

**DRAFT****Annex 1****DRAFT TERMS OF REFERENCE  
OF THE SUPPORT STRUCTURE OF THE CDM EXECUTIVE BOARD****I. Introduction**

1. This document outlines general principles and rules applicable to all standing panels and working groups established by the Executive Board of the clean development mechanism (hereinafter referred to as the Board) as well as to the secretariat regarding its support to the Board. This document replaces the “General guidelines for panels and working groups” and the terms of reference developed individually for the panels and working groups.

**II. General guidelines****A. General guidelines for panels and working groups****1. Background**

2. Paragraph 18 of decision 3/CMP.1 and rule 32 of annex I to decision 4/CMP.1 provide for the establishment of committees, panels and working groups to assist the Board in the performance of its functions. To date the Board has established such bodies to support its work in two areas. Firstly the Board has established the Methodologies Panel, Small-Scale Working Group and Afforestation and Reforestation Working Group to support it in the creation of methodological standards, guidelines and clarifications and other methodological matters applicable to proposed and registered clean development mechanism (CDM) project activities.<sup>1</sup> These groups are hereafter referred to as “Methodological Bodies”. Secondly the Board has established the Accreditation Panel to support it in the establishment and implementation of standards and procedures for accreditation of operational entities that conduct validations and verifications regarding CDM project activities.

**2. Role of panels and working groups**

3. Methodological bodies perform the following key functions in support of the Board:
- (a) Considering draft recommendations regarding the establishment, revision or withdrawal of methodological standards, guidelines and clarifications for CDM project activities;
  - (b) Considering draft recommendations for additional methodological requirements for CDM project activities;
  - (c) Providing advice and recommendations to the Board regarding the need and priority areas for additional methodological guidance.
4. The Accreditation Panel performs the following key functions in support the Board:
- (a) Considering the results of assessments of operational entities regarding their compliance with accreditation requirements;

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<sup>1</sup> Throughout this document, the term “CDM project activities” includes CDM programmes of activities.

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- (b) Providing advice and recommendations to the Board on additional or revised accreditation requirements for operational entities;
- (c) Providing advice and recommendations to the Board on the improvement of accreditation process.

**B. General guidelines for the secretariat****1. Background**

5. Paragraph 19 of decision 3/CMP.1 and rules 33-36 of annex I to decision 4/CMP.1 establish the core rules for the secretariat's support of the Board. In particular rule 36 (d) of annex I to decision 4/CMP.1 requires the secretariat to "perform all other work that the Executive Board may require". The practical implementation of this rule is directed by the CDM business plan, underpinned by a detailed annual management plan, and through the development and on-going improvement of specific standards and procedures. The following section further specifies the role of the secretariat as it has evolved.

**2. Role of the secretariat**

6. The secretariat performs the following key functions in support of the Board:
- (a) Institutional support to the Board and its panels and working groups, including:
    - (i) Administering meetings and other activities of the Board and its panels and working groups;
    - (ii) Administering the implementation of CDM processes;
    - (iii) Securing and providing advice of a strategic and legal nature to the Board and its panels and working groups;
    - (iv) Developing recommendations regarding the establishment, revision, or withdrawal of procedures for each CDM process;
  - (b) Technical support to the Board and its panels and working groups, including:
    - (i) Providing recommendations regarding the establishment, revision, or withdrawal of standards, guidelines and clarifications for CDM project activities and for designated operational entities (DOEs) and applicant entities (AEs);
    - (ii) Assessing the compliance of proposed and registered CDM project activities and PoAs with established requirements, and providing recommendations for further actions as appropriate;
    - (iii) Assessing compliance of DOEs and AEs with established requirements, and providing recommendations for further actions as appropriate;
7. In addition to supporting the Board in the conduct of its regulatory functions the secretariat also supports the Board's broader supervisory role for the CDM processes. In particular the secretariat:
- (a) Keeps the Board informed of the developments in the global carbon market;
  - (b) Provides capacity building services for key stakeholders;

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- (c) Acts as an interface between the Board and stakeholders in the development of new and revised regulations;
- (d) Develops strategic partnerships with relevant agencies to support the enhanced regional and sub-regional distribution of CDM project activities.

**C. Modalities of work****1. General**

8. All panels and working groups shall operate under the guidance of the Board. The secretariat shall operate under the guidance of the Board with regard to those of its activities that fall under the responsibility of the Board. The assignment of tasks to the elements of the support structure shall be conducted in accordance with the roles described in sections A and B above and as described in applicable procedures, and the annual management and more specific work plans.

9. The secretariat conducts technical assessments of issues placed for consideration of the Board, methodological bodies or the Accreditation Panel and ensures that these are provided in sufficient time for due consideration by its members. The secretariat may establish and maintain rosters of experts to draw on their expertise to assess specific cases or to supplement the established collective expertise of panels and working groups.

**2. Functioning of panel and working group meetings**

10. The meetings of a panel or working group may be held either with their members being physically present or by electronically means. The dates and mode (i.e. physical or electronic meeting) of the meetings shall be determined by the secretariat in consultation with the Chair of the panel or working group, bearing in mind needs arising from its mandates and available resources.

11. Agreements by a panel or working group shall be taken by consensus, whenever possible. The Chair and Vice-Chair of a panel or working group shall moderate the discussion among the panel or working group members and facilitate them in achieving consensus. If all efforts at reaching a consensus on an issue have been exhausted and no agreement has been reached, the Chair shall present the range of views or options on the issue resulting from the discussion at the panel or working group to the Board with clear justification for each view or option.

12. Recommendations by a panel or working group to the Board shall be made publicly available, unless otherwise decided by the Board or required by relevant procedures. Such recommendations shall be subject to confidentiality provisions in accordance with paragraph 2 of rule 24 of the rules of procedure of the Board.

13. Recommendations by a panel or working group to the Board shall be circulated to the Board members and alternate members at least two weeks before the Board meeting which is to consider the recommendations unless the Chair of the Board decides otherwise, in particular when a panel or working group meeting is held close to the Board meeting.

**3. Officers**

14. In accordance with paragraph 3 of rule 32 of the rules of procedure of the Board, the Board shall appoint two Board members to act as Chair and Vice-Chair of a panel or working group. If no Board member is in a position to act as Chair or Vice-Chair, the Board may appoint alternate member(s) to Chair and/or Vice-Chair. In any case, the Board shall select Chair and Vice-Chair of a panel or working

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group with one being from a Party included in Annex I and the other being from a Party not included in Annex I.

15. The Board shall appoint the Chair and Vice-Chair of all panels and working groups at its first meeting of each calendar year.
16. If the Chair or Vice-Chair of a panel or working group ceases to be able to carry out his or her functions, or ceases to be a member or alternate member of the Board, the Board shall appoint a new Chair or Vice-Chair of the panel or working group for the remainder of the term following the same rule in paragraph 14 above with regard to the availability of Board members and Annex I/non-Annex I Party affiliation.
17. If the Chair of a panel or working group is not able to serve in that capacity for a meeting, the Vice-Chair shall serve as Chair for that meeting. If both are unable to serve in their respective capacities, if applicable, Board members appointed to observe the meetings of the panel or working group shall serve as Chair for that meeting. Otherwise, the panel or working group shall elect a member from among its members present to serve as Chair for that meeting.
18. The Chair of a panel or working group shall facilitate a free exchange of views and information between members and between the secretariat and members. In fulfilling this role the Chair of a panel or working group shall declare the opening and closing of meetings, ensure the observance of the relevant sections of these terms of reference, accord the right to speak and announce agreements. The Chair shall rule on points of order and, subject to these terms of reference, shall have complete control of the proceedings and over the maintenance of order at the meeting.
19. The Chair shall at all times remain neutral in the discussion within the panel or working group. The Chair and Vice-Chair of a panel or working group may express his or her own views to the Board in his or her capacity as a member or alternate member of the Board, and when doing so shall clearly distinguish these from the views of the panel or working group.

**D. Functional guidelines for panels and working groups****1. Membership**

20. The Board shall select members of panels and working groups from those who submitted their applications in response to public calls for experts. For this purpose, the secretariat shall launch the calls for experts on the UNFCCC CDM website. The secretariat shall shortlist applicants to the calls against the competence requirements listed in appendix 1 to this document, and present the shortlist to the Board for its consideration. The Board shall select members taking fully into account regional balance.
21. The term of service of a member of panels and working groups shall be for a period of one year commencing on the first meeting of a panel or working group after he/she has been selected and ending immediately before the first meeting of the panel or working group after the selection of new members by the Board in the next year. The Chair of a panel or working group may request outgoing members to attend the first meeting for incoming members to ensure continuity of the work of the panel or working group. A member may re-apply for further terms. If a member of a panel or working group resigns, or his or her membership is terminated in accordance with paragraph 23 below, the Board shall select a replacement member for the remainder of the term from the applicants for the last call for experts.
22. Members of a panel or working group shall take a written oath of service before assuming his or her duties using the form in appendix 2 to this document.

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23. The Chair of a panel or working group, in agreement with its Vice-Chair, may suspend and subsequently recommend to the Board the termination of the membership of a particular member for cause including, inter alia, breach of the oath referred to in paragraph 22 above, failure to attend two consecutive meetings of the panel or working group without proper justification, or not fulfilling the duties of member, in particular not providing work inputs in good quality and on time.
24. The Chair and the Vice-Chair of a panel or working group, with the support of the secretariat, shall evaluate the performance of members of the panel or working group and provide feedback to them. The evaluation shall be used as one of the basis for consideration of re-selection of the members in further terms or for the suspension of membership in accordance with paragraph 23 above.
25. The Chair and the Vice-Chair of a panel or working group shall evaluate the performance of the secretariat supporting the work of the panel or working group, and provide feedback to the secretariat.
26. Members of a panel or working group shall attend each meeting of the panel or working group. If a member is unable to attend a meeting fully or partially, he or she shall, through the secretariat, inform the Chair of the panel or working group at least two weeks before the meeting with proper justification. The absent member shall provide his or her input via electronic means. Failing to do so without proper justification is treated as an absence from the meeting without proper justification.
27. Members of a panel or working group are expected to commit to the following:
- (a) Attending approximately 4-6 meetings per calendar year, requiring a time commitment of approximately 20-55 working days per year, including travel time, plus approximately 15-30 working days per year for preparation;
  - (b) Participating in other activities of the panel or working group and external activities and events relating to membership of the panel or working group, requiring a time commitment of 5-10 working days per year.

**2. Compensation**

28. Travel costs, daily subsistence allowance and a daily fee shall be paid to members of a panel or working group attending a meeting of the panel or working group in accordance with United Nations rules and regulations.
29. If a member of a panel or working group is requested to carry out a specific task between meetings, the member shall be compensated for the task undertaken by means of payment of daily fees subject to the provision of the input with good quality and on time. The daily fee shall be determined in accordance with United Nations rules and regulations. The determination of the effort of the task in terms of days shall be determined by the secretariat in consultation with the Chair of the panel or working group.

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**DRAFT****Appendix 1****Size, composition and competence requirements of panels and working groups**

<b>Panel/working group name</b>	<b>Size and composition</b>	<b>Members' competence requirements</b>
Accreditation Panel	<ul style="list-style-type: none"> <li>• 7 members, including 2 experts in baseline and monitoring methodologies for CDM project activities;</li> <li>• 1 expert identified by the International Accreditation Forum, as appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>(a) Be familiar with the CDM modalities and procedures and relevant decisions of the CMP;</li> <li>(b) Have recognized experience and/or knowledge relevant to the CDM project activity cycle;</li> <li>(c) Demonstrate relevant working experience of at least two years in a national, regional or international accreditation body or in third party certification activities (applicable to all members except for experts in baseline and monitoring methodologies);</li> <li>(d) Demonstrate relevant working experience of at least three years on methodological issues related to project-based mechanisms (applicable to experts in baseline and monitoring methodologies only);</li> <li>(e) Demonstrate technical/scientific expertise, inter alia through peer-reviewed publications, in at least one of the following areas (applicable to experts in baseline and monitoring methodologies only): <ul style="list-style-type: none"> <li>(i) Baseline and monitoring methodologies;</li> <li>(ii) Implementation of CDM project activities, including development of project design documents, validation, monitoring, verification and certification;</li> </ul> </li> <li>(f) Be able to communicate effectively, both in writing and orally, in English. Working knowledge of other UN languages is desirable;</li> <li>(g) Have excellent drafting skills, strong operational and analytical skills, and ability to work as a member of a team;</li> <li>(h) Have an advanced university degree in economics, environmental studies, natural sciences, engineering, or any related disciplines.</li> </ul>
Methodologies Panel	<ul style="list-style-type: none"> <li>• 16 members;</li> <li>• 2 Board members or alternate members may be designated by the Board to support the Chair and Vice-Chair.</li> </ul>	<ul style="list-style-type: none"> <li>(a) Be familiar with the CDM modalities and procedures and relevant decisions of the CMP;</li> <li>(b) Have recognized experience and/or knowledge relevant to the CDM project activity cycle;</li> <li>(c) Demonstrate relevant working experience of at least three years on methodological issues related to project-based mechanisms;</li> <li>(d) Demonstrate technical/scientific expertise, inter alia through peer-reviewed publications, in at least one of the following areas: <ul style="list-style-type: none"> <li>(i) Baseline and monitoring methodologies;</li> <li>(ii) Implementation of CDM project activities,</li> </ul> </li> </ul>



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Panel/working group name	Size and composition	Members' competence requirements
		<p>including development of project design documents, validation, monitoring, verification and certification;</p> <p>(e) Be able to communicate effectively, both in writing and orally, in English. Working knowledge of other UN languages is desirable.</p> <p>(f) Have excellent drafting skills, strong operational and analytical skills, and ability to work as a member of a team;</p> <p>(g) Have an advanced university degree in economics, energy, environmental studies, natural sciences, engineering, or any related disciplines.</p>
Small-scale Working Group	<ul style="list-style-type: none"> <li>7 members, including at least 1 Methodologies Panel member.</li> </ul>	<p>(a) Be familiar with the CDM modalities and procedures and relevant decisions of the CMP;</p> <p>(b) Have recognized experience and/or knowledge relevant to the CDM project activity cycle;</p> <p>(c) Demonstrate relevant working experience of at least three years on methodological issues related to project-based mechanisms;</p> <p>(d) Demonstrate technical/scientific expertise, inter alia through peer-reviewed publications, in at least one of the following areas:</p> <p>(i) Baseline and monitoring methodologies in activity areas related to at least one of the three small-scale criteria defined in paragraph 28 of decision 1/CMP.2;</p> <p>(ii) Implementation of small-scale project activities in activity areas related to at least one of the three small-scale criteria defined in paragraph 28 of decision 1/CMP.2, including development of project design documents, validation, monitoring, verification and certification;</p> <p>(e) Be able to communicate effectively, both in writing and orally, in English. Working knowledge of other UN languages is desirable;</p> <p>(f) Have excellent drafting skills, strong operational and analytical skills, and ability to work as a member of a team;</p> <p>(g) Have an advanced university degree in economics, energy, environmental studies, natural sciences, engineering, or any related disciplines.</p>
Afforestation and Reforestation Working Group	<ul style="list-style-type: none"> <li>7 members.</li> </ul>	<p>(a) Be familiar with the CDM modalities and procedures and relevant decisions of the CMP;</p> <p>(b) Have recognized experience and/or knowledge relevant to the CDM project activity cycle;</p> <p>(c) Demonstrate relevant working experience of at least three years, or scientific knowledge, on methodological issues related to afforestation and reforestation project activities;</p>

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Panel/working group name	Size and composition	Members' competence requirements
		<ul style="list-style-type: none"><li>(d) Demonstrate technical/scientific expertise, inter alia through peer-reviewed publications, in at least one of the following areas:<ul style="list-style-type: none"><li>(i) A/R methodologies;</li><li>(ii) Implementation of afforestation and reforestation project activities, including development of project design documents, validation, monitoring, verification and certification;</li></ul></li><li>(e) Be able to communicate effectively, both in writing and orally, in English. Working knowledge of other UN languages is desirable;</li><li>(f) Have excellent drafting skills, strong operational and analytical skills, and ability to work as a member of a team;</li><li>(g) Have an advanced university degree in economics, forestry, environmental studies, natural sciences, engineering, or any related disciplines.</li></ul>



**DRAFT****Appendix 2****Form of oath by members of panels and working groups**

“I solemnly declare that I will perform my duties as a member of the [name of the panel /working group], honourably, faithfully, impartially and conscientiously.

“I further solemnly declare and promise that I shall disclose any financial interest or any other real or perceived conflict of interest in accreditation of operational entities, consideration and approval of methodologies, registration of clean development mechanism (CDM) project activities and/or the issuance of related certified emission reductions in the work as a member of the [name of panel/working group], and subsequently refrain from participating in the consideration by the [name of panel/working group] on the operational entity, methodology, registration or issuance in question. Subject to my responsibilities to the [name of the panel /working group], I shall not disclose, even after the termination of my functions, any confidential or proprietary information which is transferred to the CDM Executive Board or its support structure in accordance with the annex to decision 3/CMP.1 (CDM modalities and procedures), or any other confidential information coming to my knowledge by reason of my duties for the [name of the panel /working group].

I shall disclose to the secretariat of the United Nations Framework Convention on Climate Change and to the CDM Executive Board any interest in any matter under discussion before the [name of the panel /working group] which may constitute a conflict of interest or which might be incompatible with the requirements of integrity and impartiality expected of a member of the [name of the panel /working group] and I shall refrain from participating in the work of the [name of the panel /working group] in relation to such matter.”

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