
  - (c) There is a risk that GHG emission reductions or net anthropogenic GHG removals cannot be monitored or calculated.
- 33. The DOE shall raise a clarification request (CL) if information is insufficient or not clear enough to determine whether the applicable CDM rules and requirements have been met.
- 34. The DOE shall raise a forward action request (FAR) during validation to identify issues related to programme implementation that require review during the first verification of the proposed CDM PoA. The DOE shall not raise a FAR that relates to the CDM rules and requirements for registration of the PoA.
- 35. The DOE shall resolve or “close out” CARs and CLs only if the coordinating/managing entity modifies the PoA design, rectifies the PoA-DD, or provides additional explanations or evidence that satisfy the DOE’s concerns. If this is not done, the DOE shall not submit a request for registration of the proposed CDM PoA.

36. The DOE shall report on all CARs, CLs and FARs in its validation report. This reporting shall explain the issues raised, the responses provided by the coordinating/managing entity, the means of validation of such responses and references to any resulting changes in the PoA-DD or supporting annexes.

## **7.2. Identification of programme type**

37. The DOE shall determine and state its opinion on whether the proposed CDM PoA will include only non-A/R CPAs or A/R CPAs.

## **7.3. Description of programme of activities**

38. The DOE shall assess the PoA-DD submitted by the coordinating/managing entity and shall confirm:
- (a) The framework developed for the implementation of the proposed CDM PoA;
  - (b) The policy/measure or stated goal that the PoA seeks to promote;
  - (c) That the PoA is a voluntary action by the coordinating/managing entity.
39. The DOE shall assess the boundary of the proposed CDM PoA in terms of geographical area (e.g. municipality, region within a country, country or several countries) within which all CPAs to be included in the PoA will be implemented.
40. The DOE shall determine whether, in establishing the boundary of the proposed CDM PoA, the coordinating/managing entity has taken into consideration all applicable national and/or sectoral policies and regulations within the chosen boundary.
41. The DOE shall confirm that a generic CPA part of the PoA-DD (hereinafter referred to as generic CPA-DD) has been prepared for each technology/measure, each methodology and each combination thereof, or that technologies/measures have been combined in one generic CPA-DD in accordance with the relevant requirements in the “CDM project standard for programmes of activities”.
42. The DOE shall determine whether the description of the proposed CDM PoA in the PoA-DD is accurate and complete and whether it provides an understanding of the PoA.
43. The DOE shall:
- (a) Describe the process undertaken to validate the accuracy and completeness of the description in the PoA-DD;
  - (b) State its opinion on the accuracy and completeness of the description in the PoA-DD.

## **7.4. Management system**

44. The DOE shall assess and state its opinion on whether the management system described in the PoA-DD is in accordance with the “CDM project standard for programmes of activities”.

## **7.5. Demonstration of additionality of programme of activities**

45. The DOE shall assess and state its opinion on whether the additionality of the proposed CDM PoA was demonstrated in accordance with the “CDM project standard for programme of activities”.

## **7.6. Start date and duration of programme of activities**

46. The DOE shall determine whether the start date and duration of a proposed CDM PoA comply with the relevant provisions in the “CDM project standard for programmes of activities”.
47. If the coordinating/managing entity, for the purpose of determining the start date of the proposed CDM PoA, has chosen to notify the DNA(s) of the host Party(ies) of the PoA and the secretariat in writing of the intention to seek the CDM status of the PoA, the DOE shall confirm whether the start date indicated in the PoA-DD is the date of the notification of the intention by referring to the list of prior consideration notifications from the UNFCCC CDM website and communication between the coordinating/managing entity, the secretariat and the host Party DNA(s), if the DNA(s) exist(s).
48. If the coordinating/managing entity has chosen the date of publication of the PoA-DD for global stakeholder consultation as the start date of the proposed CDM PoA, the DOE shall confirm whether the start date indicated in the PoA-DD is the date of the publication of the PoA-DD by referring to the UNFCCC CDM website.
49. The DOE shall confirm that the duration of the proposed CDM PoA as specified in the PoA-DD does not exceed 28 years (60 years for the proposed CDM A/R PoA).
50. The DOE shall describe the steps taken to assess and state its opinion on the compliance of the start date and duration specified in the PoA-DD with the relevant requirements in the “CDM project standard for programmes of activities”.

## **7.7. Environmental impacts**

51. The DOE shall determine whether the coordinating/managing entity conducted an analysis of the environmental impacts of the proposed CDM PoA for the whole PoA or will be carried out at the CPA level, including transboundary impacts, and whether those impacts are considered significant by the coordinating/managing entity or by the host Party.
52. If the analysis of environmental impacts and, if applicable, the environmental impact assessment was(were) undertaken for the whole PoA, the DOE shall determine whether:
- (a) The analysis and, if applicable, the assessment was(were) conducted as described in the PoA-DD;
  - (b) The coordinating/managing entity conducted an environmental impact assessment, if considered significant by the coordinating/managing entity or by the host Party, in accordance with the host Party’s procedures.
53. The DOE shall assess the above requirements by means of a document review and/or using local official sources and expertise.

54. The DOE shall state whether the analysis of environmental impacts and if applicable an environmental impact assessment was conducted for the whole PoA or will be conducted at the CPA level.
55. If the DOE determines that the analysis of environmental impacts was conducted for the whole PoA, and, if considered significant by the coordinating/managing entity or by the host Party, it shall state whether the analysis was conducted as described in the PoA-DD, and if applicable, an environmental impact assessment was conducted in accordance with procedures as required by the host Party.

## **7.8. Socio-economic impacts**

56. For a proposed A/R CDM PoA, the DOE shall state whether the analysis of socio-economic impacts and, if applicable, a socio-economic impact assessment was conducted for the whole PoA or will be conducted at the CPA level.
57. If the DOE determines that the analysis of socio-economic impacts was conducted for the whole PoA, and, if considered significant by the coordinating/managing entity or by the host Party, it shall state whether the analysis was conducted as described in the PoA-DD, and if applicable, a socio-economic impact assessment was conducted in accordance with the relevant procedures of the host Party.

## **7.9. Local stakeholder consultation**

58. The DOE shall determine whether the local stakeholder consultation was carried out for the whole PoA or at the CPA level.
59. The DOE shall determine whether the consultation was carried out in accordance with the relevant requirements in the “CDM project standard for programmes of activities”.
60. The DOE shall determine whether there are applicable host Party rules on local stakeholder consultation. Where such rules exist, the DOE shall, by means of document review and interviews with local stakeholders and/or the DNA, as appropriate, determine whether the local stakeholder consultation was conducted in accordance with the rules.
61. If applicable host Party rules on local stakeholder consultation do not exist, the DOE shall, by means of document review and interviews with local stakeholders and/or the DNA as appropriate, determine whether the local stakeholder consultation was conducted in accordance with the requirements in the “CDM project standard for programmes of activities” related to:
  - (a) Scope of local stakeholder consultation;
  - (b) Minimum group of stakeholders to be involved;
  - (c) Means for inviting stakeholders’ participation;
  - (d) Information to be made available to stakeholders;
  - (e) Conduct of consultation;
  - (f) Summary of comments received;
  - (g) Consideration of comments received;



- (h) Timing of local stakeholder consultation.
62. If the DOE used interviews with local stakeholders and/or the DNA as a means of validation as referred to in paragraphs 60 and 61 above, and if the local stakeholders and/or the DNA provided no response to the DOE's request for an interview within 14 days of the request being made, the DOE may proceed with the information available.
63. If the DOE, after the completion of the local stakeholder consultation, receives complaints from local stakeholders on the handling of the outcome of the consultation forwarded by the DNA in accordance with the "CDM project cycle procedure for programme of activities", it shall promptly forward them to the coordinating/managing entity and thereafter determine whether the coordinating/managing entity have duly taken them into account. The DOE may proceed with the validation with the complaints received within 14 days of the request for forwarding, if any.
64. The DOE shall determine whether changes to the PoA-DD are made after the local stakeholder consultation. If the DOE identifies such changes, it shall assess whether:
- (a) The comments received through the local stakeholder consultation are still valid;
  - (b) The scope of the local stakeholders engaged is still valid.
65. If significant changes to the PoA design occurs after the local stakeholder consultation, the DOE shall determine whether a new local stakeholder consultation was conducted with relevant stakeholders in accordance with paragraphs 60 and 61 above.
66. The DOE shall:
- (a) Describe the steps taken to assess the adequacy of the local stakeholder consultation;
  - (b) State its opinion on the adequacy of the local stakeholder consultation.

## **7.10. Sustainable development co-benefits**

67. The DOE shall state whether a document describing how the coordinating/managing entity intends to monitor the sustainable development co-benefits of the proposed CDM PoA was developed by the coordinating/managing entity separately from the monitoring plan.

## **7.11. Approval and authorization**

### **7.11.1. Approval**

68. The DOE shall determine whether the designated national authority (DNA) of each Party indicated in the PoA-DD as being involved in the proposed CDM PoA has provided a written letter of approval.
69. The DOE shall determine whether each letter provided by the DNA of each Party involved in the proposed CDM PoA confirms that:
- (a) The Party is a Party to the Kyoto Protocol;
  - (b) The participation in the PoA is voluntary;

- (c) In the case of the host Party, the PoA contributes to achieving the sustainable development of the country;
  - (d) It refers to the precise title of the PoA in the PoA-DD being submitted for registration (i.e. there shall be no difference between the title in the letter and that in the PoA-DD).
- 70. The DOE shall determine whether the letter of approval is unconditional with respect to paragraph 69(a)–(d) above.
- 71. The DOE shall determine whether the letter of approval has been issued by the respective Party's DNA and is valid for the proposed CDM PoA under validation.<sup>6</sup>
- 72. If the DOE doubts the authenticity of the letter of approval, it shall verify with the DNA that the letter of approval is authentic.
- 73. The DOE shall, for each Party involved:
  - (a) Indicate whether a letter of approval has been received, referencing the letter itself and any supporting documentation;
  - (b) Indicate whether the DOE received the letter of approval from the coordinating/managing entity or directly from the DNA;
  - (c) Indicate the means of validation employed to assess the authenticity of the letter of approval if paragraph 72 above applies;
  - (d) Include a statement on whether the letter of approval meets the requirements referred to in paragraphs 69–72 above, as applicable.
- 74. If the letter of approval refers to a specific version of the validation report and the DOE therefore is unable to submit this precise version of the validation report, the DOE shall:
  - (a) Insert a statement in the validation report to indicate that the final letter of approval has not been received and that a request for registration will not be submitted until it has been received; or
  - (b) Update the validation report to reflect the receipt of the letter of approval. If this option is selected, the whole number of the version number of the validation report shall remain unchanged and the tens decimal place shall be increased (e.g. from 1.0 to 1.1). The DOE shall confirm in the validation report that the confirmation of the receipt of the letter of approval is the only change that has been made to the version referred to in the letter of approval.

#### **7.11.2. Authorization**

- 75. The DOE shall determine whether each project participant of the proposed CDM PoA has been authorized to participate in the PoA by at least one Party involved in the letter of approval referred to in paragraph 68 above, or in a separate authorization letter.
- 76. The DOE shall determine whether the coordinating/managing entity has been authorized to coordinate the proposed CDM PoA by each host Party involved in the PoA.

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<sup>6</sup> A list of DNAs is available on the UNFCCC CDM website.

77. The DOE shall confirm that the coordinating/managing entity and the project participants of the proposed CDM PoA are listed in the PoA-DD and that this information is consistent with the information provided in the section that contains the contact information of the coordinating/managing entity.
78. The DOE shall confirm that no entities other than those authorized as the coordinating/managing entity and the project participants of the proposed CDM PoA are included in these sections of the PoA-DD.
79. The DOE shall confirm that the authorization has been issued from the relevant DNA, and if in doubt, shall verify with the DNA that the authorization is valid for the coordinating/managing entity and the project participants of the proposed CDM PoA.
80. The DOE shall, for the coordinating/managing entity and each project participant of the proposed CDM PoA:
  - (a) Indicate whether the participation has been authorized by a Party to the Kyoto Protocol;
  - (b) Describe the means of validation used to support the conclusions.

## **7.12. Modalities of communication**

### **7.12.1. General**

81. The DOE shall validate the corporate identity of all project participants, the coordinating/managing entity and focal points included in the Modalities of Communication (MoC) statement, as well as the personal identities, including specimen signatures and employment status, of their authorized signatories.
82. The DOE shall validate the identities referred to in paragraph 81 above through:
  - (a) Directly checking evidence of corporate and personal identities and other relevant documentation;
  - (b) Notarized documentation; or
  - (c) Written confirmation from the coordinating/managing entity that submits the MoC statement that all corporate and personal details, including specimen signatures, are valid and accurate.
83. When the DOE validates the identities by applying paragraph 82(c) above, the DOE shall ensure that the MoC statement is received from the coordinating/managing entity.
84. When the DOE validates the identities by applying paragraph 82(c) above, the DOE shall ensure that the official who submits the MoC statement to the DOE and the official who signed the written confirmation (if a different person) are duly authorized to do so on behalf of the coordinating/managing entity.
85. If the DOE is unable to validate the requirements by applying paragraph 82(a), (b) or (c) above, the DOE may perform further validation activities in order to confirm that the corporate and personal details, employment status and specimen signatures included in the MoC statement are valid and accurate, and comply with the requirements in this section.

86. The DOE shall state that it has performed due diligence on the MoC statement in accordance with the requirements in this section.

#### **7.12.2. Modalities of the communication statement**

87. The DOE shall validate that the MoC statement has been correctly completed and duly authorized.
88. The DOE shall check that:
- (a) The valid version of the form “Modalities of Communication statement” (CDM-MOC-FORM) has been used;
  - (b) The information required as per the CDM-MOC-FORM, including its annex 1, is correctly completed;
  - (c) The project participants’ authorized signatories signing the CDM-MOC-FORM correspond to the project participants’ authorized signatories included in the CDM-MOC-FORM, annex 1.
89. The DOE shall state that the MoC statement was completed and duly authorized in accordance with the valid version of the form and the information required therein.

### **7.13. Generic component project activity**

#### **7.13.1. General description of generic component project activity**

90. The DOE shall determine whether the description of the generic CPA(s) in the PoA-DD is accurate, complete, and provides an understanding of the generic CPA(s).
91. The DOE shall:
- (a) Describe the process undertaken to validate the accuracy and completeness of the description of the generic CPA(s);
  - (b) Provide an opinion on the accuracy and completeness of the generic CPA(s) description.

#### **7.13.2. Selection of methodologies and standardized baselines**

##### **7.13.2.1. General**

92. The DOE shall apply specific guidance and/or clarifications provided by the Board with respect to the approved methodologies, standardized baselines and other methodological regulatory documents that are selected by the coordinating/managing entity.

##### **7.13.2.2. Deviation from methodologies and/or methodological tools**

93. The DOE may seek guidance from the Board on the acceptability of a deviation from a selected approved methodology or methodological tool prior to the submission of a request for registration or publication of the PoA-DD, if the DOE, when performing validation for the proposed CDM PoA, or upon request from the coordinating/managing

entity before the publication of the PoA-DD, finds that, due to a PoA-specific<sup>7</sup> issue implying that a revision of the methodology and/or methodological tool would not be required to address the issue, the coordinating/managing entity deviated from:

- (a) The selected methodology or methodological tool; or
  - (b) Sections in the selected methodology or methodological tool that are not standardized by the selected standardized baselines, if the proposed generic CPA applies standardized baselines.
94. The DOE shall submit to the Board an assessment of the case including demonstration that the deviation does not require revision of the selected methodology or methodological tool, and shall include a description of the impact of the deviation on GHG emission reductions or net anthropogenic GHG removals by the proposed generic CPA in accordance with the “CDM project cycle procedure for programmes of activities”.
95. Alternatively, if the DOE considers that a revision of the selected methodology or methodological tool would be required to address the programme situation, then the DOE shall request the coordinating/managing entity to submit a request for revision in accordance with the “CDM project cycle procedure for programmes of activities”.

#### **7.13.2.3. Clarification on applicability of methodology, tool and/or standardized baseline**

96. If the DOE cannot determine the applicability of a selected methodology, methodological tool and/or standardized baseline to the proposed generic CPA, the DOE shall request a clarification on the applicability in accordance with the “Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools” and/or the “Procedure: Development, revision, clarification and update of standardized baselines”. The DOE shall conduct an assessment to ensure that the request is not

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<sup>7</sup> Examples of PoA-specific issues include, but are not limited to, the following:

- (a) The methodology requires measurements using instrumentation of certain specifications or using a certain method. The coordinating/managing entity of the proposed PoA identify a difficulty in acquiring the specified instrumentation or difficulty in implementing the measurement method; however, they can achieve comparable accuracy of measured parameters using an alternative instrumentation or measurement method;
- (b) A proposed CPA does not have access to the data sources specified by the methodology for a certain parameter; a different source of data can be accessed by the CPA to estimate the parameter with equal reliability and accuracy;
- (c) A minor deviation is sought for a PoA-specific situation, which is well justified and conservative. For example: a methodology requires limiting production in the project scenario between +/- 5% of rated capacity, if the historical baseline is to be applied. Due to government restrictions, the plant has never been operated at its rated capacity but at a capacity which is much below its rated capacity (20% below the rated capacity). A deviation can be presented specifying conservative approaches to calculate the emission reduction in such a PoA-specific case;
- (d) A conservative estimation technique or default factor suggested addressing uncertainties related to programme-specific situations, which are not addressed in the methodology. For example, a well-justified conservative uncertainty factor proposed to be used in equations of baseline emissions to address uncertainties in the real-life situation during the crediting period.

submitted with the intention of revising the selected methodology, methodological tool and/or standardized baseline to expand their applicability.

### **7.13.3. Application of methodologies and standardized baselines**

#### **7.13.3.1. General**

97. The DOE shall validate that the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents are applicable to the design of the proposed generic CPA and that the selected versions are valid at the time of submission of the proposed CDM PoA for registration.
98. The DOE shall determine whether the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents were correctly applied with respect to the following:
  - (a) Project boundary;
  - (b) Baseline identification;
  - (c) Algorithms and/or formulae used to determine emission reductions;
  - (d) Additionality;
  - (e) Monitoring methodology.
99. The DOE shall determine whether the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents are correctly quoted and applied by comparing them with the actual text of the valid version of these documents,<sup>8</sup> and relevant requirements in the “CDM project standard for programmes of activities”.
100. If the generic CPA is based on a previous versions of a methodology or a standardized baseline and the PoA-DD was published for global stakeholder consultation but was not submitted for registration within the grace period for applying the later version, the DOE shall request the coordinating/managing entity to provide a revised PoA-DD in accordance with the “CDM project cycle procedure for programmes of activities”.
101. The DOE shall request the coordinating/managing entity to provide a revised PoA-DD in accordance with the “CDM project cycle procedure for programmes of activities” if:
  - (a) The PoA-DD has been published for global stakeholder consultation when no applicable approved standardized baseline was valid;
  - (b) An applicable approved standardized baseline whose selection is mandatory has become valid after the publication of the PoA-DD for global stakeholder consultation but before the submission of a request for registration of the proposed CDM PoA;

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<sup>8</sup> An approved methodology, an approved standardized baseline and other applied methodological regulatory documents apply to the proposed generic CPA if the applicability conditions of these documents are met.

- (c) The request for registration has not been submitted within 240 days after the standardized baseline became valid.
102. The DOE shall determine whether the proposed generic CPA meets all the applicability conditions of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents. This shall be done by validating the documentation referred to in the PoA-DD and by verifying that the documentation content is correctly quoted and interpreted in the PoA-DD. If the DOE, based on local and sectoral knowledge, is aware that comparable information is available from credible sources other than that used in the PoA-DD, then the DOE shall cross-check the PoA-DD against other sources to confirm that the generic CPA meets the applicability conditions of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents.
103. For each applicability condition listed in the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents, the DOE shall describe the steps taken to assess the relevant information contained in the PoA-DD against these criteria. The DOE shall state its opinion regarding the applicability of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents to the proposed generic CPA.
104. If the generic CPA in the proposed CDM PoA applies multiple methodologies, the DOE shall assess and state its opinion on whether the methodologies were applied in accordance with the “CDM project standard for programme of activities”.

#### **7.13.3.2. Project boundary, sources and greenhouse gases**

105. The DOE shall determine whether the description of how to define the project boundary of each of the corresponding CPAs, including which sources and GHGs are to be included in the project boundary under which conditions or circumstances in accordance with the applied methodologies and the applied standardized baselines.
106. The DOE shall confirm the description of defining project boundary based on documented evidence and, where conducted, by an on-site inspection.
107. If the applied methodologies and the applied standardized baselines allow the coordinating/managing entity to choose whether a source or gas is to be included within the project boundary, the DOE shall determine whether the coordinating/managing entity has justified that choice. The DOE shall determine whether the justification provided is reasonable, based on an assessment of supporting documented evidence provided by the coordinating/managing entity and corroborated by observations if required.
108. For the proposed generic CPA that has both A/R and non-A/R components, in order to avoid double counting of emission sources, the DOE shall confirm that the emissions associated with the A/R activity will be accounted for and documented by the A/R CPAs.
109. The DOE shall describe how the validation of the project boundary has been performed by detailing the documentation assessed (e.g. a commissioning report) and, where conducted, by describing its observations during any on-site inspection undertaken (i.e. observations of the physical site or equipment used in the process).
110. The DOE shall state whether the description of how to define project boundary of each of the corresponding CPAs and the selected sources and gases are justified for the proposed

generic CPA. Should the DOE identify emission sources that will be affected by the implementation of corresponding CPAs and which are expected to contribute more than 1 per cent of the overall expected average annual GHG emission reductions or net anthropogenic GHG removals, and are not addressed by the applied methodologies or the applied standardized baselines, the DOE shall request a clarification of, revision to, or deviation from the methodologies or the standardized baselines, as appropriate.

#### **7.13.3.3. Baseline scenario**

111. The DOE shall determine whether the description of how to establish the baseline scenario for each of the corresponding CPAs is in accordance with the applied methodologies.
112. The following applies to a proposed generic CPA using an approved standardized baseline that standardizes the baseline scenario instead of paragraph 111 above: The DOE shall determine whether the description of how to establish the baseline scenario for each of the corresponding CPAs is in accordance with the applied standardized baseline.
113. The DOE shall determine whether any procedure contained in the applied methodologies to identify the most reasonable baseline scenario has been correctly applied. If the applied methodologies require the use of methodological tools (such as the “Tool for the demonstration and assessment of additionality” and the “Combined tool to identify the baseline scenario and demonstrate additionality”) to establish the baseline scenario, the DOE shall consult the methodologies on the application of these methodological tools. In such cases, the specific guidance in the methodologies shall supersede the corresponding requirements of the methodological tools.
114. If the applied methodologies require several alternative scenarios to be considered in the identification of the most plausible baseline scenario, the DOE shall, based on financial expertise and local and sectoral knowledge, determine whether all scenarios that are considered by the coordinating/managing entity and any scenarios that are supplementary to those required by the methodologies, are realistic and credible in the context of the proposed generic CPA and that no alternative scenario has been excluded.
115. The DOE shall determine whether the identification of the most plausible baseline scenario is reasonable by validating the assumptions, calculations and rationales used in the generic CPA-DD. It shall determine whether documents and sources referred to in the generic CPA-DD are correctly quoted and interpreted. The DOE shall cross-check the information provided in the generic CPA-DD with other verifiable and credible sources, such as local expert opinion, if available.
116. The DOE shall determine whether the generic CPA-DD provides a description of the technology that would be employed and/or the activities that would take place in the absence of each of the corresponding CPAs.
117. The DOE shall determine whether, drawing on its knowledge of the sector and/or advice from local experts, all applicable CDM rules and requirements have been taken into account in describing the identification of the baseline scenario for each of the corresponding CPAs, as well as relevant national and/or sectoral policies, regulations and circumstances, such as sectoral reform initiatives, local fuel availability, power sector



expansion plans, and the economic situation in the project sector. Two types of national and/or sectoral policies or regulations have to be taken into account:

- (a) National and/or sectoral policies or regulations that give comparative advantages to more emissions-intensive technologies or fuels over less emissions-intensive technologies or fuels, otherwise known as policies that increase GHG emissions, and are called type E+ policies. For this type of national and/or sectoral policies or regulations, only those that have been implemented before the adoption of the Kyoto Protocol by the Conference of the Parties (COP) (decision 1/CP.3, 11 December 1997) shall be taken into account when identifying a baseline scenario. If such national and/or sectoral policies or regulations were implemented since the adoption of the Kyoto Protocol, the baseline scenario shall refer to a hypothetical situation without the national and/or sectoral policies or regulations being in place;
  - (b) National and/or sectoral policies or regulations that give comparative advantages to less emissions-intensive technologies over more emissions-intensive technologies (e.g. public subsidies to promote the diffusion of renewable energy or to finance energy efficiency programmes), otherwise known as policies that decrease GHG emissions, and are called type E-policies. For this type of national and/or sectoral policies or regulations, those that have been implemented since the adoption by the COP of the modalities and procedures for the CDM<sup>9</sup> need not be taken into account in identifying a baseline scenario (i.e. the baseline scenario could refer to a hypothetical situation without the national and/or sectoral policies or regulations being in place).
118. The following applies to a proposed generic CPA using an approved standardized baseline that standardizes the baseline scenario instead of paragraphs 113–117 above: The DOE shall describe whether the description of the identification of the baseline scenario in the generic CPA-DD is in accordance with the selected standardized baseline.
119. The DOE shall describe the steps taken to assess the requirements and state its opinion on whether:
- (a) All the assumptions and data used by the coordinating/managing entity are listed in the generic CPA-DD, including their references and sources;
  - (b) All documentation used is relevant for establishing the baseline scenario and correctly quoted and interpreted in the generic CPA-DD;
  - (c) Assumptions and data used in the identification of the baseline scenario are justified appropriately, supported by evidence and can be deemed reasonable;
  - (d) Relevant national and/or sectoral policies, regulations and circumstances are considered and listed in the generic CPA-DD;
  - (e) The applied methodologies have been correctly followed to describe identification of the most plausible baseline scenario and the description reasonably represents what would occur in the absence of corresponding CPAs.

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<sup>9</sup> Decision 17/CP.7.

- 120. The DOE shall describe other steps taken and sources of information used to cross-check the information contained in the generic CPA-DD.
- 121. The following applies to a proposed generic CPA using an approved standardized baseline that standardizes the baseline scenario instead of paragraphs 119 and 120 above: The DOE shall state its opinion on whether the description of the identification of baseline scenario in the generic CPA-DD is in accordance with the selected standardized baseline.

#### **7.13.3.4. Estimation of emission reductions or net anthropogenic removals**

- 122. The DOE shall determine whether the description of how to undertake the ex ante and ex post calculations of baseline, project and leakage GHG emissions as well as GHG emission reductions to be achieved by each of the corresponding CPAs is in accordance with the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents and, where applicable, the “Standard: Sampling and surveys for CDM project activities and programme of activities”.
- 123. Where the applied methodologies, the applied standardized baselines or the other applied methodological regulatory documents allow for selection between options for equations or parameters, the DOE shall determine whether adequate justification has been provided (based on the choice of the baseline scenario, context of the proposed generic CPA and other evidence provided) and that the correct equations and parameters have been used, in accordance with the applied methodologies,<sup>10</sup> the applied standardized baselines and the other applied methodological regulatory documents.
- 124. The DOE shall verify the justification given in the generic CPA-DD for the choice of data and parameters used in the equations:
  - (a) **Data and parameters fixed ex ante:** If data and parameters will not be monitored throughout the crediting period of the proposed generic CPA but have already been determined and will remain fixed throughout the crediting period, the DOE shall determine whether all data sources and assumptions are appropriate and calculations are correct as applicable to the proposed generic CPA, and will result in an accurate or otherwise conservative estimate of GHG emission reductions. If the applied methodologies require that any of these data and parameters be determined in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”, the DOE shall determine whether the sampling efforts were undertaken in accordance with this standard;
  - (b) **Data and parameters to be monitored:** If data and parameters will be monitored or estimated on implementation and hence become available only after validation of the proposed CDM PoA, the DOE shall determine whether the estimates provided in the generic CPA-DD for these data and parameters are reasonable. If the applied methodologies require that any of these estimates be determined in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”, the DOE shall determine whether the sampling efforts were undertaken in accordance with this standard.

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<sup>10</sup> For a proposed generic CPA that has both A/R and non-A/R components, in order to avoid double counting of emission sources, the emissions associated with A/R activity shall be accounted for and clearly documented by the proposed A/R CPA (see EB 25 report, paragraphs 38 and 48).

125. The DOE shall describe the steps taken to assess the requirements and state its opinion on whether:
- (a) All assumptions and data used by the coordinating/managing entity are listed in the generic CPA-DD, including their references and sources;
  - (b) All documentation used by the coordinating/managing entity as the basis for assumptions and source of data is correctly quoted and interpreted in the generic CPA-DD;
  - (c) All values used in the generic CPA-DD including GWPs are considered reasonable in the context of the proposed generic CPA;
  - (d) The methodologies, the standardized baselines and the other methodological regulatory documents have been applied correctly to calculate baseline, project and leakage GHG emissions as well as GHG emission reductions;
  - (e) All estimates of the baseline GHG emissions can be replicated using the data and parameter values provided in the generic CPA-DD;
  - (f) The sampling efforts were undertaken in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”, where the applied methodologies require that the data and parameters be determined in accordance with this standard.
126. The DOE shall describe how it has verified the data and parameters used in the equations, including references to any other data sources used.

#### **7.13.3.5. Monitoring plan**

##### **7.13.3.5.1. General**

127. ~~If the coordinating/managing entity has included a description of how to develop a monitoring plan in the generic CPA-DD for validation for registration of the proposed CDM PoA, the DOE shall apply the requirements in section 7.13.3.5.2 below.~~
128. ~~If the coordinating/managing entity has chosen to delay the submission of the monitoring plan for the proposed generic CPA, the DOE shall apply the requirements in section 7.13.3.5.3 below.~~

##### **7.13.3.5.2. Validation of the monitoring plan**

129. The DOE shall determine whether the description of how to develop a monitoring plan for each of the corresponding CPAs complies with the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents and, where applicable, the “Standard: Sampling and surveys for CDM project activities and programme of activities”.
130. The DOE shall apply a three-step process to meet the above requirement:
- (a) To assess compliance of the description of how to develop a monitoring plan with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents, the DOE shall:

- (i) Identify the list of parameters required by the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents by means of document review;
  - (ii) Confirm that the description of how to develop a monitoring plan contains all necessary parameters, that they are described, and that the means of monitoring described in the monitoring plan comply with the requirements of the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
- (b) To assess the feasibility of the monitoring plan, the DOE shall, by means of review of the documented procedures, interviews with relevant personnel, project plans and, where conducted, any on-site inspection of the proposed CDM PoA, assess whether:
  - (i) The monitoring arrangements described in the monitoring plan are feasible within the project design;
  - (ii) The means of implementation of the monitoring plan, including the data management and quality assurance and quality control procedures, are sufficient to ensure that GHG emission reductions achieved by/resulting from corresponding CPAs can be reported ex post and verified;
- (c) To determine whether the proposed sampling plan provides parameter value estimates in an unbiased and reliable manner, where the coordinating/managing entity applied a sampling approach to determine data and parameters, the DOE shall assess the proposed sampling plan in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”.

131. The DOE shall:

- (a) State its opinion on the compliance of the description of how to develop a monitoring plan with the requirements of the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents and, where applicable, the “Standard: Sampling and surveys for CDM project activities and programme of activities”;
- (b) Describe the steps undertaken to assess whether the monitoring arrangements described in the monitoring plan are feasible within the project design;
- (c) State its opinion on the coordinating/managing entity’s ability to implement the monitoring plan.

#### **7.13.3.5.3. ~~Delayed validation of monitoring plan~~**

- 132. ~~The DOE shall confirm whether the coordinating/managing entity has chosen to delay the submission of the description of how to develop the monitoring plan.~~
- 133. ~~The DOE shall determine whether the relevant sections in the generic CPA-DD do not contain the information related to the development of the monitoring plan and clearly state that the delayed submission of the description of how to develop the monitoring plan has been chosen by the coordinating/managing entity.~~

134. ~~The DOE shall document the decision taken by the coordinating/managing entity to delay the submission of the description of how to develop the monitoring plan.~~

#### **7.13.4. Crediting period type and duration**

135. The DOE shall determine whether the coordinating/managing entity defined the type and duration of the crediting period applicable to all corresponding CPAs in accordance with the relevant requirements in the “CDM project standard for programmes of activities”.

#### **7.13.5. Eligibility criteria for inclusion of component project activities**

136. The DOE shall assess whether the eligibility criteria for inclusion of corresponding CPAs in the proposed CDM PoA are defined in accordance with the “CDM project standard for programmes of activities”.
137. The DOE shall assess how each eligibility criterion, including the conditions that corresponding CPAs meet the requirement pertaining to the demonstration of additionality, is defined in accordance with the applicable requirements in the “CDM project standard for programme of activities”, and is verifiable as well as sufficiently objective and comprehensive to permit the assessment of the inclusion of corresponding CPAs in the PoA.

#### **7.13.6. Specific validation requirements for small-scale generic component project activities**

##### **7.13.6.1. General**

138. The DOE shall determine whether the proposed generic CPA for small-scale CPAs (hereinafter referred to as generic small-scale CPA) that follows the CDM SSC M&Ps and other CDM rules and requirements for small-scale project activities applies only small-scale approved methodologies. However, for a proposed generic small-scale CPA that is within the small-scale activity threshold but applies a large-scale approved methodology, the DOE shall determine whether this generic CPA follows the CDM M&Ps and other CDM rules and requirements for large-scale project activities.
139. If the coordinating/managing entity developed a CPA inclusion template to include automatically additional CPAs without validation by a DOE in accordance with the “CDM project standard for programme of activities”, the DOE shall determine whether:
- (a) The generic CPA defines the corresponding CPAs to be deemed automatically additional in accordance with the “Methodological tool: Demonstration of additionality of microscale project activities”;
  - (b) The CPA inclusion template has been correctly completed using the valid version the “Component project activity inclusion (CME inclusion) form” (CDM-CPA-INC-CME-FORM).

##### **7.13.6.2. Project activity type and eligibility**

140. The DOE shall determine whether:

- (a) The proposed generic small-scale CPA is within the thresholds of the three possible types of small-scale activities, as defined in the “CDM project standard for programmes of activities”;
- (b) The proposed generic small-scale CPA conforms to one or more of the approved small-scale methodologies applied in conjunction with the “Guideline: General guidelines for SSC CDM methodologies”.

141. The DOE shall state its opinion on whether the proposed generic small-scale CPA is within the thresholds for small-scale project activities.

#### **7.13.6.3. Description of generic small-scale component project activities**

142. The DOE shall:

- (a) Describe the process undertaken to validate the accuracy and completeness of the generic small-scale CPA description;
- (b) State its opinion on the accuracy and completeness of the generic small-scale CPA description.

#### **7.13.6.4. Application of methodologies and standardized baselines**

##### **7.13.6.4.1. General**

143. If the generic small-scale CPA involves more than one component of small-scale project activity, the DOE shall determine whether the generic CPA-DD describes, for each component separately, how to undertake the ex ante and ex post calculations of baseline, project and leakage GHG emissions as well as GHG emission reductions in accordance with the “CDM project standard for programme of activities”.

##### **7.13.6.4.2. Monitoring plan**

144. The DOE shall:

- (a) Describe the process undertaken to validate the accuracy and completeness of the description of how to develop the monitoring plan;
- (b) State its opinion on the accuracy and completeness of the description.

#### **7.13.7. Specific validation requirements for afforestation and reforestation generic component project activities**

##### **7.13.7.1. Addressing non-permanence**

145. The DOE shall determine which approach to address non-permanence (i.e. tCERs or ICERs) is selected in accordance with the relevant provisions in the “CDM project standard for programmes of activities”.

146. The DOE shall confirm whether the approach selected by the coordinating/managing entity to address non-permanence has been specified in the generic CPA-DD.

**7.13.7.2. Application of methodologies and standardized baselines****7.13.7.2.1. Project boundary, carbon pools and greenhouse gases**

147. The DOE shall determine whether the carbon pools to be considered in the proposed generic CPA for A/R CPAs (hereinafter referred to as generic A/R CPA) were selected in accordance with the requirements of the applied methodologies and the applied standardized baselines.
148. The DOE shall confirm that information has been provided to justify the exclusion of certain carbon pools if the applied methodologies and the applied standardized baselines allow for such an option. In doing so, the DOE shall confirm that all documents referred to in the generic CPA-DD are correctly quoted and interpreted. If relevant, the DOE shall cross-check the information provided in the generic CPA-DD with other available information from public sources or local experts.
149. If the applied methodologies and the applied standardized baselines allow for the option to choose whether a carbon pool or GHG is to be excluded from the project boundary, the DOE shall state its opinion on whether the choice complies with the applied methodologies and the applied standardized baselines, and whether the choice is justified.

**7.13.7.2.2. Baseline scenario**

150. The following applies to a proposed generic A/R CPA instead of paragraphs 111 and 116 above: The DOE shall determine whether the description of how to establish the baseline scenario separately for each stratum in each of the corresponding A/R CPAs, including the land use that would occur in the absence of the corresponding A/R CPAs is in accordance with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.
151. The following applies to a proposed generic A/R CPA instead of paragraph 117 above: The DOE shall determine whether, drawing on its knowledge of the sector and/or advice from local experts, all applicable CDM rules and requirements have been taken into account in the description of how to identify the baseline scenario, as well as relevant national and/or sectoral policies, regulations and circumstances, such as historical land use practices, without creating perverse incentives that may impact host Parties' contributions to the ultimate objective of the Convention in the following manner: national and/or sectoral land-use policies or regulations, which give comparative advantages to A/R activities and have been implemented since the adoption by the COP of the modalities and procedures for the CDM,<sup>11</sup> need not be taken into account in the baseline scenario (i.e. the baseline scenario could refer to a hypothetical situation without the national and/or sectoral policies or regulations being in place).

**7.13.7.2.3. Estimation of net anthropogenic removals**

152. The following applies to a proposed generic A/R CPA instead of paragraph 122 above: The DOE shall determine whether the description of how to undertake the ex ante and ex post calculations of baseline and actual net GHG removals by sinks, and leakage, as well as net anthropogenic GHG removals to be achieved by each of the corresponding A/R

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<sup>11</sup> Decision 17/CP.7.

CPAs complies with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.

153. The following applies to a proposed generic A/R CPA instead of paragraph 125(f) above: The DOE shall determine whether sampling efforts were undertaken in accordance with the applied methodologies and the other applied methodological regulatory documents if the coordinating/managing entity applied the sampling approach to determine data and parameters in accordance with the applied methodologies and the other applied methodological regulatory documents.

#### **7.13.7.2.4. Monitoring**

154. The DOE shall determine whether the planning of management activities for each of the corresponding A/R CPAs, including harvesting cycles, and verifications are described such that a systematic coincidence of verification and peaks in carbon stocks would be avoided.
155. The DOE shall review the description of how to plan forest management and monitoring to confirm that a systematic coincidence of verification and peaks in carbon stocks is avoided.
156. The DOE shall describe how the coordinating/managing entity has ensured that a systematic coincidence of verification and peaks in carbon stocks would be avoided.

#### **7.13.7.3. Crediting period type and duration**

157. The DOE shall determine whether the coordinating/managing entity defined the type and duration of the crediting period applicable to all corresponding A/R CPAs in accordance with the relevant requirements in the “CDM project standard for programmes of activities” that are specific to afforestation and reforestation project activities.

#### **7.13.8. Specific validation requirements for generic small-scale afforestation and reforestation component project activities**

158. The DOE shall determine whether the proposed generic CPA for small-scale A/R CPAs:
- (a) Complies with the definition and limit for the small-scale A/R activities;<sup>12</sup>
  - (b) Complies with one of the types of small-scale A/R activities defined in appendix B of the annex to the CDM SSC A/R M&Ps and qualifies to apply one of the approved simplified methodologies for small-scale A/R activities.

#### **7.14. Global stakeholder consultation**

159. The DOE shall determine whether authentic and relevant comments in the global stakeholder consultation were taken into due account in the PoA-DD of the proposed CDM PoA.
160. The DOE shall acknowledge receipt of all submitted comments on the PoA-DD of the proposed CDM PoA.

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<sup>12</sup> See decision 9/CMP.3, which revised decision 5/CMP.1, annex, paragraph 1(i).



161. In case of doubt, the DOE shall determine the authenticity of the name and contact details of the individual or organization on whose behalf the comments have been submitted.
162. Once the DOE has determined which submitted comments are authentic, it shall contact the secretariat to make them publicly available.
163. The DOE shall determine whether the authentic comments are relevant to the following defined scope of comments:
  - (a) The comment discusses issues specific to the proposed CDM PoA;
  - (b) The comment discusses issues related to compliance with the relevant CDM rules and requirements.
164. The DOE shall request the coordinating/managing entity to address all the comments that it determined to be authentic and relevant in accordance with paragraphs 161 and 163 above.
165. If a comment indicates that the proposed CDM PoA does not comply with the CDM rules and requirements but are not substantiated, the DOE shall request a clarification from the entity that provided the comment. Upon receiving the clarification, the DOE shall determine whether a further clarification request is required. If no additional information or substantiation is provided within 14 days of the request for clarification being made, the DOE shall request the coordinating/managing entity to address the comments as originally provided.
166. The DOE shall determine whether changes to the PoA-DD have been made after the publication of the PoA-DD for global stakeholder consultation.
167. A DOE shall make the revised PoA-DD publicly available for global stakeholder consultation in accordance with the “CDM project cycle procedure for programmes of activities” if it determines that:
  - (a) The project participants or the coordinating/managing entity that have a contractual relationship with the DOE have been replaced;
  - (b) Significant changes have been made to the PoA design; or
  - (c) The selected methodologies, the selected standardized baselines and/or the combination thereof have been changed by the coordinating/managing entity, unless the change only involves the removal and no addition of methodologies and/or standardized baselines, and the removal of the methodologies and/or the standardized baselines does not affect the physical design of, and the end-use services provided by, CPAs corresponding to the generic CPAs that apply the methodologies and the standardized baselines that remain (i.e. the methodologies and, where applicable, the standardized baselines that were not removed).
168. If the DOE determines that significant changes have been made to the PoA design, the DOE may seek guidance from the Board on whether the revised PoA-DD shall be published for global stakeholder consultation in accordance with the “CDM project cycle procedure for programmes of activities”.
169. The DOE shall report the details of the actions taken to:

- (a) Authenticate the information on the submitters of the comments in case of doubt;
  - (b) Determine the relevance of the authentic comments to the defined scope of comments;
  - (c) Take due account of the authentic and relevant comments, including dates of receipt, responses by the coordinating/managing entity and responses by the DOE.
170. If the DOE identifies changes to the PoA-DD after its publication for global stakeholder consultation, the DOE shall state its opinion on whether the publication of the revised PoA-DD for global stakeholder consultation was necessary in accordance with paragraph 167 above.

## **7.15. Validation status, outcomes, opinion and report**

### **7.15.1. Validation status and outcomes**

171. The DOE shall provide an update of the status of its validation activity in accordance with the “CDM project cycle procedure for programmes of activities”.

### **7.15.2. Validation opinion**

172. The DOE shall include a statement on the likelihood of the proposed CDM PoA achieving the anticipated GHG emission reductions or net anthropogenic GHG removals stated in the generic CPA-DDs.
173. The DOE shall notify the coordinating/managing entity of the validation outcome. The notification to the coordinating/managing entity shall include:
- (a) A confirmation of validation and date of submission of the validation report as part of the request for registration of the proposed CDM PoA to the Board; or
  - (b) An explanation of reasons for non-acceptance if the proposed CDM PoA, as documented, is determined not to fulfil the requirements for validation.
174. The DOE shall provide either:
- (a) A positive validation opinion in its validation report if the DOE determines that the proposed CDM PoA complies with the applicable CDM rules and requirements; or
  - (b) A negative validation opinion in its validation report explaining the reason for its opinion if the DOE determines that the proposed CDM PoA does not fulfil the applicable CDM rules and requirements.
175. The DOE shall include the following in its opinion:
- (a) A summary of the validation method and process used and the validation criteria applied;
  - (b) A description of programme components or issues not covered by the validation process;
  - (c) A summary of the validation conclusions;

- (d) A statement on whether the proposed CDM PoA meets the applicable CDM rules and requirements.

### **7.15.3. Validation report**

176. The DOE shall report the results of its assessment in the validation report.
177. In its validation report, the DOE shall provide the following:
- (a) A summary of the validation process and its conclusions;
  - (b) Results of the dialogue between the DOE and the coordinating/managing entity, as well as any adjustments made to the PoA design following the stakeholder consultation. It shall reflect the responses to CARs and CLs, identification of FARs, and discussions on and revisions to the programme documentation;
  - (c) All its applied approaches, findings and conclusions on:
    - (i) The completion of the PoA-DD, using the valid version of the applicable form and following instructions therein;
    - (ii) The requirements set out in sections 7.2–7.14 above;
  - (d) A validation opinion;
  - (e) A list of interviewees, documents reviewed, sampling approaches used by the DOE and, where conducted, outline of on-site inspections. Where the DOE applied a sampling approach to the on-site inspection, the DOE shall include a description of how the sample size was determined and how the field check was carried out;
  - (f) Details of the validation team, technical experts and internal technical reviewers involved, together with their roles in the validation activity and, where conducted, details of who conducted the on-site inspection;
  - (g) Information on quality control within the team and in the validation process;
  - (h) Appointment certificates or curricula vitae of the DOE's validation team members, technical experts and internal technical reviewers for the proposed CDM PoA.
178. If the DNA has forwarded complaints from local stakeholders to the DOE during the validation in accordance with paragraph 63 above, the DOE shall, once the request for registration is published on the UNFCCC CDM website, inform the DNA and the complainants of the publication of the validation report.

## **8. Validation for inclusion of component project activities**

### **8.1. General validation requirements**

179. The DOE contracted by the project participations or the coordinating/managing entity to validate a proposed CPA for inclusion in a registered CDM PoA shall be accredited **for the validation function and** in the sectoral scope(s) relevant to the CPA.

180. The DOE shall apply the objectives, approach and means of validation in section 7.1 above *mutatis mutandis* when validating a proposed CPA for inclusion in the registered CDM PoA.
181. The DOE shall assess whether the proposed CPA complies with the corresponding generic CPA-DD in the latest version of the registered PoA-DD, including the eligibility criteria for the inclusion of CPAs in the registered CDM PoA and relevant CDM rules and requirements.
182. If the coordinating/managing entity has chosen to delay the submission of the monitoring plan for the proposed CPA, the DOE shall apply, *mutatis mutandis*, the relevant requirements in section 7.13.3.5.3 above to validate the information related to the monitoring plan in the CPA-DD when assessing the compliance with the requirement in paragraph 181 above.
183. It is mandatory for the DOE to conduct an on-site inspection at validation for the proposed CPA if:
- (a) Its estimated annual average of GHG emission reductions or net anthropogenic GHG removals is more than 100,000 t CO<sub>2</sub> eq; or
  - (b) There is pre-project information that is relevant to the requirements for inclusion of the CPA and may not be traceable after the inclusion.
184. For cases that are not referred to in paragraph 183 above, it is optional for the DOE to conduct an on-site inspection at validation. If the DOE does not conduct an on-site inspection as a means of validation, it shall describe the alternative means used and justify that they are sufficient for the purpose of validation.

## **8.2. General description of component project activity**

185. The DOE shall assess the CPA-DD submitted by the coordinating/managing entity and shall confirm that the proposed CPA has:
- (a) Only one host Party;
  - (b) Its geographic reference or other means of identification;
  - (c) A CPA implementer(s), an entity(ies)/individual(s) responsible for its operation;
  - (d) Been neither registered as a CDM project activity nor included in another registered CDM PoA.
186. The DOE shall determine whether the description of the proposed CPA in the CPA-DD is accurate, complete, and provides an understanding of the proposed CPA.
187. If the proposed CPA involves the alteration of an existing installation or process, the DOE shall assess whether the project description states the differences resulting from the CPA compared to the pre-project situation.
188. If the proposed CPA is in the same geographical location as a registered CDM project activity or an included CPA under a registered CDM PoA whose crediting period has or has not expired (hereinafter referred to as former project), as declared by the coordinating/managing entity in the CPA-DD or based on the finding of the DOE during

validation, the DOE shall confirm that the proposed CPA will not lead to the discontinuation or modification of the former project and will not decrease GHG emission reductions or removals by the former project based on the relevant requirements in the “CDM project standard for programmes of activities”.

189. In the case of the implementation of distributed units in household projects without the relevant requirements in the “CDM project standard for programme of activities” being met, the DOE shall validate and confirm by other means that the proposed CPA will not lead to the discontinuation or modification of the former project and will not decrease GHG emission reductions or removals by the former project, and justify the assessment in its validation report. The DOE shall use its local and sectoral expertise to confirm that there is no overlap of different measures and, where applicable, apply the “Guidelines for the consideration of interactive effects for the application of multiple CDM methodologies for a programme of activities” to address cross-effects.
190. In all other cases, if the coordinating/managing entity has not submitted a communication to the Board to request clarification in accordance with the “CDM project standard for programmes of activities”, the DOE shall submit such communication to the Board in accordance with the “Procedure: Direct communication with stakeholders” prior to including the proposed CPA in a registered CDM PoA.
191. If the proposed CPA has been previously excluded from a registered CDM PoA, the DOE shall assess whether:
  - (a) The CPA-DD transparently declares that the CPA has been previously excluded from the same or different **registered** PoA, either voluntarily or due to erroneous inclusion;
  - (b) The crediting period type (i.e. renewable or fixed) **and the total length of the crediting period (i.e. maximum 21 years for the renewable crediting period type and maximum 10 years for the fixed crediting period type) and its the end date of the crediting period are the same as before those of the crediting period valid for the CPA at the time of the exclusion, noting that CERs may be claimed for the period only from or after the date of re-inclusion, and;**
    - (i) **If the crediting period is renewable, the updated CPA-DD shall be uploaded by the validating DOE within one year of the end-date of the crediting period valid for the CPA at the time of the exclusion, noting that missing the deadline no longer allows the uploading of the updated CPA-DD;**
    - (ii) **If the crediting period is fixed, the updated CPA-DD shall be uploaded by the validating DOE prior to the end-date of the crediting period valid for the CPA at the time of the exclusion, noting that missing the deadline no longer allows the uploading of the updated CPA-DD;**
  - (c) If the crediting period type is renewable and the re-inclusion takes place after the end of the crediting period in which the exclusion occurred, the CPA complies with the corresponding generic CPA-DD in the latest version of the registered PoA-DD, including eligibility criteria for the inclusion of CPAs, and relevant CDM rules and requirements;
  - (d) If the CPA applies an approved methodology that potentially accrues negative GHG emission reductions, GHG emission reductions have been continuously

monitored since the end of the monitoring period in the last published monitoring report, including the exclusion period. For such a CPA, if there were net negative GHG emission reductions during the period before the re-inclusion, the amount shall be deducted from the first requests for issuance after the re-inclusion;

- (e) If the CPA has been excluded as a result of erroneous inclusion, the non-compliance with the requirements for inclusion in the PoA that led to the erroneous inclusion has been rectified and, if certified emission reductions (CERs) have been issued for the CPA, an equivalent amount of Kyoto credits have been compensated by the DOE that erroneously included the CPA or that validated the CPA at its first verification if it was included by the coordinating/managing entity, in the CDM registry in accordance with the “CDM project cycle procedure for programmes of activities”.

192. The DOE shall:

- (a) Describe the process undertaken to validate the accuracy and completeness of the description in the CPA-DD;
- (b) State its opinion on the accuracy and completeness of the description in the CPA-DD.

### **8.3. Application of methodologies and standardized baselines**

#### **8.3.1. Reference to methodologies and standardized baselines**

193. The DOE shall describe the steps taken to assess and state its opinion on the applicability of the selected methodologies, the selected standardized baselines and the other applied methodological regulatory documents to the CPA as specified in the corresponding generic CPA.

#### **8.3.2. Project boundary, sources and greenhouse gases**

194. The DOE shall describe the steps taken to assess and state its opinion on sources and GHGs included in the CPA boundary for the purpose of calculating project emissions and baseline emissions in accordance with the modalities in the corresponding generic CPA.

#### **8.3.3. Baseline scenario**

195. The DOE shall assess the baseline scenario established and described for the proposed CPA in accordance with the modalities in the corresponding generic CPA.

196. In the case of the replacement of existing equipment, the DOE shall determine whether the coordinating/managing entity estimated the point in time when the existing equipment would be replaced in the absence of the proposed CPA in accordance with the “Tool to determine the remaining lifetime of equipment”.

#### **8.3.4. Estimation of emission reductions or net anthropogenic removals**

197. The DOE shall describe the steps taken to assess:

- (a) The equations and parameters applied to calculate GHG emission reductions or net anthropogenic GHG removals for the CPA in accordance with the modalities in the corresponding generic CPA;
- (b) The data and parameters fixed ex ante that are used in the equations to calculate GHG emission reductions or net anthropogenic GHG removals for the CPA in accordance with the modalities in the corresponding generic CPA;
- (c) The methodologies and, where applicable, the standardized baselines and the other methodological regulatory documents have been applied correctly to calculate baseline, project and leakage GHG emissions as well as GHG emission reductions or net anthropogenic GHG removals in accordance with the modalities in the corresponding generic CPA;
- (d) The ex ante estimates of baseline, project and leakage GHG emissions as well as GHG emission reductions or net anthropogenic GHG removals, including whether the estimates can be replicated, in accordance with the modalities in the corresponding generic CPA.

#### **8.3.5. Monitoring plan**

198. The DOE shall determine whether the coordinating/managing entity chose to delay the submission of the monitoring plan. If so, the DOE shall confirm that the coordinating/managing entity clearly stated the delay in the CPA-DD. Otherwise, the DOE shall describe:
- (a) How the data and parameters to be monitored or estimated on implementation that are used in the equations to calculate GHG emission reductions or net anthropogenic GHG removals for the CPA were assessed in accordance with the modalities in the corresponding generic CPA;
  - (b) How the description of the monitoring plan was assessed in accordance with the modalities in the corresponding generic CPA.

#### **8.4. Start date, crediting period type and duration**

199. The DOE shall determine whether the coordinating/managing entity specified the following ~~on the start date and crediting period type and duration of the proposed CPA~~ in accordance with relevant requirements in the “CDM project standard for programmes of activities”:
- (a) Start date of the proposed CPA;
  - (a)<sub>bis</sub> Reference to the notification to the secretariat of the intention for the proposed CPA to be included in a registered CDM PoA, submitted, if applicable, in accordance with the “CDM project cycle procedure for programmes of activities”;
  - (b) Expected operational lifetime;
  - (c) Type and duration of the crediting period;
  - (d) Start date of the crediting period.

200. The DOE shall confirm that the start date of any proposed CPA is on or after the start date of the registered CDM PoA. Exceptions apply to proposed A/R CPAs, i.e. the exceptions indicated for proposed A/R CDM project activities in relevant requirements in the “CDM project standard for project activities” also apply to proposed A/R CPAs. Any A/R project activity that started after 1 January 2000 but has not been registered as a CDM project activity may be included as a CPA in a registered A/R PoA after 31 December 2005 as long as the first verification of the A/R CPA occurs after the date of inclusion of this CPA, and the included A/R CPA can accrue temporary certified emission reductions (tCERs) or long-term certified emission reductions (ICERs) as of the starting date.
201. The DOE shall assess the start date and crediting period type and duration specified in the CPA-DD by means of a document review, use of official sources and its local and sectoral expertise, interviews with relevant personnel and/or, where conducted in accordance with paragraph 183 or 184 above, on-site inspection(s).
202. The DOE shall describe the steps taken to assess and state its opinion on the compliance of the start date and crediting period type and duration specified in the CPA-DD with the relevant requirements in the “CDM project standard for programmes of activities”.

## **8.5. Environmental impacts**

203. If the coordinating/managing entity has chosen to carry out the analysis of environmental impacts at the CPA level, the DOE shall assess the analysis and, if considered significant by the coordinating/managing entity or by the host Party, the environment impact assessment in accordance with the applicable requirements in section 7.7 above.

## **8.6. Local stakeholder consultation**

204. If the coordinating/managing entity has chosen to carry out the local stakeholder consultation process at the CPA level, the DOE shall assess whether the local stakeholder consultation process was carried out in accordance with the applicable requirements in section 7.9 above.

## **8.7. Eligibility for inclusion**

205. The DOE shall assess whether the proposed CPA complies with the eligibility criteria for the inclusion of CPAs defined for the corresponding generic CPA.

## **8.8. Specific requirements for small-scale component project activities**

### **8.8.1. Debundling of component project activity**

206. The DOE shall determine whether the proposed small-scale CPA is not a debundled component of a large-scale activity in accordance with the “Methodological tool: Assessment of debundling for small-scale project activities”.
207. If each of the independent subsystems/measures (e.g. biogas digester, solar home system) included in the proposed CPA is no larger than 1 per cent of the small-scale thresholds defined by the methodology applied (i.e. 150 kW installed capacity or 0.6 GWh annual energy savings or 0.6 kt CO<sub>2</sub> eq annual emission reductions), then that CPA is exempted from the debundling check, meaning it is considered as not being a debundled component of a large-scale activity.



208. The DOE shall determine the proposed small-scale CPA to be a debundled component of a large-scale activity if there is already an activity<sup>13</sup> that satisfies both conditions (a) and (b) below:
- (a) The activity has the same activity implementer as the proposed small-scale CPA, or has the same coordinating/managing entity managing another registered CDM PoA that includes only large-scale CPAs of the same technology/measure;
  - (b) The boundary of the activity is within 1 km of the boundary of the proposed small-scale CPA at the closest point.
209. The DOE shall state its conclusion and specific details on how it assessed whether a proposed small-scale CPA is not a debundled component of a large-scale activity.

### **8.8.2. Environmental impacts**

210. If the coordinating/managing entity chose to conduct an analysis of environmental impacts at the CPA level, the following applies to a proposed small-scale CPA instead of paragraphs 51 and 52 above: The DOE shall determine whether the coordinating/managing entity conducted an analysis of the environmental impacts of the proposed small-scale CPA if required by the host Party.
211. The following applies to a proposed small-scale CPA instead of paragraph 54 above: The DOE shall indicate whether the coordinating/managing entity has undertaken an analysis of environmental impacts if required by the host Party.

## **8.9. Specific requirements for afforestation and reforestation component project activities**

### **8.9.1. Description of component project activity**

212. The DOE shall describe how the description of the A/R CPA was assessed in accordance with the corresponding generic A/R CPA.

### **8.9.2. Project boundary**

213. Paragraphs 214–217 below apply to the proposed A/R CPA instead of paragraphs 105–110 above.
214. The DOE shall confirm whether the CPA-DD contains a description of the project boundary that delineates discrete areas of land planned for the proposed A/R CPA under the control of the CPA implementer.<sup>14</sup>
215. The DOE shall, through document review and/or interviews, determine whether the CPA implementer, for all areas of land planned for the proposed A/R CPA:
- (a) Has already established control over afforestation or reforestation activity; or
  - (b) Has control over afforestation or reforestation.

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<sup>13</sup> Which may be (i) an included small-scale CPA, (ii) another proposed small-scale CPA or (iii) another registered CDM project activity.

<sup>14</sup> The proposed A/R CPA may contain more than one discrete area of land.

216. The DOE shall confirm that the control has included at minimum the exclusive right, defined in a way acceptable under the legal system of the host Party, to perform the afforestation or reforestation activity with the aim of achieving net anthropogenic GHG removals by sinks. If the total number of documents to be reviewed and persons/entities to be interviewed is 10 or more, then the DOE may apply a sampling approach.
217. The DOE shall describe the documentation assessed and/or oral statements made by persons interviewed (if any) and determine their acceptability under the legal system of the host Party. If the DOE has applied a sampling approach, it shall also describe how many sites have been assessed and how these sites were selected.

#### **8.9.3. Eligibility of land**

218. The DOE shall confirm that the land within the planned project boundary is eligible for the proposed A/R CPA.
219. The DOE shall validate the above requirement based on a review of information that reliably discriminates between forest and non-forest land according to the particular thresholds adopted by the host Party<sup>15</sup> and, where conducted in accordance with paragraph 183 or 184 above, an on-site inspection.
220. The DOE shall describe how the validation of the eligibility of the land has been performed by detailing the data sources assessed and, where conducted in accordance with paragraph 183 or 184 above, by describing its observations during the on-site inspection. The DOE shall state its opinion on whether the entire land within the project boundary is eligible for the proposed A/R CPA.

#### **8.9.4. Addressing non-permanence**

221. The DOE shall confirm that the coordinating/managing entity specified the approach selected to address non-permanence.
222. The DOE shall review the CPA-DD to ensure an approach to address non-permanence is selected in accordance with the corresponding generic CPA.
223. The DOE shall confirm whether the approach selected by the coordinating/managing entity to address non-permanence has been specified in the CPA-DD.

#### **8.9.5. Application of methodologies and standardized baselines**

224. The DOE shall determine whether the carbon pools to be considered in the proposed A/R CPA were selected in accordance with the corresponding generic A/R CPA.
225. The DOE shall determine whether the baseline for the proposed A/R CPA is identified in accordance with the corresponding generic A/R CPA.
226. The DOE shall determine whether, drawing on its knowledge of the sector and/or advice from local experts, all applicable CDM rules and requirements as well as relevant national and/or sectoral policies, regulations and circumstances have been taken into account in

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<sup>15</sup> Exemplary sources are listed in the “A/R Methodological tool: Demonstration of eligibility of lands for A/R CDM project activities”.

the identification of the baseline scenario for the proposed A/R CPA, in accordance with the corresponding generic A/R CPA.

227. The DOE shall determine whether the steps were taken and the equations and parameters were applied in the CPA-DD to calculate baseline net GHG removals by sinks, actual net GHG removals by sinks, leakage, and net anthropogenic GHG removals by sinks in accordance with the corresponding generic A/R CPA.
228. The DOE shall determine whether sampling efforts were undertaken in accordance with the corresponding generic A/R CPA.

#### **8.9.6. Crediting period type and duration**

229. The DOE shall describe the steps taken to assess and state its opinion on the compliance of the information contained in the CPA-DD with the corresponding generic A/R CPA.

#### **8.9.7. Environmental impacts**

230. If the coordinating/managing entity chose to carry out an analysis of environmental impacts of the A/R CDM PoA at the CPA level, the DOE shall validate the documentation received from the coordinating/managing entity on the analysis, including impacts on biodiversity and natural ecosystems and impacts outside the project boundary of the proposed A/R CPA.
231. The DOE shall confirm the above requirement by means of a document review and/or using local official sources and expertise.
232. If the above-mentioned analysis leads to the conclusion that a negative impact that may be considered significant by the coordinating/managing entity or the host Party has been detected, then the DOE shall determine whether an environmental impact assessment has been undertaken in accordance with relevant host Party regulations, and the outcome of such impact assessment is summarized in the CPA-DD.
233. The DOE shall state whether the coordinating/managing entity has undertaken an analysis of the environmental impacts and, if considered significant by the coordinating/managing entity or the host Party, an environmental impact assessment in accordance with relevant host Party regulations.
234. The DOE shall also state whether the outcome of such impact assessment has been summarized in the CPA-DD and whether a description of the planned monitoring and remedial measures to address the negative impacts has been included in the CPA-DD.

#### **8.9.8. Socio-economic impacts**

235. If the coordinating/managing entity chose to carry out an analysis of the major socio-economic impacts of the A/R CDM PoA at the CPA level, the DOE shall validate the documentation received from the coordinating/managing entity on the analysis, including impacts outside the project boundary of the proposed A/R CPA.
236. The DOE shall confirm the above requirement by means of a document review and/or using local official sources and expertise.
237. If the above-mentioned analysis leads to the conclusion that a negative impact that may be considered significant by the coordinating/managing entity or the host Party has been

detected, then the DOE shall determine whether a socio-economic impact assessment has been undertaken in accordance with relevant host Party regulations, and the outcome of such impact assessment is summarized in the CPA-DD.

238. The DOE shall state whether the coordinating/managing entity has undertaken an analysis of the socio-economic impacts and, if considered significant by the coordinating/managing entity or the host Party, a socio-economic impact assessment in accordance with relevant host Party regulations.
239. The DOE shall also state whether the outcome of such impact assessment has been summarized in the CPA-DD and whether a description of the planned monitoring and remedial measures to address the negative impacts has been included in the CPA-DD.

#### **8.10. Specific requirements for small-scale afforestation and reforestation component project activities**

240. The DOE shall determine whether the proposed small-scale A/R CPA:
- (a) Complies with the definition and limit for the small-scale A/R activities;<sup>16</sup>
  - (b) Complies with one of the types of small-scale A/R activities defined in appendix B of the CDM SSC A/R M&Ps and qualifies to apply one of the approved simplified methodologies for small-scale A/R activities;
  - (c) Is not a debundled component of a large-scale A/R CDM activity in accordance with the rules defined in appendix C of the CDM SSC A/R M&Ps;
  - (d) Has been developed or implemented by low-income communities and individuals as confirmed by the host Party.<sup>17</sup>

#### **8.11. Validation opinion and report**

##### **8.11.1. Validation opinion**

241. If the DOE determines that the proposed CPA complies with the corresponding generic CPA-DD in the latest version of the registered PoA-DD and relevant CDM rules and requirements, the DOE shall issue a positive validation opinion and include the CPA in the registered CDM PoA in accordance with the “CDM project cycle procedure for programmes of activities”.
242. If the DOE determines that the proposed CPA does not comply with the corresponding generic CPA-DD in the latest version of the registered PoA-DD or relevant CDM rules and requirements, the DOE shall issue a negative validation opinion.

##### **8.11.2. Validation report**

243. In its validation report for the inclusion of the proposed CPA in the registered CDM PoA, the DOE shall:
- (a) Provide all its applied approaches, findings and conclusion on:

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<sup>16</sup> See decision 9/CMP.3, which revised decision 5/CMP.1, annex, paragraph 1(i).

<sup>17</sup> See decision 5/CMP.1, annex paragraph 1(i).

- (i) The completion of the CPA-DD, using the valid version of the applicable form and following instructions therein;
  - (ii) The requirements relevant to the inclusion of the CPA in the PoA referred to in paragraphs 181 and 182 above;
- (b) Report on all items listed in paragraph 177 above except sub-paragraph 177(c) above.

## **9. Validation of post-registration changes**

### **9.1. General validation requirements**

- 244. The DOE contracted by the coordinating/managing entity to validate proposed or actual post-registration changes to the registered CDM PoA or an included CPA shall be accredited ~~for the validation function and~~ in the sectoral scope(s) relevant to the PoA or the CPA, respectively.
- 245. The DOE shall apply the objectives, approach and means of validation in section 7.1 above mutatis mutandis when validating the post-registration changes to the registered CDM PoA or an included CPA.
- 246. If the DOE determines that the proposed or actual post-registration changes to the registered CDM PoA or an included CPA comply with the relevant CDM rules and requirements, the DOE shall issue a positive validation opinion. For the post-registration changes to the PoA on which a positive validation opinion was issued, the DOE shall, based on the request from the coordinating/managing entity, submit a request for approval of the changes either under the prior-approval track or under the issuance track in accordance with the “CDM project cycle procedure for programmes of activities”. For the post-registration changes to the CPA on which a positive validation opinion was issued, the DOE shall notify the change to the secretariat in accordance with the “CDM project cycle procedure for programmes of activities”.
- 247. If the DOE determines that the proposed or actual post-registration changes to the registered CDM PoA or an included CPA do not comply with the relevant CDM rules and requirements, the DOE shall issue a negative validation opinion.
- 248. The DOE shall determine whether the revised PoA-DD (with its revised generic CPA-DD part) or revised CPA-DD reflecting the post-registration changes were prepared in both track-change and clean versions, and were completed using the valid version of the applicable PoA-DD or CPA-DD form.
- 249. If the coordinating/managing entity used a later valid version of the PoA-DD or the CPA-DD form for preparing the revised PoA-DD or revised CPA-DD than the version used for the registered PoA-DD or included CPA-DD, the DOE shall determine whether the information transferred to the later valid version of the form is materially the same as that in the registered PoA-DD or included CPA-DD.
- 250. In its validation report for the post-registration changes, the DOE shall:
  - (a) Provide all its applied approaches, findings and conclusion on:

- (i) The compliance of the revised PoA-DD or the revised CPA-DD with the valid version of the applicable form(s) and instructions therein, as applicable;
- (ii) Whether the information transferred to the later valid version of the PoA-DD or the CPA-DD form is materially the same as that in the registered PoA-DD or included CPA-DD, as applicable;
- (iii) The requirements relevant to the proposed or actual post-registration changes in sections 9.2–9.3 below;

(b) Report on all items listed in paragraph 177 above except paragraph 177(c) above.

## **9.2. Temporary deviations from the registered monitoring plan, applied methodologies, standardized baselines or other methodological regulatory documents**

251. The DOE shall determine whether there is a temporary deviation from the monitoring plans in the included CPA-DDs (hereinafter referred to as the registered monitoring plans), the applied methodologies, the applied standardized baselines or the other applied methodological regulatory documents, and, if there is, determine whether the deviation complies with the relevant requirements in the “CDM project standard for programmes of activities”.
252. If the DOE identifies that the coordinating/managing entity has temporarily deviated from the registered monitoring plans, the applied methodologies, the applied standardized baselines or the other applied methodological regulatory documents, the DOE shall determine whether the coordinating/managing entity has **described the nature, extent and duration of the non-conforming monitoring period, and** proposed alternative monitoring arrangements or applied the most conservative values approach referred to in the “CDM project standard for programmes of activities” for the non-conforming monitoring period.
253. If the DOE determines that the coordinating/managing entity has proposed alternative monitoring arrangements **for the non-conforming monitoring period**, it shall determine whether the arrangements apply conservative assumptions or discount factors to the calculations to the extent required to ensure that GHG emission reductions or net anthropogenic GHG removals will not be overestimated as a result of the deviation.
254. For cases where a deviation from the registered monitoring plan, the applied methodologies, ~~or~~ the applied standardized baselines **or the other applied methodological regulatory documents** may be applicable to the monitoring period under verification and part of the **previous or** subsequent monitoring period, the DOE shall determine the exact period to which the deviation applies.
255. The DOE shall state its opinion on whether the deviation complies with the relevant requirements in the “CDM project standard for programmes of activities”.

## **9.3. Permanent changes**

### **9.3.1. Corrections**

256. The DOE shall determine whether there are any corrections to the information or parameters fixed at registration of the CDM PoA or inclusion of a CPA as described in the

registered PoA-DD or included CPA-DD, and whether the coordinating/managing entity documented them in a revised PoA-DD or CPA-DD.

257. If the DOE identifies that there is a correction, the DOE shall determine whether:

- (a) The corrected information is an accurate reflection of actual information; or
- (b) The corrected parameters are in accordance with the applied methodologies, the registered monitoring plan, the applied standardized baselines and the other applied methodological regulatory documents.

258. The DOE shall state how the corrected information accurately reflects the actual information or how the corrected parameters reflect the application of the applied methodologies, the registered monitoring plan, the applied standardized baselines and the other applied methodological regulatory documents.

### **9.3.2. Changes to the start date of the crediting period of component project activities**

259. If the coordinating/managing entity wishes to change the start date of the crediting period of an included CPA, the DOE shall determine whether the proposed change complies with the relevant requirements in the “CDM project standard for programmes of activities”.

260. The DOE shall state its opinion on whether the change complies with the relevant requirements in the “CDM project standard for programmes of activities”.

### **9.3.3. Inclusion of monitoring plan**

261. The DOE shall determine whether there is a monitoring plan that has been proposed to be included ~~in the registered PoA-DD or~~ in the ~~included~~ CPA-DD of an included CPA for which the delayed submission of the monitoring plan was chosen by the coordinating/managing entity at the time of ~~the registration of the PoA or~~ the inclusion of the CPA, and, if there is, determine whether the monitoring plan ~~of the CPA~~ complies with the relevant requirements in the “CDM project standard for programmes of activities”.

262. The DOE shall confirm that ~~the registered PoA-DD or the included~~ CPA-DD does not contain the information related to the monitoring plan ~~for the CPA~~ and states the decision of the coordinating/managing entity to delay the submission of the monitoring plan.

263. The DOE shall follow the relevant requirements related to validation of the monitoring plan in section 7.13.3.5.2 above to validate the monitoring plan ~~for the CPA~~ in the revised ~~PoA-DD or~~ CPA-DD.

264. The DOE shall state its opinion on whether the monitoring plan in the revised ~~PoA-DD or~~ CPA-DD complies with the relevant requirements in the “CDM project standard for programmes of activities”.

### **9.3.4. Permanent changes to the registered monitoring plan, or permanent deviation of monitoring from the applied methodologies, standardized baselines or other applied methodological regulatory documents**

265. The DOE shall determine whether there are permanent changes to the registered monitoring plans, or whether the monitoring permanently deviates from the applied methodologies, the applied standardized baselines, or the other applied methodological regulatory documents and, if there are, determine whether ~~the coordinating/managing~~

entity has described the nature and extent of the non-conforming monitoring and the proposed alternative monitoring for the CPAs in the revised CPA-DDs, ~~the permanent changes or deviation and the proposed alternative monitoring~~ complies with the relevant requirements in the “CDM project standard for programmes of activities”.

266. The DOE shall determine whether the permanent changes to the registered monitoring plans described in the revised ~~PoA-DD or CPA-DDs~~ are in line with the description of how to develop the monitoring plan for each of the corresponding CPAs in the PoA-DD and are in compliance with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents, ~~and do not reduce the level of accuracy of the monitoring compared with the requirements contained in the registered monitoring plan.~~

266<sub>bis</sub>. The DOE shall determine whether the permanent deviation of monitoring from the applied methodologies, the applied standardized baselines, or the other applied methodological regulatory documents described in the CPA-DDs are in line with the description of how to develop the monitoring plan for each of the corresponding CPAs in the PoA-DD.

266<sub>ter</sub>. If the DOE determines that the permanent changes or the permanent deviation described in the revised CPA-DDs referred to in paragraph 266 and 266<sub>bis</sub> above are not in line with the description of how to develop the monitoring plan for each of the corresponding CPAs in the PoA-DD, the DOE shall request the coordinating/managing entity to prepare a revised PoA-DD to accommodate the permanent changes or permanent deviation for approval by the Board first. Upon such revision of the PoA-DD, the DOE shall determine whether the revised description is in compliance with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents. If the revised description deviates from them, the DOE shall determine whether the conservative assumptions or discount factors are applied.

267. The DOE shall determine whether the permanent changes to the registered monitoring plans or the permanent deviation of the monitoring from the applied methodologies, ~~the applied~~ standardized baselines, or other applied methodological regulatory documents are likely to lead to a reduction in the accuracy of the calculation of GHG emission reductions or net anthropogenic GHG removals. If the DOE considers that the permanent changes or the permanent deviation will lead to a reduction in the accuracy of the calculation, the DOE shall request the coordinating/managing entity to apply conservative assumptions or discount factors to the calculations to the extent required to ensure that GHG emission reductions or net anthropogenic GHG removals will not be overestimated as a result of the permanent change or the permanent deviation.

268. The DOE shall state its opinion on whether the permanent changes or the permanent deviation comply with the relevant requirements in the “CDM project standard for programmes of activities”.

### 9.3.5. Changes to the programme or project design

269. The DOE shall determine whether there are proposed or actual changes to the design of a registered CDM PoA or to the design of an included CPA, and, if there are, determine whether the changes comply with the relevant requirements in the “CDM project standard for programmes of activities”.



270. The DOE shall determine whether the design of the registered CDM PoA has been amended post-registration for one or more of the following purposes:
- (a) To expand the geographic coverage or to include additional host Parties;
  - (b) To revise the eligibility criteria for the inclusion of CPAs;
  - (c) To remove methodologies and/or standardized baselines from the registered PoA-DD;
  - (d) To change the capacity range specified in the originally registered PoA-DD;
  - (e) To add new components or extend/add technologies/measures;
  - (f) To remove a component or technology/measure described in the registered PoA-DD;
  - (g) To change the technologies/measures specified in the originally registered PoA-DD;
  - (h) To make any consequential changes to the application of methodologies and/or the standardized baselines resulting from the changes referred to in subparagraphs (a)–(g) above;
  - (i) To voluntarily update the applied methodologies to be a later valid version of the same methodologies or change to another methodology.
271. If the registered CDM PoA has been amended to expand the geographic coverage or to include additional host Parties, the DOE shall assess and confirm that:
- (a) The registered PoA-DD has been revised to reflect the changes, in particular the eligibility criteria for inclusion of CPAs;
  - (b) The baseline established in the PoA-DD is applicable to the expanded PoA boundary;
  - (c) In the case of inclusion of additional host Parties, each DNA of the new host Parties issued a letter of approval in accordance with the relevant requirements in section 7.11 above where the amended PoA boundary includes additional host Parties.
272. If the registered CDM PoA has been amended to revise the eligibility criteria for the inclusion of CPAs, the DOE shall assess and confirm that:
- (a) The revision of the eligibility criteria complies with provisions and conditions set out in the “CDM project standard for programmes of activities”. If the revision does not fall under any of the categories specified in the “CDM project standard for programmes of activities”, the DOE shall direct the coordinating/managing entity to seek guidance from the Board on the appropriateness of the revision in accordance with the “Procedure: Direct communication with stakeholders”;
  - (b) The revised eligibility criteria meet the requirements of the methodologies and the standardized baselines that are applied in the PoA;
  - (c) The registered PoA-DD is revised appropriately to reflect the revised eligibility criteria for inclusion of CPAs.

273. If the registered CDM PoA has been amended to remove methodologies and/or standardized baselines, the DOE shall assess and confirm that:
- (a) The change only involves the removal and no addition of methodologies and/or standardized baselines;
  - (b) The removal of the methodologies and/or the standardized baselines does not affect the physical design of, and the end-use service provided by, the CPAs that apply the methodologies and the standardized baselines that remain (i.e. the methodologies and the standardized baselines that were not removed).
274. If the registered CDM PoA has been amended to change the capacity range specified in the registered PoA-DD, the DOE shall assess and confirm that the change does not disqualify the applicability of the applied methodologies, applied standardized baselines and the other applied methodological regulatory documents.
275. If the registered CDM PoA has been amended to add new components or extend/add technologies/measures, the DOE shall assess and confirm that the change introduces complementary technologies/measures involving mass and/or energy transfer to/from the original technologies/measures (e.g. addition or change of Type I methodologies in a registered PoA-DD primarily applying Type III methodologies).
276. If the registered CDM PoA has been amended to remove a component or technology/measure described in the registered PoA-DD, the DOE shall assess and confirm that the removal of the component or technology/measure does not remove the applicability of the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
277. If the registered CDM PoA has been amended to change the technologies/measures specified in the originally registered PoA-DD, the DOE shall assess and confirm that the change only results in the same technologies/measures as in the registered technologies/measures as per the definition of “the same technologies” in the “CDM project standard for programme of activities”.
278. If the design of an included CPA has been changed, the DOE shall assess and confirm that:
- (a) If the corresponding generic CPA uses large-scale methodologies, whether the reason for the increase in the capacity, if applicable, is not within the control of the coordinating/managing entity. If the reason is within the control, the revised estimation of emission reductions due to the change is within the applicable limit allowed in accordance with the “CDM project standard for programmes of activities”;
  - (b) If the corresponding generic CPA uses only small-scale methodologies, whether the resulting increased capacity is within the threshold for the corresponding small-scale project type (i.e. Type I, II or III);
  - (c) The increase or decrease in the capacity specified in the originally included CPA-DD falls within the capacity range of the corresponding generic CPA;
  - (d) The new components or extended/added technologies/measures are covered by the corresponding generic CPA in the registered PoA-DD and introduce

- complementary technologies/measures involving mass and/or energy transfer to/from the technologies/measures described in the originally included CPA-DD;
- (e) The modified/changed technologies/measures are covered by the corresponding generic CPA and result in the same technologies/measures as in the originally included CPA-DD as per the definition of “the same technologies” in “CDM project standard for programme of activities”;
  - (f) The included CPA with the changes is within the scope of the corresponding generic CPA;
  - (g) The eligibility criteria for these technologies/measures are specified in the corresponding generic CPA.
279. When conducting the validations referred to in paragraphs 274–278 above, in case of actual changes, the DOE shall, by means of an on-site inspection (where conducted in accordance with paragraph 183 or 184 above) and a review of the revised PoA-DD or CPA-DD submitted by the coordinating/managing entity that describes the nature and extent of the actual changes, determine whether this description accurately reflects the implementation, operation and monitoring of the modified PoA or CPA.
280. When conducting the validations referred to in paragraphs 274–278 above, by means of an on-site inspection or other means of validation carried out in accordance with paragraph 183 or 184 above, the DOE shall assess the impacts of the actual changes on the monitoring plan, the level of accuracy of the monitoring activity, the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.
281. The DOE shall, by means of reviewing the revised PoA-DD or CPA-DD against applicable additionality and **other** methodological requirements, determine whether the proposed or actual changes would adversely affect the conclusions of the validation report on the registered CDM PoA or the included CPA with regard to:
- (a) The applicability and application of the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents with which the PoA or CPA has been registered or included;
  - (b) The compliance of the monitoring plan with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
  - (c) The level of accuracy and completeness **in** of the monitoring of the PoA or the CPA;
  - (d) The additionality of the PoA or CPA;
  - (e) The scale of the CPA;
  - (f) The eligibility criteria for inclusion of CPAs in the PoA.
282. If the DOE determines that the proposed or actual changes affect the additionality of the registered CDM PoA or included CPA, the DOE shall determine whether the

demonstration of the impacts of the changes on the additionality is based on all original input data. In addition, the DOE shall determine whether:

- (a) If investment analysis was used to demonstrate additionality, the coordinating/managing entity has only modified the key parameters in the original spreadsheet calculations affected by the proposed or actual changes to the PoA or CPA; or
  - (b) If only barriers were claimed to demonstrate additionality, the coordinating/managing entity has demonstrated that the barriers are still valid under the new circumstances.
283. Notwithstanding of paragraph 282 above, if the PoA or CPA uses an approved standardized baseline that standardizes additionality, and if the proposed or actual changes affect the additionality of the PoA or CPA, the DOE shall determine whether the demonstration of the impacts of the changes on the additionality is based on the additionality criteria (e.g. positive lists of technologies) identified in the applied standardized baseline.
284. The DOE shall assess whether the revised PoA-DD or CPA-DD complies with all the requirements of the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.
285. If the applied methodologies and/or standardized baselines have been updated to a later valid version of them, or changed to other methodologies or standardized baselines, the DOE shall confirm that the revised PoA-DD meets all requirements of the updated/changed methodologies, including the standards, methodological tools and guidelines applied in accordance with the updated/changed methodologies, and/or the updated/changed standardized baselines.
286. The DOE shall state its opinion on whether the proposed or actual changes comply with the relevant requirements in the “CDM project standard for programmes of activities”.
287. The DOE shall state its opinion on:
- (a) A description of the proposed or actual changes as compared to the description in the registered PoA-DD or included CPA-DD;
  - (b) An assessment on when the changes occurred, reasons for these changes taking place, whether the changes would have been known prior to the registration of the CDM PoA or inclusion of the CPA, how the changes would impact on the overall operation/ability of the PoA or CPA to deliver GHG emission reductions or net anthropogenic GHG removals as stated in the PoA-DD or the CPA-DD, and whether the revised estimation of emission reductions due to the changes are within the applicable limits allowed in accordance with the “CDM project standard for programmes of activities”;
  - (c) An assessment regarding whether the changes would adversely affect the conclusions of the validation report on the registered CDM PoA or the included CPA with regard to:
    - (i) The applicability and application of (1) the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents with which the PoA or CPA has been registered or included; (2)

the later valid version of the applied methodologies, the applied standardized baselines and/or the other applied methodological regulatory documents; or (3) other methodologies and/or standardized baselines that the PoA or CPA has been updated/changed to;

- (ii) The project boundary of the CPA and any associated leakages due to the changes;
- (iii) The compliance of the monitoring plan with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
- (iv) The level of accuracy and completeness in the monitoring of the PoA or the CPA compared with the requirements contained in the registered monitoring plan;
- (v) The additionality of the PoA or CPA;
- (vi) The scale of the CPA;
- (vii) The eligibility criteria for inclusion of CPAs in the PoA.

288. In validating the revised PoA-DD or CPA-DD containing the proposed or actual changes, and in preparing the opinion, the DOE shall include information on how:

- (a) The proposed revision ensures that the level of accuracy and completeness<sup>18</sup> in the monitoring and verification process is not reduced as a result of the revision. The DOE shall, using objective evidence, assess the accuracy and completeness of each proposed revision to the registered monitoring plan, including the frequency of measurements, the quality of monitoring equipment (e.g. calibration requirements and the quality assurance and quality control procedures);
- (b) The proposed revision complies with all requirements of:
  - (i) The applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents; or
  - (ii) The updated/changed methodologies including the standards, methodological tools and guidelines applied in accordance with the updated/changed methodologies, and/or the updated/changed standardized baselines if the applied methodologies and/or standardized baselines have been updated to a later valid version of them or changed to other methodologies or standardized baselines;
- (c) The findings of previous verification and certification reports, if any, have been taken into account.

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<sup>18</sup> Completeness refers to inclusion of all relevant information for assessment of GHG emissions reductions and the information supporting the methods applied as required. For example, if the DOE identifies an on-site generator for emergency use which was not included in the registered monitoring plan during the verification process, the monitoring of fuel consumption of this generator should be included in the monitoring plan via this procedure.

### **9.3.6. Addition of CPA inclusion template**

289. If a CPA inclusion template has been proposed to be added to the registered PoA-DD, then the DOE shall determine whether:
- (a) The generic CPA defines the corresponding CPAs to be deemed automatically additional in accordance with the “Methodological tool: Demonstration of additionality of microscale project activities”;
  - (b) The CPA inclusion template has been correctly completed using the valid version the “Component project activity inclusion (CME inclusion) form” (CDM-CPA-INC-CME-FORM).

### **9.4. Change of coordinating/managing entity**

290. If, subsequent to the registration of the CDM PoA, the coordinating/managing entity has changed, the DOE undertaking the next inclusion of a proposed CPA, the DOE that submits the next request for issuance of CERs for the PoA, or the DOE that submits the next post-registration change request for the PoA, whichever is earlier, shall determine whether the new coordinating/managing entity:
- (a) Obtained a new letter of authorization from each host Party stating the change and confirming the authorization of its coordination of the PoA;
  - (b) Provided a confirmation that the PoA will be developed and implemented with the same framework as described in the registered PoA-DD;
  - (c) Demonstrated compliance with requirements related to the operational and management arrangement.
291. The DOE shall submit the validation opinion to the UNFCCC secretariat in accordance with the “CDM project cycle procedure for programmes of activities”.
292. Notwithstanding the timing referred to in paragraph 290 above, the DOE contracted by the incoming coordinating/managing entity shall submit the validation opinion to the UNFCCC secretariat in accordance with the “CDM project cycle procedure for programmes of activities” if the coordinating/managing entity wishes the DOE to do so before the next inclusion of a proposed CPA, the next request for issuance of CERs or the next post-registration change request for the PoA.

## **10. Verification of implementation and monitoring**

### **10.1. General verification requirements**

#### **10.1.1. Objective of verification**

293. The DOE shall conduct a thorough and independent assessment of the implementation and the reported GHG emission reductions or net anthropogenic GHG removals by a registered CDM PoA and the included CPAs against the applicable CDM rules and requirements.

## 10.1.2. Approach of verification

### 10.1.2.1. General

294. In carrying out its verification work, the DOE shall determine whether the registered CDM PoA and the included CPAs comply with the requirements in paragraph 62 of the CDM M&Ps.
295. If the DOE has performed a validation activity (including for renewal of the PoA period and inclusion of a proposed CPA in the PoA) for the registered PoA for registration or renewal of PoA period of the same PoA, or for inclusion or renewal of crediting period of any of the CPAs covered by the verification and wishes to perform verification for the same PoA, it shall obtain authorization to do so from the Board in accordance with the “CDM project cycle procedure for programmes of activities”. However, if the same DOE may perform verification without obtaining authorization from the Board to do so for a registered PoA for which it has performed the validation of post-registration changes of the PoA or any of the CPAs covered by the verification.
296. The DOE shall make publicly available the monitoring report received from the coordinating/managing entity in accordance with the “CDM project cycle procedure for programmes of activities” except when the host Party’s DNA withdraws its approval of the registered PoAs and/or its authorization of the coordinating/managing entity in accordance with the “Procedure: Process for dealing with letters from DNAs that withdraw approval/authorization”.
297. The DOE shall ensure that only verification activities undertaken after the publication of the monitoring report on the UNFCCC CDM website shall be used as a basis for the DOE to conclude its verification and submit a request for issuance of CERs to the Board.<sup>19</sup>
298. The DOE shall assess both quantitative and qualitative information on GHG emission reductions or net anthropogenic GHG removals provided in the programme documentation.<sup>20</sup>
299. The DOE shall assess and determine whether the implementation and operation of the registered CDM PoA and the included CPAs, and the steps taken to report GHG emission reductions or net anthropogenic GHG removals comply with the relevant CDM M&Ps and the relevant guidance provided by the Board. This assessment shall involve a review of relevant documentation as well as, where conducted in accordance with paragraph 321 or 322 below, an on-site inspection(s). For an on-site inspection(s), the DOE may apply a sampling approach in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”.
300. The DOE shall assess whether the data collection system meets the requirements of the registered monitoring plan as per the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.

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<sup>19</sup> See EB 60 report, paragraph 101.

<sup>20</sup> Quantitative information comprises the reported numbers in the monitoring report. Qualitative information comprises information on internal management controls, calculation procedures, procedures for transfer of data, frequency of the monitoring reports, and review and internal audit of calculations.

301. In addition to the monitoring documentation, the DOE shall review:

- (a) The registered PoA-DD and included CPA-DDs, including the registered monitoring plan and/or the changes to the registered PoA-DD or included CPA-DDs, and the corresponding validation opinions;
- (b) The validation report;
- (c) Previous verification and certification reports, if any;
- (d) The applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
- (e) The monitoring results of the sustainable development co-benefits of the registered PoA, if requested to verify this by the coordinating/managing entity;
- (f) Any other information and references relevant to the GHG emission reductions or net anthropogenic GHG removals by the included CPA (e.g. IPCC reports, data on electricity generation in the national grid or laboratory analysis, and national regulations).

302. In addition to reviewing the monitoring documentation, the DOE shall determine whether the coordinating/managing entity has addressed the FARs identified during the validation or previous verification(s).

#### **10.1.2.2. Quality of evidence**

303. When verifying the reported GHG emission reductions or net anthropogenic GHG removals, the DOE shall confirm that there is an audit trail that contains the evidence and records that validate or invalidate the stated figures. It shall include the source documents that form the basis for assumptions and other information underlying the GHG data.

304. When assessing the audit trail, the DOE shall:

- (a) Address whether there is sufficient evidence available, both in terms of frequency (time period between evidence) and coverage (in covering the full monitoring period);
- (b) Address the source and nature of the evidence (external or internal, oral or documented);
- (c) Cross-check the monitoring report against other sources such as comparable information, where available, from sources other than those used in the monitoring report to determine whether the stated figures are correct.

305. The DOE shall only certify GHG emission reductions or net anthropogenic GHG removals that are based on verifiable evidence.

#### **10.1.2.3. Application of materiality**

##### **10.1.2.3.1. General**

306. The concept of materiality is applicable to the verification of all types of registered PoAs. It is not applicable to:



- (a) Uncertainties related to measurement;
  - (b) Addressing temporary deviations from and permanent changes to the registered monitoring plan, the applied methodologies or the applied standardized baselines, regardless of whether corresponding GHG emission reductions or net anthropogenic GHG removals are above or below materiality thresholds.
307. A DOE planning and conducting verification using the concept of materiality shall achieve a reasonable level of assurance that the reported GHG emission reductions or net anthropogenic GHG removals are free from material errors, omissions or misstatements in accordance with paragraphs 308–318 below.<sup>21</sup>
308. An omission, misstatement or erroneous reporting of information is material if it might lead, at an aggregated level, to an overestimation of the total GHG emission reductions or net anthropogenic GHG removals achieved by a registered CDM PoA equal to or higher than the following thresholds:
- (a) 0.5 per cent of the emission reductions or removals for registered CDM PoAs achieving a total emission reduction or removal equal to or more than 500,000 tonnes of carbon dioxide equivalent per year;<sup>22</sup>
  - (b) 1 per cent of the emission reductions or removals for registered CDM PoAs achieving a total emission reduction or removal of between 300,000 and 500,000 tonnes of carbon dioxide equivalent per year;
  - (c) 2 per cent of the emission reductions or removals for registered CDM PoAs achieving a total emission reduction or removal of 300,000 tonnes of carbon dioxide equivalent per year or less;
  - (d) 5 per cent of the emission reductions or removals for registered CDM PoAs comprised only of small-scale CPAs other than registered CDM PoAs covered under subparagraph (e) below;
  - (e) 10 per cent of the emission reductions or removals for registered CDM PoAs comprised only of microscale CPAs.
309. Recognizing that circumstances may exist that could cause the information reported by the coordinating/managing entity to be materially misstated, the DOE should plan and perform verifications with an attitude of professional scepticism and rely on its professional judgement when applying the concept of materiality.
310. The application of the concept of materiality and reasonable level of assurance imply that some data or information may not be checked. However, the DOE should design its verification and sampling plans to detect all material errors, omissions or misstatements, and any unchecked data or information should not contain any material errors, omissions or misstatements. A DOE's verification opinion applies to 100 per cent of the data and information, even if the DOE may not have checked the entire data set and information.

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<sup>21</sup> For additional guidance and examples of the application of materiality in the verification, refer to the "Guideline: Application of materiality in verifications".

<sup>22</sup> A year refers to a period of 12 consecutive months.

311. Applying the concept of materiality does not mean that identified errors are not corrected; if an error, omission or misstatement is identified by the DOE, regardless of whether it is material or not, the DOE shall request the coordinating/managing entity to address it.

#### **10.1.2.3.2. Consideration of materiality in planning verification**

312. The DOE should:

- (a) Identify the materiality threshold referred to in paragraph 308 above that corresponds to the amount of GHG emission reductions or net anthropogenic GHG removals that the specific registered CDM PoA will achieve;
- (b) Understand the environment in which the registered CDM PoA operates, the sources of project emissions within the project boundary and the leakage, the monitoring activities, the equipment used to monitor or measure activity data, the origin and application of data used to calculate or measure the emissions, data flow, the internal quality control system, and the overall organization with respect to monitoring and reporting;<sup>23</sup>
- (c) Conduct a risk assessment to identify and assess the risks of individual or aggregated material errors, omissions or misstatements that may occur within the threshold based on elements in subparagraphs (a) and (b) above;
- (d) Design verification plans, audit procedures<sup>24</sup> and sampling plans whose type, timing<sup>25</sup> and extent are based on and are responsive to the assessed risks of material errors, omissions or misstatements.

313. The materiality thresholds apply to the total GHG emission reductions or net anthropogenic GHG removals actually achieved. When planning a verification, the DOE should apply the applicable materiality threshold to the reported total emission reductions or removals. If, as a result of the verification, the initial reported total emission reductions or removals is revised, the DOE should reapply the materiality threshold to the revised total emission reductions or removals and, if needed, make adjustments to its verification plans and sampling plans.

#### **10.1.2.3.3. Consideration of materiality in conducting verification**

314. The DOE should:

- (a) Apply verification plans, audit procedures and sampling plans;
- (b) Assess potential errors, omissions and misstatements against the materiality threshold to determine whether they are material individually or in aggregate and whether further audit procedures are needed.

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<sup>23</sup> Adapted from European Union. 2007. *Commission Decision of 18 July 2007 establishing guidelines for the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council.*

<sup>24</sup> In accordance with paragraphs 319–324 below.

<sup>25</sup> For example, timing may refer to the specific time intervals for which the DOE may draw its samples.

315. If an error, omission or misstatement is detected, the DOE should be aware that it may not be an isolated occurrence and may be a systemic reoccurring error. For example, other errors may exist if the DOE identifies that the error, omission or misstatement arose from a breakdown in the coordinating/managing entity's internal quality control and quality assurance system.
316. If an immaterial error, omission or misstatement is detected, the DOE shall request the coordinating/managing entity to address it and should determine whether additional audit procedures should be conducted in order to reach a reasonable level of assurance that the claimed GHG emission reductions or net anthropogenic GHG removals are free from material error, omission or misstatement.
317. If a material error, omission or misstatement is detected, the DOE may, depending on the circumstances of the error, immediately request the coordinating/managing entity to address it or conduct additional audit procedures to confirm or determine the context and magnitude of the error, omission or misstatement, and then shall request the coordinating/managing entity to address it.
318. If further audit procedures are necessary, the DOE may consider whether the overall verification plans and sampling plans need to be revised.

### **10.1.3. Means of verification**

#### **10.1.3.1. Standard auditing techniques**

319. The DOE shall assess the information provided by the coordinating/managing entity.
320. In assessing the information, the DOE shall apply the means of verification specified throughout this standard and, where appropriate, standard auditing techniques to assess the quality of the information, including but not limited to:
- (a) Document review, involving:
    - (i) A review of the data and information presented to verify their completeness;
    - (ii) A review of the registered monitoring plan, the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents, paying particular attention to the frequency of measurements, the quality of metering equipment including calibration requirements, and the quality assurance and quality control procedures;
    - (iii) An evaluation of data management and the quality assurance and quality control system in the context of their influence on the generation and reporting of GHG emission reductions or net anthropogenic GHG removals;
  - (b) On-site inspection taking into account paragraphs 321–323 below, involving:
    - (i) An assessment of the implementation and operation of the included CPAs as per the included CPA-DDs or any approved revised CPA-DDs;
    - (ii) A review of information flows for generating, aggregating and reporting the monitoring parameters;

- (iii) Interviews with relevant personnel to determine whether the operational and data collection procedures are implemented in accordance with the registered monitoring plan;
    - (iv) Cross checks between information provided in the monitoring report and data from other sources such as plant logbooks, inventories, purchase records or similar data sources;
    - (v) A check of the monitoring equipment including calibration performance and observations of monitoring practices against the requirements of the included CPA-DDs, the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
    - (vi) A review of calculations and assumptions made in determining the GHG data and GHG emission reductions or net anthropogenic GHG removals;
    - (vii) An identification of quality control and quality assurance procedures in place to prevent, or identify and correct, any errors or omissions in the reported monitoring parameters;
  - (c) Sampling approach in accordance with the “Standard: Sampling and surveys for CDM project activities and programme of activities”, including:
    - (i) A random sampling for cases where the coordinating/managing entity did not apply a sampling approach for monitoring;
    - (ii) An acceptance sampling or another sampling approach for cases where the coordinating/managing entity applied a sampling approach for monitoring.
321. It is mandatory for the DOE to conduct an on-site inspection at verification for the included CPA if:
- (a) It is the first verification for the DOE with regard to this CPA;
  - (b) More than three years have elapsed since the last on-site inspection conducted for verification for the CPA; or
  - (c) The CPA has achieved more than 300,000 t CO<sub>2</sub> eq of GHG emission reductions or net anthropogenic GHG removals since the last verification when an on-site inspection was conducted.
322. For cases that are not referred to in paragraph 321 above, it is optional for the DOE to conduct an on-site inspection at verification. If the DOE does not conduct an on-site inspection as a means of verification, it shall describe the alternative means used and justify that they are sufficient for the purpose of verification.
323. If any issue related to the PoA or CPA design, including those attributable to the lack of on-site inspection at previous verifications, is identified at the verification, the DOE that detected the issue shall rectify it through the post-registration change process in accordance with the “CDM project cycle procedure for programmes of activities”.
324. Where no specific means of verification is specified, the DOE shall apply the standard auditing techniques described in paragraph 320 above.

**10.1.3.2. Corrective action requests, clarification requests and forward action requests**

325. If the DOE identifies issues related to the monitoring, implementation and operations of the registered PoA and the included CPAs that could impair the capacity of the registered PoA and the included CPAs to achieve GHG emission reductions or net anthropogenic GHG removals, or influence the monitoring and reporting of emission reductions or removals, the DOE shall ensure that these issues are accurately identified, formulated, discussed and concluded in the verification and certification report.
326. The DOE shall raise a CAR if one of the following situations occurs:
- (a) Non-compliance with the registered monitoring plan, the applied methodologies, the applied standardized baselines or the other applied methodological regulatory documents is found in monitoring and reporting and has not been sufficiently documented by the coordinating/managing entity, or if the evidence provided to prove conformity is insufficient;
  - (b) Modifications to the implementation, operation and monitoring of the registered CDM PoA or the included CPAs have not been sufficiently documented by the coordinating/managing entity;
  - (c) Mistakes have been made in applying assumptions, data or calculations of GHG emission reductions or net anthropogenic GHG removals that will impact the quantity of emission reductions or removals;
  - (d) Issues identified in a FAR during the validation to be verified during the verification or the previous verification(s) have not been resolved by the coordinating/managing entity.
327. The DOE shall raise a CL if information is insufficient or not clear enough to determine whether the applicable CDM rules and requirements have been met.
328. The DOE shall raise a FAR during verification for actions if the monitoring and reporting require attention and/or adjustment for the next verification period.
329. The DOE shall resolve or “close out” CARs and CLs only if the coordinating/managing entity rectifies the monitoring report or provides additional explanations or evidence that satisfy the DOE’s concerns. If this is not done, the DOE shall not submit a request for issuance of CERs.
330. The DOE shall report on all CARs, CLs and FARs in its verification and certification report. This reporting shall explain the issue raised, the responses provided by the coordinating/managing entity, the means of verification of such responses and references to any resulting changes in the monitoring report or supporting annexes.

**10.2. Verification of compliance****10.2.1. General**

331. The DOE shall:
- (a) Identify the included CPAs that it shall consider for verification in accordance with the methods/procedure to be used and specified in the registered PoA-DD for

verification of the amount of GHG emission reductions or net anthropogenic GHG removals achieved by the CPAs. If the registered CDM PoA has more than one host Party and a host Party's DNA withdraws its approval of the PoA and/or its authorization of the coordinating/managing entity, the DOE shall identify only unaffected CPAs in accordance with the "Procedure: Process for dealing with letters from DNAs that withdraw approval/authorization";

- (b) Determine whether the verification covers the CPAs that had been directly included by the coordinating/managing entity in accordance with the "CDM project cycle procedure for programmes of activities" for which it is the first verification. If such CPAs exist, the DOE shall assess whether they comply with the version of the registered CDM PoA applicable when they were included, including the eligibility criteria for the inclusion of CPAs in the PoA and the applicable requirements. If the DOE finds that any of such CPAs do not comply with them, it shall exclude them from the PoA and shall not include them in the request for issuance of CERs;
  - (c) Take into account the possible existence of included CPAs complying with different versions of the registered CDM PoA<sup>26</sup> and the need to account for this in its sampling approach to ensure that a statistically sound sample of CPAs from each version of the PoA are being verified;
  - (d) Systematically verify and certify the correct implementation and operation of the record-keeping system.
332. The DOE shall include in its verification and certification report a description of how it applied the methods/procedures for the purpose of verification specified in the registered PoA-DD. The DOE shall include in its verification and certification report a description of the on-site inspection(s), where conducted in accordance with paragraph 321 or 322 above.
333. ~~The request for issuance of CERs shall correspond to all CPAs included in the registered CDM PoA in the case of a single monitoring report covering all CPAs included in the PoA for the monitoring period, or to one of the batches of CPAs included in the PoA in the case of multiple monitoring reports for the monitoring period. If the coordinating/managing entity has prepared a single monitoring report for a monitoring period, the DOE shall confirm that the monitoring report covers all CPAs included in the registered CDM PoA whose crediting periods overlap with the monitoring period, and contains all monitoring results obtained during the monitoring period.~~
334. If the coordinating/managing entity has ~~chosen to~~ prepared multiple monitoring reports for separate batches of CPAs included in the registered CDM PoA, the DOE shall confirm that all the monitoring reports contain mutually exclusive batches of CPAs, ~~and have the same monitoring period, that can encompass and collectively contain~~ all monitoring results

<sup>26</sup> CPAs complying with pre- and post-update of the PoA-DD due to the renewal of the PoA period are to be separated into separate monitoring reports in accordance with the "CDM project standard for programmes of activities". On the other hand, if there is a version change of the PoA-DD due to a post-registration change during a PoA period, CPAs complying with different versions of the PoA-DD may be included in the same monitoring report.

obtained during the period, and that each monitoring report contains only monitoring results of the CPAs that were included or updated<sup>27</sup> in the same PoA period.

335. The DOE shall confirm that monitoring periods have been consecutive. Further, the DOE shall confirm that CPAs have been included in requests for issuance of CERs in a consecutive manner, that is, when a CPA has been included in a request for issuance of CERs for a monitoring period, the DOE shall confirm that a request for issuance of CERs for the previous monitoring period that included the particular CPA has been published.
336. Notwithstanding paragraph 335 above, if the registered CDM PoA applies any of the methodologies listed in the “CDM project cycle procedure for programmes of activities” as potentially accruing negative emission reductions in a monitoring period, the DOE shall confirm that CERs, temporary CERs (tCERs) or long-term CERs (ICERs) have been issued for all CPAs included in the PoA for the previous monitoring period.
337. A request for issuance of CERs shall relate to the CERs certified.

#### **10.2.2. Compliance of the monitoring report with the monitoring report form**

338. The DOE shall determine whether the monitoring report was completed using the valid version of the applicable monitoring report form.
339. The DOE shall state its opinion on the compliance of the monitoring report with the relevant form and instructions therein.

#### **10.2.3. Compliance of the programme implementation with the registered programme of activity design document**

340. The DOE shall identify any concerns related to the conformity of the actual programme activity and its operation with the registered PoA-DD and determine whether:<sup>28</sup>
- (a) The implementation and operation of the registered CDM PoA and the included CPAs have been conducted in accordance with the description contained in the registered PoA-DD and included CPA-DDs; or
  - (b) Any deviation or the proposed or actual changes in the implementation or operation of the registered CDM PoA and the included CPAs comply with the relevant requirements in the “CDM project standard for programmes of activities”.
341. By means of an on-site inspection or other means of verification in accordance with paragraph 321 or 322 above, the DOE shall assess that all physical features (technology, project equipment, and monitoring and metering equipment) of the included CPAs specified in the included CPA-DDs are in place and that the coordinating/managing entity has operated the registered CDM PoA and included CPAs as per the registered PoA-DD and included CPA-DDs or any approved revised PoA-DD and CPA-DDs. If an on-site inspection is not conducted, the DOE shall justify the rationale of the decision.

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<sup>27</sup> Updating of a CPA in this context may occur due to the renewal of the crediting period or a post-registration change of the CPA.

<sup>28</sup> See decision 3/CMP.1, annex, paragraph 62(g).

342. For each monitoring period, the DOE shall report:

- (a) The implementation status of the registered CDM PoA and the included CPAs. For included CPAs that consist of more than one site, the DOE shall describe the status of implementation and the starting date of operation for each site. For included CPAs with phased implementation, the DOE shall state the progress of the CPAs achieved in each phase under verification. If the phased implementation is delayed, the DOE shall describe the reasons and present the expected implementation dates;
- (b) The actual operation of the included CPAs;
- (c) The information (data and variables) provided in the monitoring report that is different from that stated in the registered PoA-DD and included CPA-DDs or any approved revised PoA-DD and CPA-DDs, and has caused an increase in the estimates of GHG emission reductions or net anthropogenic GHG removals in the current monitoring period or is highly likely to increase the estimates in the future monitoring periods;<sup>29</sup>
- (d) An opinion on the cause of any increase in the actual GHG emission reductions achieved by the included non-A/R CPAs in the current monitoring period that was reported in monitoring report.

#### **10.2.4. Compliance of the registered monitoring plan with applied methodologies and standardized baselines**

343. The DOE shall determine whether the registered monitoring plan is in accordance with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.
344. For monitoring aspects that are not specified in the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents, particularly in the case of small-scale methodologies (e.g. additional monitoring parameters, monitoring frequency and calibration frequency), the DOE should bring to the attention of the Board issues which may enhance the level of accuracy and completeness of the registered monitoring plan.
345. The DOE shall state its opinion on whether the registered monitoring plan is in accordance with the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents.

#### **10.2.5. Compliance of monitoring activities with the registered monitoring plan**

346. The DOE shall determine whether the monitoring of parameters related to GHG emission reductions or net anthropogenic GHG removals in the included CPA-DDs has been implemented in accordance with the registered monitoring plan.<sup>30</sup>

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<sup>29</sup> Discrepancies may include higher water availability than expected in the CPA-DD, which may increase the electricity output from a hydropower plant, or a higher plant load factor owing to higher bagasse availability during the crushing season, which increases the production of steam and electricity.

<sup>30</sup> In accordance with decision 3/CMP.1, annex, paragraph 56: "Project participants shall implement the monitoring plan contained in the registered project design document".



347. The DOE shall determine whether:

- (a) The registered monitoring plan has been properly implemented and followed by the coordinating/managing entity;
- (b) All parameters stated in the registered monitoring plan and relevant Board decisions<sup>31</sup> have been monitored and updated as applicable, including:
  - (i) Project emission or net removal parameters;
  - (ii) Baseline emission or net removal parameters;
  - (iii) Leakage parameters;
  - (iv) Management and operational system: the responsibilities and authorities for monitoring and reporting are in accordance with the responsibilities and authorities stated in the registered monitoring plan;
- (c) The equipment used for monitoring is in accordance with section 10.2.6 below and is controlled and calibrated in accordance with the registered monitoring plan, the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents, Board guidance, local/national standards, or as per the manufacturer's specification;
- (d) Monitoring results are consistently recorded as per the approved frequency;
- (e) Quality assurance and quality control procedures have been applied in accordance with the registered monitoring plan.

348. For a non-A/R registered CDM PoA, if the coordinating/managing entity applied a sampling approach to determine data and parameters monitored, the DOE shall assess the compliance of the sampling efforts and surveys with the validated sampling plan in accordance with the "Standard: Sampling and surveys for CDM project activities and programme of activities".

349. The DOE shall state whether the monitoring has been carried out in accordance with the registered monitoring plan.

350. The DOE shall list each parameter required by the registered monitoring plan and state how it verified the information flow (from data generation and aggregation to recording, calculation and reporting) for these parameters including the values in the monitoring report.

#### **10.2.6. Compliance with the calibration frequency requirements for measuring instruments**

351. The DOE shall determine whether the calibration of the measuring equipment that has an impact on the claimed GHG emission reductions or net anthropogenic GHG removals is conducted by the coordinating/managing entity at the frequency specified in the applied

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<sup>31</sup> For example, a decision taken at the thirty-fifth meeting of the Board provided clarification for the registered CDM project activities that apply the approved methodology AM0001. The decision asked the DOE to check the value of "w" based on the past one-year period during verification, which was not clearly stated in the approved methodology.

methodologies, the applied standardized baselines, the other applied methodological regulatory documents or the registered monitoring plan.

352. If, during the verification of a certain monitoring period, the DOE identifies that the calibration has been delayed and the calibration has been implemented after the monitoring period in consideration (i.e. the results of delayed calibration are available), referring to the illustrative examples in the appendix below, the DOE may conclude its verification, provided the following conservative approach is adopted in the calculation of GHG emission reductions or net anthropogenic GHG removals:
- (a) Applying the maximum permissible error<sup>32</sup> of the instrument to the measured values taken during the period between the scheduled date of calibration and the actual date of calibration, if the results of the delayed calibration do not show any errors in the measuring equipment, or if the error is smaller than the maximum permissible error; or
  - (b) Applying the error identified in the delayed calibration test, if the error is beyond the maximum permissible error of the measuring equipment.
353. The DOE shall confirm that the error has been applied:
- (a) In a conservative manner, such that the adjusted measured values of the delayed calibration shall result in fewer claimed GHG emission reductions or net anthropogenic GHG removals;
  - (b) For all measured values taken during the period between the scheduled date of calibration and the actual date of calibration.
354. If the results of the delayed calibration are not available, or the calibration has not been conducted at the time of the verification, the DOE, prior to finalizing the verification, shall request the coordinating/managing entity to conduct the required calibration and shall determine whether the coordinating/managing entity has calculated GHG emission reductions or net anthropogenic GHG removals conservatively using the approach mentioned in paragraph 352 above.
355. If the DOE determines that it is not possible for the coordinating/managing entity to conduct the calibration at the frequency specified in the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents, guidance provided by the Board, or the registered monitoring plan due to reasons beyond the control of the coordinating/managing entity,<sup>33</sup> the DOE shall follow the applicable requirements related to post-registration changes in sections 9.1–9.3 above.
356. If neither the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents, nor the registered monitoring plan specify any requirements for calibration frequency for the measuring equipment, the DOE shall determine whether the equipment is calibrated either in accordance with the specifications of the local/national standards, or as per the manufacturer's specification. If neither

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<sup>32</sup> The maximum permissible errors of all the measuring instruments are specified by the respective manufacturers as part of their technical specifications.

<sup>33</sup> For example, due to the contractual terms between the coordinating/managing entity and purchasing/selling entities.

local/national standards nor the manufacturer's specification are available, the DOE shall determine whether the equipment is calibrated in accordance with the specifications of the international standards. Refer to the appendix below for an illustrative example to apply the above requirements.

357. The DOE shall report whether the calibration of the measuring equipment that has an impact on the claimed GHG emission reductions or net anthropogenic GHG removals is conducted at the frequency specified in the applied methodologies, the applied standardized baselines, the other applied methodological regulatory documents or the registered monitoring plan.

#### **10.2.7. Assessment of data and calculation of emission reductions or net removals**

358. The DOE shall assess the data and calculations of GHG emission reductions or net anthropogenic GHG removals achieved by the included CPAs.

359. The DOE shall determine whether:

- (a) A complete set of data for the specified monitoring period is available. If only partial data are available because activity levels or non-activity parameters have not been monitored in accordance with the registered monitoring plan, the DOE shall assess whether:
  - (i) The most conservative values approach is applied to the parameters for the entire non-monitoring period in accordance with the provisions relating to temporary deviation from the registered monitoring plan, the applied methodologies or the applied standardized baselines in the "CDM project standard for programmes of activities"; or
  - (ii) Alternative monitoring arrangements for the non-monitoring period are described, whether they apply conservative assumptions or discount factors to the calculations, and whether the alternative monitoring arrangements have been approved by the Board under the prior-approval track or to be approved by the Board under the issuance track in accordance with the provisions relating to temporary deviation from the registered monitoring plan, the applied methodologies or the applied standardized baselines in the "CDM project standard for programmes of activities";
- (b) The information provided in the monitoring report has been cross-checked with other sources such as plant logbooks, inventories, purchase records and laboratory analysis;
- (c) The calculations of baseline GHG emissions or baseline net GHG removals, project GHG emissions or actual net GHG removals, and leakage GHG emissions have been carried out in accordance with the formulae and methods described in the registered monitoring plan, the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents;
- (d) Any assumptions used in emission or removal calculations have been justified;

- (e) Appropriate emission factors, IPCC default values, GWPs<sup>34</sup> and other reference values have been correctly applied;
- (f) For an included CPA using an approved standardized baseline that standardizes baseline emissions, the standardized values of the parameters were applied using the correct version of the applied standardized baseline in accordance with the “CDM project standard for programmes of activities”;
- (g) The pro-rata approach or the specific approach for A/R project activities was correctly applied to the calculations of GHG emission reductions or net anthropogenic GHG removals in accordance with the “CDM project standard for programmes of activities”, if the monitoring period starts before 31 December 2012 and ends anytime thereafter;
- (g)<sub>bis</sub> The monitoring results are presented in the monitoring report separately for the period up to 31 December 2012 and the period from 1 January 2013, if the monitoring period starts before 1 January 2013 and ends any time thereafter.
- ~~(h) The first day when CERs are being claimed is correctly specified in accordance with the “CDM project cycle procedure for programmes of activities”, if the current monitoring period covers the first day of the renewed crediting period.~~

360. The DOE shall provide:

- (a) An indication of whether a complete set of data for the monitoring period was not available because activity levels or non-activity parameters were not monitored in accordance with the registered monitoring plan, and if so, whether the most conservative values approach was applied or alternative monitoring arrangements were proposed or have been approved by the Board;
- (b) A description of how the DOE cross-checked reported data;
- (c) A confirmation that appropriate methods and formulae for calculating baseline GHG emissions or baseline net GHG removals, project GHG emissions or actual net GHG removals and leakage GHG emissions have been followed;
- (d) An opinion on whether assumptions, emission factors and default values that were applied in the calculations have been justified;
- (e) A confirmation that the pro-rata approach or the specific approach for A/R project activities was correctly applied to the calculations of GHG emission reductions or net anthropogenic GHG removals, where applicable;
- (f) A confirmation that the first day in which CERs are being claimed has been correctly specified, where applicable.

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<sup>34</sup> See decision 4/CMP.7 for GWPs for the calculation of emission reductions and removal enhancements achieved by the registered PoAs in the second commitment period (from 1 January 2013).

**10.2.8. Assessment of reported sustainable development co-benefits**

361. If the coordinating/managing entity has monitored the sustainable development co-benefits of the registered CDM PoA and requested the DOE to verify them, it shall assess whether:
- (a) The monitoring has been carried out in accordance with the document for monitoring sustainable development co-benefits, if such document was developed and published on the UNFCCC CDM website in accordance with the “CDM project standard for programmes of activities”;
  - (b) The reported monitoring results correspond to the sustainable development co-benefits of the PoA as observed by the DOE.
362. The DOE shall provide:
- (a) A description of how the DOE has conducted the assessment referred to in paragraph 361 above;
  - (b) Findings from the assessment.
363. The findings from the assessment shall have no bearing on the final verification opinion of the DOE.

**10.3. Specific requirements for small-scale component project activities**

364. The DOE shall determine whether each of the included small-scale CPAs remains within the limit of the type of small-scale activities defined in the “CDM project standard for programmes of activities”. If an included small-scale CPA exceeds the limit of its type in any year of the crediting period, the DOE shall assess whether this was caused by the post-registration changes validated in accordance with relevant requirements in section 9 above. If the DOE determines that there are no such post-registration changes to the PoA or the CPA, and therefore the scale of the CPA does not change, for a Type II or Type III small-scale CPA it shall assess whether the calculated GHG emission reductions during this particular year were capped at the amount calculated with the limit of its type.
365. If the coordinating/managing entity has chosen to prepare multiple monitoring reports for separate batches of CPAs included in the registered CDM PoA, the DOE shall:
- (a) Determine whether the requirements for the request for batched issuance of CERs for a PoA referred to in paragraphs 333–337 above are met *mutatis mutandis*;
  - (b) Prepare a verification and certification report(s).

**10.4. Specific requirements for afforestation or reforestation component project activities**

366. At the first verification for an included A/R CPA, the DOE shall, in accordance with paragraph 34(d) of the CDM A/R M&Ps, confirm those areas of land for which the control over the A/R CPA has been established by the CPA implementer since validation.
367. As a part of the first verification and certification report for an included A/R CPA, the DOE shall confirm that the boundary of the A/R CPA geographically delineates exclusively the A/R CPA under the control of the CPA implementer.

368. If tCERs were issued based on the previous verification and certification, the DOE shall confirm that the current verification and certification is for the first time in the current commitment period. If ICERs were issued based on the previous verification and certification, the DOE shall confirm that the current verification and certification is within eight years of the date when the previous certification report was submitted until the end of the current crediting period.<sup>35</sup>
369. For ICERs, if the monitoring period falls partly in the first commitment period and partly in the second commitment period of the Kyoto Protocol, the DOE shall confirm that all net anthropogenic GHG removals achieved since the last verification are allocated to the second commitment period. For tCERs, for any issuance, the DOE shall confirm that all net anthropogenic GHG removals achieved since the start of the project activity are allocated to the commitment period in which the monitoring period ends.

## **10.5. Global stakeholder consultation**

370. For the stakeholder consultation conducted after the publication of the first monitoring report in accordance with the "CDM project cycle procedure for programmes of activities", paragraphs 159–165 above shall apply mutatis mutandis with the following adjustments:
- (a) The DOE may request further information from the submitters of the comments. The DOE shall also inform the coordinating/managing entity of the comments received and request their feedback within a specified timeframe. The DOE shall consider the input received and assess whether such comments are relevant to the PoA;
  - (b) If the DOE concludes that the comments are related to the CDM rules and requirements, it may raise a CAR and submit a positive verification opinion only when the CAR is resolved by the coordinating/managing entity;
  - (c) If the DOE concludes that comments are related to issues outside the CDM rules and requirements, it shall annex the comments and information gathered, as well as any feedback from the coordinating/managing entity, to its verification and certification report (the "comments annex").
371. The DOE shall take due account of all authentic and relevant comments in the verification for the first request for issuance of CERs. If multiple separate monitoring reports for the first monitoring period for the PoA are prepared in accordance with the "CDM project standard for programmes of activities", the DOE shall take due account of all authentic and relevant comments in the verification for the first request for issuance of CERs for each batch.

## **10.6. Verification status and verification and certification report**

### **10.6.1. Verification status**

372. The DOE shall provide an update of the status of its verification activity as applicable in accordance with the "CDM project cycle procedure for programmes of activities".

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<sup>35</sup> Decision 4/CMP.10 revised the timing of verification for A/R CDM project activities defined in the annex to decision 5/CMP.1.

**10.6.2. Verification and certification report**

373. The verification and certification report shall give an overview of the verification process used by the DOE in order to arrive at its verification conclusions. All verification findings shall be identified and justified.
374. The DOE shall report the following:
- (a) A summary of the verification process, the scope of verification and the conclusion;
  - (b) Details of the verification team, technical experts, internal reviewers involved, together with their roles in the verification activity and, where conducted in accordance with paragraph 321 or 322 above, details of who conducted the on-site inspection;
  - (c) Findings of the desk review, sampling approach used by the DOE and, where conducted in accordance with paragraph 321 or 322 above, on-site inspection. Where the DOE applied a sampling approach to the on-site inspection, the DOE shall include a description of how the sample size was determined and how the field check was carried out;
  - (d) All its applied approaches, findings and conclusions on:
    - (i) The completion of the monitoring report, using the valid version of the applicable form, and following instructions therein;
    - (ii) The requirements set out in section 10.2 above;
  - (e) A list of each parameter specified by the registered monitoring plan and a statement on how the values in the monitoring report have been verified;
  - (f) A statement on whether any post-registration changes to the registered PoA-DD have been approved by the Board or will be submitted together with the request for issuance of CERs;
  - (g) A statement on whether any post-registration changes to the included CPAs have been positively validated by a DOE and revised CPA-DDs have been included;
  - (h) An assessment and close-out of any CARs, CLs or FARs issued to the coordinating/managing entity;
  - (i) An assessment of remaining issues from the previous verification period, if appropriate;
  - (j) Information on quality control within the team and in the verification process;
  - (k) A conclusion on the verified amount of GHG emission reductions or net anthropogenic GHG removals achieved.
375. Where the DOE applied the concept of materiality in planning and conducting verification for the registered CDM PoA in accordance with section 10.1.2.3 above, it shall report:
- (a) The risks, the risk assessment undertaken and how the verification plans and sampling plans were designed to respond to these risks and ensure that all material errors, omissions or misstatements were detected;

- (b) Whether and how the verification plans and sampling plans were revised to take into account the need for further audit procedures due to the nature/type of errors, omissions or misstatements detected;
  - (c) How the concept of materiality was applied in determining whether a detected error, omission or misstatement was material or immaterial either individually or in aggregate.
376. The DOE shall describe all documentation supporting the verification and make it available on request.
377. The DOE shall, based on its verification, certify in writing that, during the specified monitoring period, some or all of the included CPAs in the registered CDM PoA achieved the verified amount of GHG emission reductions or net anthropogenic GHG removals that would not have occurred in the absence of the CPAs.<sup>36</sup>

## **11. Validation for renewal of programme of activities period and renewal of crediting period of component project activities**

### **11.1. Renewal of programme of activities period**

378. The DOE shall determine whether the coordinating/managing entity has updated sections of the PoA-DD relating to the eligibility criteria for inclusion of CPAs in the PoA, the baseline, estimated GHG emission reductions or net anthropogenic GHG removals, the monitoring plan and the PoA period using the valid version of the approved methodologies and, where applicable, the approved standardized baselines and the other methodological regulatory documents that are applicable to the PoA.
379. The DOE shall determine whether the coordinating/managing entity, in accordance with the relevant requirements in the “CDM project standard for programmes of activities” requested renewal of the PoA period seven years after the approval of the revised version of the methodologies and/or the standardized baselines if the version of the PoA-DD has been revised because the applied methodologies and/or the applied standardized baselines have been revised or replaced after having been placed on hold or withdrawn.
380. The DOE shall apply the requirements in section 7.1.3 above objectives, approach and means of validation in section 7.1 above mutatis mutandis to validate the information provided by the coordinating/managing entity when validating for renewal of PoA period.
381. If the coordinating/managing entity used a later valid version of the PoA-DD form for the updated PoA-DD than the version of the form of the registered PoA-DD, the DOE shall determine whether the information transferred to the later valid version of the PoA-DD form is materially the same as that in the registered PoA-DD.
382. The DOE shall assess the validity of the original baseline or its update through an assessment of the following issues:

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<sup>36</sup> In accordance with paragraph 64 of the CDM M&Ps, the certification report constitutes a request to the Board for issuance of CERs equal to the verified amount of reductions of anthropogenic emissions by sources of greenhouse gases.



- (a) The impact of new relevant national and/or sectoral policies and circumstances on the baseline taking into account relevant guidance from the Board with regard to renewal of PoA period of a registered CDM PoA at the time of requesting the renewal of the PoA period;
  - (b) The correctness of the application of the approved methodologies and, where applicable, the approved standardized baselines and the other methodological regulatory documents for the determination of the continued validity of the baseline or its update, and the estimation of GHG emission reductions or net anthropogenic GHG removals for the applicable PoA period.
- 383. The requirements contained in paragraph 382(a) above shall not apply to a generic CPA using the valid version of an applicable approved standardized baseline that standardizes the baseline scenario.
- 384. The DOE shall check that the names of the coordinating/managing entity and the project participants included in the updated PoA-DD are consistent with the names of the coordinating/managing entity and the project participants in the latest version of the MoC statement.
- 385. If the coordinating/managing entity selected another methodology, methodological tool and/or standardized baseline for the purpose of renewal of PoA period due to the inapplicability of the valid version of the methodology (including a consolidated methodology thereof), methodological tool and/or standardized baseline applied to the registered PoA-DD, the DOE shall assess whether the updated PoA-DD complies with all the requirements of the selected methodology, methodological tool and/or standardized baseline except for additionality demonstration.
- 386. If the coordinating/managing entity requested a deviation from the valid version of the methodology (including a consolidated methodology thereof) and/or methodological tool applied in the registered PoA-DD, or from any other selected methodology and/or methodological tool for the purpose of renewal of PoA period, or if the DOE finds at validation that the updated PoA-DD deviated from the valid version of the methodology and/or methodological tool applied in the registered PoA-DD or from any other selected methodology and/or methodological tool, paragraphs 93 and 94 above shall apply *mutatis mutandis*.
- 387. If the coordinating/managing entity requested for approval of post-registration changes together with the request for renewal of PoA period, the DOE shall also validate the post-registration changes in accordance with the relevant requirements in section 9 above and the “CDM project cycle procedure for programmes of activities”, and shall submit a request for approval of post-registration changes together with the request for renewal of the PoA period in accordance with the relevant requirements in the “CDM project cycle procedure for programmes of activities”.
- 388. The DOE shall request the coordinating/managing entity to provide an updated PoA-DD (with its revised updated generic CPA-DD part) prepared in accordance with the relevant requirements in the “CDM project standard for programmes of activities”.
- 389. The DOE shall prepare a validation report for renewal of PoA period using the valid version of the applicable validation report form for renewal of the PoA period.

390. In its validation report for renewal of PoA period, the DOE shall:

- (a) Provide all its applied approaches, findings and conclusions on whether:
  - (i) The updated PoA-DD has been completed using the valid version of the applicable PoA-DD form, following the instructions therein;
  - (ii) The information transferred to the later valid version of the PoA-DD form is materially the same as that in the registered PoA-DD, where applicable;
  - (iii) The methodologies and, where applicable, the standardized baselines and the other methodological regulatory documents were applied in accordance with the applicable requirements in the “CDM project standard for programmes of activities”;
  - (iv) The modalities for estimating the baseline, estimating GHG emission reductions or net anthropogenic GHG removals, and developing the monitoring plan in the updated PoA-DD comply with the applicable requirements in the “CDM project standard for programmes of activities”, and the valid version of the methodologies and, where applicable, the standardized baselines and the other methodological regulatory documents that are applied in the updated PoA-DD;
  - (v) The next PoA period commences on the day immediately after the expiration of the current PoA period;
  - (vi) The names of the coordinating/managing entity and the project participants in the updated PoA-DD are consistent with the names of the coordinating/managing entity and the project participants in the latest version of the MoC statement;
- (b) Report on all items listed in paragraph 177 above except paragraph 177(c) above;
- (c) Follow paragraphs 172–175 above *mutatis mutandis* on its validation opinion;
- (d) Provide a statement on whether any proposed post-registration changes for the next PoA period will be submitted together with the request for renewal of the PoA period.

## **11.2. Renewal of crediting period of component project activities**

391. The DOE shall determine whether the coordinating/managing entity has updated sections of the CPA-DD relating to the demonstration of eligibility for being included in the PoA, the baseline, estimated GHG emission reductions or net anthropogenic GHG removals, the monitoring plan and the crediting period in accordance with the generic CPA in the latest version of the PoA-DD.
392. If data and parameters used for determining the original baseline, that were determined *ex ante* and not monitored during the crediting period, are no longer valid, the DOE shall confirm that the coordinating/managing entity updated such data and parameters in accordance with the “Methodological tool: Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”.

393. The DOE shall determine whether the updated CPA-DD is in compliance with the latest version of the registered PoA-DD.
394. The DOE shall apply the **general validation** requirements in section **7.1.3 above 8.1 above** mutatis mutandis **to validate the information provided by the coordinating/managing entity when validating for renewal of crediting period of a CPA.**
395. The DOE shall assess the information in the updated CPA-DD against the latest version of the registered PoA-DD (with its generic CPA part), including the eligibility criteria for inclusion of CPAs in the registered CDM PoA as specified in the corresponding generic CPA-DD in the PoA-DD, and documentation requirements.
396. If the coordinating/managing entity used a later valid version of the CPA-DD form for the updated CPA-DD than the version of the form of the registered PoA-DD, the DOE shall determine whether the information transferred to the later valid version of the CPA-DD form is materially the same as that in the included CPA-DD.
397. **If the coordinating/managing entity proposed post-registration changes together with the request for renewal of crediting period of an included CPA, the DOE shall also validate the post-registration changes in accordance with the relevant requirements in section 9 above and the “CDM project cycle procedure for programmes of activities”.**
398. The DOE shall prepare a validation report for renewal of crediting period of an included CPA using the valid version of the applicable validation report form.
399. If the DOE confirms that the updated CPA-DD is in compliance with the latest version of the registered PoA-DD **and, where applicable, the post-registration changes requested in conjunction with the renewal of the crediting period of the included CPA are in compliance the relevant requirements in the “CDM project standard for programmes of activities”,** it shall renew the crediting period of the CPA in accordance with the “CDM project cycle procedure for programmes of activities”.

## 12. Validation for re-inclusion of component project activities

400. The DOE shall determine whether the excluded CPA for which re-inclusion in the same or different registered CDM PoA is being sought meets the conditions for re-inclusion specified in the “CDM project standard for programmes of activities”.
401. The DOE shall apply the requirements in section 8 above mutatis mutandis. In addition, the DOE shall assess whether the excluded CPA meets the specific conditions for re-inclusion specified in the “CDM project standard for programmes of activities” with regard to:
- (a) A declaration on the exclusion history;
  - (b) The crediting period type, duration and end data;
  - (c) The compliance with the latest version of the PoA-DD including eligibility criteria for inclusion of CPAs in the PoA as specified in the corresponding generic CPA-DD in the PoA-DD;
  - (d) The continuity of monitoring;

- (e) The rectification of non-compliance if the CPA was excluded as a result of erroneous inclusion and is to be re-included in the same registered CDM PoA, and the compensation of erroneously issued CERs if applicable.
- 402. The DOE shall prepare a validation report for re-inclusion of an excluded CPA in the same or different registered CDM PoA using the valid version of the validation report form for inclusion of CPAs.
- 403. If the DOE confirms that the CPA is in compliance with the latest version of the registered PoA-DD and meets the specific conditions for re-inclusion referred to in paragraph 401 above, it shall re-include the CPA in accordance with the “CDM project cycle procedure for programmes of activities”.

## Appendix. Calibration

1. The following provides an illustrative example for applying the provisions in paragraph 352(a) and (b) of this standard.
2. An electricity energy meter with a maximum permissible error ( $\pm 5\%$ ), which may be used for measuring the electricity export for baseline emissions and electricity import for project emission calculations, is required to be calibrated every year. If the calibration is delayed and instead of after one year it is conducted after one and a half years, and the result of the delayed calibration is available at the time of verification, to account for the delayed calibration the measured values shall be corrected as demonstrated in the following Table 1 and Table 2 for situations stipulated in paragraph 352(a) and (b) of this standard.

**Table 1. Sample calculation for the cases where the error identified in the delayed calibration is smaller than the maximum permissible error**

Measured value	Parameter	Error identified during delayed calibration	Corrected values
100 MWh	Electricity export	$\pm 2\%$	100 (1-Max. permissible error%/100) = 95 MWh
100 MWh	Electricity import	$\pm 2\%$	100 (1+Max. permissible error%/100) = 105 MWh

**Table 2. Sample calculation for the cases where the error identified in the delayed calibration is larger than the maximum permissible error**

Measured value	Parameter	Error identified during delayed calibration	Corrected values
100 MWh	Electricity export	$\pm 7\%$	100 (1-error%/100) = 93 MWh
100 MWh	Electricity import	$\pm 7\%$	100 (1+error%/100) = 107 MWh

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## Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
03.0	9 September 2021	<p>EB 111, Annex 4.</p> <p>Revision to:</p> <ul style="list-style-type: none"> <li>• Incorporate the “Amendments to version 02.0 of the CDM validation and verification standard for programmes of activities” (CDM-EB104-A03-AMEN) (version 01.0);</li> <li>• Clarify that an on-site inspection by the DOE is optional for validation for registration, renewal or post-registration changes of a PoA and the on-site inspection could be to the office of the coordinating/managing entity;</li> <li>• Reflect the fact that, for a PoA, a monitoring plan is to be prepared only at the specific CPA level, while at the PoA level, the generic CPA is to contain a description of how to develop the monitoring plan for each specific CPA, including the deletion of the provisions that allowed delayed submission of a “moniotoring plan” at the PoA level;</li> <li>• Remove the reference to “validation function” or “verification function” when referring to the accreditation status of DOEs;</li> <li>• Clarify the conditions for re-including a CPA that has been previously excluded from a registered PoA, and the deadline for such inclusion;</li> <li>• Add a requirement to determine whether the notification to the secretariat of the intention of the proposed CPA to be included in a registered PoA has been made;</li> <li>• Make the provisions requiring the description of temporary deviation and permanent changes to the monitoring plan or permanent deviation from applied methodology consistent with those in the PS-PoA;</li> <li>• Add provisions that if the DOE finds that permanent changes to the monitoring plan or permanent deviation from the applied methodologies at the CPA level are not in line with the generic CPA-DD, it shall requests the coordinating/managing entity to revise the generic CPA-DD in the PoA-DD first;</li> <li>• Improve the clarity on the types of validation activities regarding which the restriction for a DOE performing both validation and verification for the same activity applies;</li> <li>• Clarify how to verify a single or multiple monitoring reports that may be prepared for the publication and the subsequent requests for issuance for a PoA;</li> <li>• Remove the provisions on combing post-registration changes to a CPA with a request for renewal of crediting period of the CPA to make the provision consistent with the PS-PoA;</li> <li>• Remove the outdated requirement (determination of the first date in the renewed PoA period from which CERs may be claimed);</li> <li>• Make editorial improvements.</li> </ul>

<i>Version</i>	<i>Date</i>	<i>Description</i>
02.0	29 November 2018	<p>EB 101, Annex 4</p> <p>Revision to:</p> <ul style="list-style-type: none"> <li>• Incorporate “Amendment to version 01.0 of the CDM validation and verification standard for programmes of activities” (CDM-EB98-A05-AMEN) (version 01.0);</li> <li>• Introduce provisions that require the validating DOE to provide opinions on whether the revised estimation of emission reductions due to post-registration changes takes into account the applicable limits, whether the changes to the technologies/measures are within the scope of acceptable changes, and whether post-registration changes would adversely affect the validation opinion with regard to the project boundary and any associated leakages due to the changes;</li> <li>• Delete the references to approval by the Board for temporary deviation from the registered monitoring plan for a CPA;</li> <li>• Clarify that it is the modalities and “how to” described in the PoA-DD that need to be validated when validating the renewal of the PoA period;</li> <li>• Delete the references to conditions for mandatory on-site inspection for specific-case CPAs in the provisions relating to the validation of a PoA;</li> <li>• Delete the requirement to include a statement on the validation of the expected emission reductions/removals for a PoA;</li> <li>• Delete a temporary deviation from the list of possible post-registration changes at the PoA level;</li> <li>• Delete the section on specific validation requirements for A/R CPAs due to an overlap with the content in the general section;</li> <li>• Include validation requirements regarding a CPA inclusion template;</li> <li>• Align the language of the validation requirement on permanent change to the monitoring plan with the corresponding provision for project activities in the VVS-PA;</li> <li>• Include validation requirements on the addition of a CPA inclusion template to a PoA-DD as a post-registration change;</li> <li>• Streamline the process of renewal of PoA period and renewal of crediting period of CPAs;</li> <li>• Consistently refer to the relevant regulatory documents such as “methodological tools” and “guidelines” in the paragraphs that refer to “methodologies” throughout the document;</li> <li>• Make editorial improvements.</li> </ul>
01.0	3 March 2017	<p>EB 93, Annex 8</p> <p>Initial adoption.</p> <p>This document, together with the “CDM validation and verification standard for project activities (CDM-EB93-A05-STAN), was part of</p>

<i>Version</i>	<i>Date</i>	<i>Description</i>
		<p>a single document titled “CDM validation and verification standard (CDM-EB65-A04-STAN) until version 09.0.</p> <p>This document, together with the “CDM project standard for project activities” (CDM-EB93-A04-STAN), “CDM validation and verification standard for project activities” (CDM-EB93-A05-STAN), “CDM project cycle procedure for project activities (CDM-EB93-A06-PROC), “CDM project standard for programmes of activities” (CDM-EB93-A07-STAN) and “CDM project cycle procedure for programmes of activities (CDM-EB93-A09-PROC), supersedes and replaces the following documents on the date when these six documents enter into force:</p> <ul style="list-style-type: none"> <li>• “Standard: Demonstration of additionality, development of eligibility criteria and application of multiple methodologies for programme of activities” (CDM-EB65-A03-STAN) (version 04.0);</li> <li>• “Standard: General principles for bundling” (CDM-EB21-A21-STAN) (version 03.0);</li> <li>• “Amendment to version 09.0 of the CDM project standard” (CDM-EB86-A05-AMEN) (version 01.0);</li> <li>• “Amendment to version 09.0 of the CDM project cycle procedure” (CDM-EB86-A06-AMEN) (issued at EB 86);</li> <li>• “Clarification: Renewal of crediting period of registered CDM project activity that has not been implemented in the first crediting period” (CDM-EB82-A16-CLAR) (version 01.0);</li> <li>• “Clarification: New project activity in the same physical or geographical location at which a project activity whose crediting period has expired existed” (CDM-EB83-A01-CLAR) (version 02.0).</li> </ul> <p>This document also reflects various changes for simplifying and streamlining the CDM as agreed by the Board during EB 86–EB 93.</p>
<p>Decision Class: Regulatory  Document Type: Standard  Business Function: Issuance, Registration  Keywords: CME, DOE, component project activity, programme of activities, validation, verification</p>		