

Annex 2**PHASED ACCREDITATION/DESIGNATION WITH REGARD TO SECTORAL SCOPE(S)****Background**

1. In accordance with the “Procedure for accrediting operational entities by the Executive Board of the clean development mechanism (CDM)” (Version 03/30 January 2003), validation and/or verification and certification activities, witnessed during the accreditation procedure, are considered valid if the applicant entity is successfully accredited by the EB (paragraph 4.1). This means for example that a proposed CDM project activity which has been used for a witnessing activity at the validation step and for which no review was requested shall only be formally registered once the relevant applicant entity has been accredited/designated.

2. In accordance with the agreement of the Board at its sixth meeting(see report), an AE can be accredited in two phases , i.e. separately for validation and verification/certification (i.e. accreditation/designation by function).

3. In accordance with the procedure for accrediting operational entities, grouping of sectoral scopes for the purpose of witnessing is allowed, i.e. one successfully concluded witnessing activity may establish the eligibility of an AE to be accredited for more than one sectoral scope (provided, of course, that the desk review and the on-site assessment had been successfully concluded as well).

Problem

4. In order to avoid a delay in the formal registration of a proposed CDM project activity which has been witnessed as long as the accreditation/designation is pending for an entity which applied for other sectoral scope(s) where a witnessing opportunity is yet to arise, the CDM-AP recommends the following provision:

Solution

5. The CDM-AP may recommend the accreditation/designation of an AE by function (validation or verification/certification) and by specified sectoral scope(s) provided that the AE has successfully concluded:

- (a) The desk review
- (b) The on-site assessment
- (c) The witnessing activit(ies)y for the recommended
 - (i) Sectoral scope or a group of sectoral scopes and
 - (ii) Function (validation or verification/certification).