

## Agenda item 2.3

Paragraph 6 of the annotated agenda, Annex 2

# Synthesis report of the annual activity reports submitted by the DOEs (1 July 2020 to 30 June 2021)

**CDM EB 112**

Glasgow, United Kingdom of Great Britain and Northern Ireland, 26 to 29 October 2021



## Procedural background

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1. In accordance with paragraph 27(g) of the modalities and procedures (M&P) of the CDM (3/CMP.1) and section 18 of the CDM accreditation procedure (version 15.0) DOEs shall submit an annual CDM activity report to the Executive Board of the CDM.
2. Requirements of para 20 and 21 of 2/CMP.5 (collecting the number of project activities per qualified auditor, and the time frames and average fees for the validation and verification of CDM projects by region).
3. EB87 requested reporting other GHG business activities.
4. EB102 simplified the information to be collected from DOEs.
5. The secretariat produces a public synthesis report of the annual activity reports submitted by the DOEs.



## Purpose

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1. The purpose of the synthesis report is to enable a range of stakeholders to be informed of the current status of the operations of DOEs.
2. For the CDM-EB to take note and consider providing any guidance to the CDM-AP and/or secretariat.



## Observations and highlights (1 of 2)

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1. There are 29 DOEs as of 30 June 2020.
2. Accreditation of one DOE expired.
3. At least 12 DOEs in each sectoral scope (except SS16).
4. More than half of DOEs worked in underrepresented countries.
5. Increase in verification activities in comparison to the previous two reporting periods – in particular for PoA, the highest in comparison to the previous four reporting periods.
6. Increase in validation activities for renewal of PoA.
7. Most DOEs worked in other GHG business activities.
8. 78% of validation/verification activities were conducted by 10 DOEs.



## Observations and highlights (2 of 2)

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9. More DOEs accredited under sectoral scopes 5, 14, 15 and 16 – highest figures in comparison to the previous four reporting periods.
10. Increasing trend in the average fees for validation and verification/certification.
11. 3 DOEs reporting lower income than expenditure – lowest figure in comparison to the previous four reporting periods.



# Structure of synthesis report

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1. Introduction
2. Accreditation status
3. Organization
4. Activities relating to the consideration of project activities
5. Financial statement
6. Challenges and lessons learned
7. Other business activities



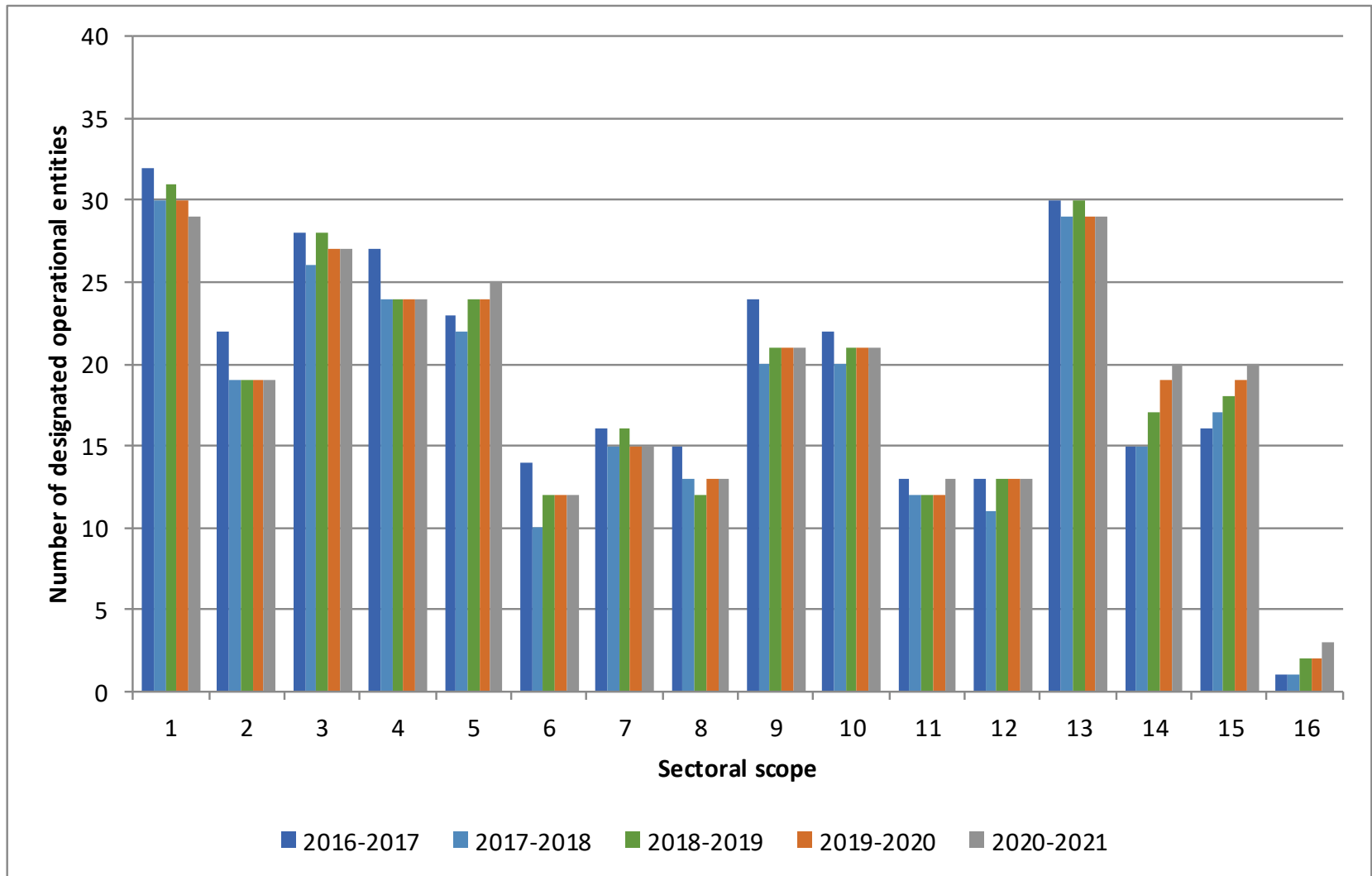
# Introduction

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- Deadline for submission - 30 Sep 2021.
- 28 DOEs submitted within the deadline.



# Introduction – accredited sectoral scopes



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## **Internal and external individuals**

- Average number of internal personnel per DOE: 13
- Average number of external personnel per DOE: 15 (utilized by 26 DOEs)



## Activities relating to project activities – number of projects

Activities	No. of validation activities	No. of verification activities
Initiated during this reporting period	(335, 190, 363, 586) <b>445</b>	(590, 355, 316, 396) <b>483</b>
Contract terminated during this reporting period	(63, 96, 51, 88) <b>159</b>	(118, 84, 85, 65) <b>97</b>
Validation/verification ongoing as of final date of the reporting period (not yet submitted for registration/request for issuance)	(346, 186, 271, 265) <b>149</b>	(312, 196, 242, 260) <b>299</b>
Registered, renewed or CPA included (validation)/certified emission reductions issued (verification) during this reporting period	(55, 30, 288, 470) <b>343</b>	(559, 396, 269, 305) <b>393</b>
Rejected during this reporting period	(3, 2, 2, 3) <b>4</b>	(1, 1, 4, 2) <b>4</b>

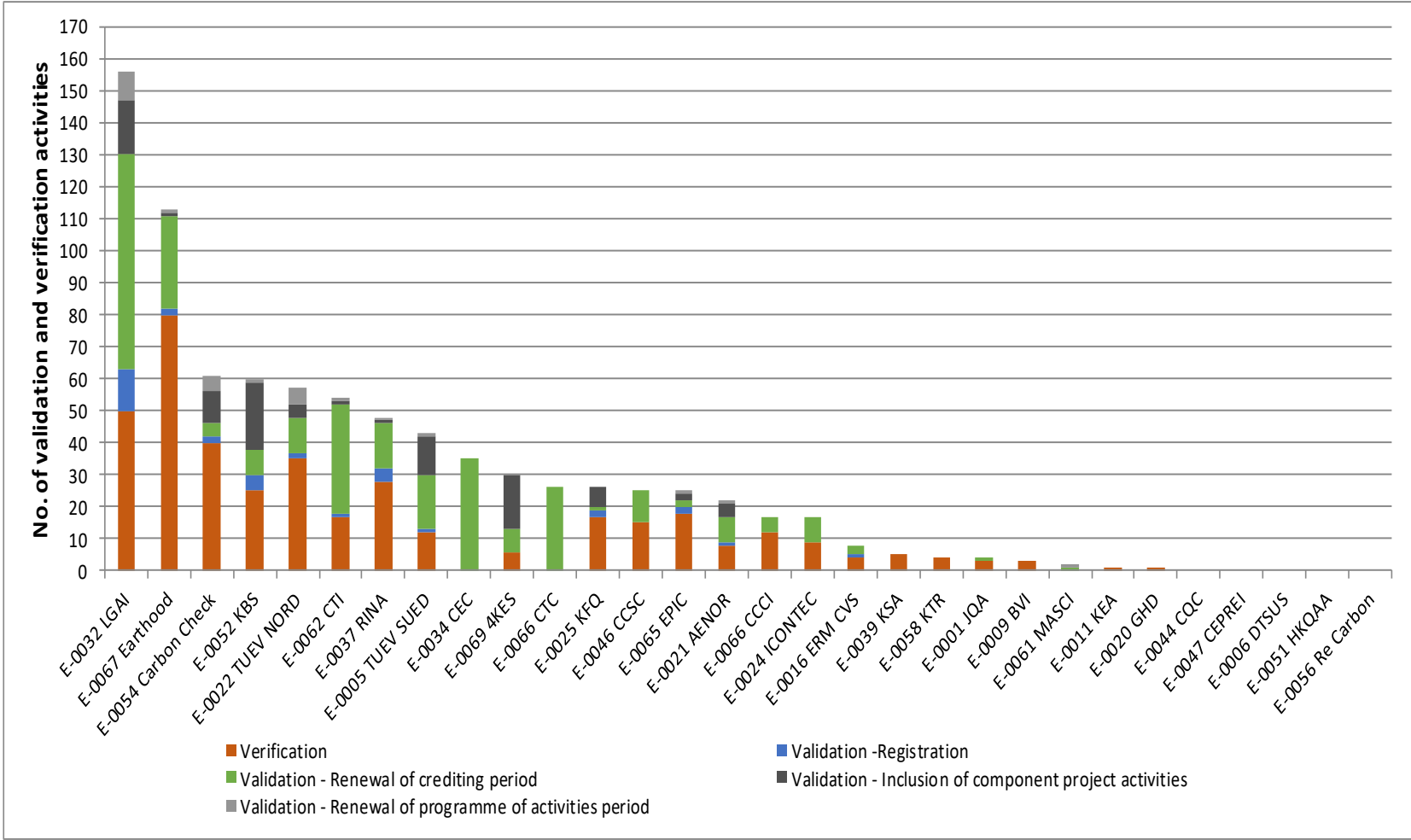
*Note: Figures in bracket are for reporting period 2016-17, 2017-18, 2018-19, 2019-20 respectively*



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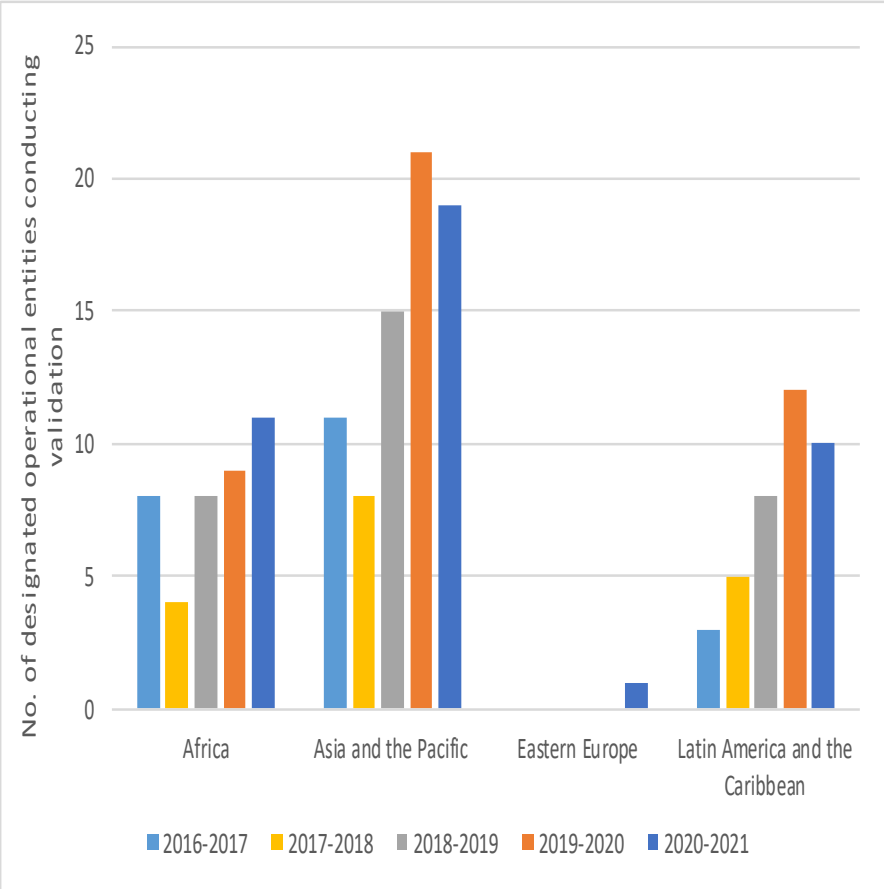
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# Activities related to project activities – Distribution (1)

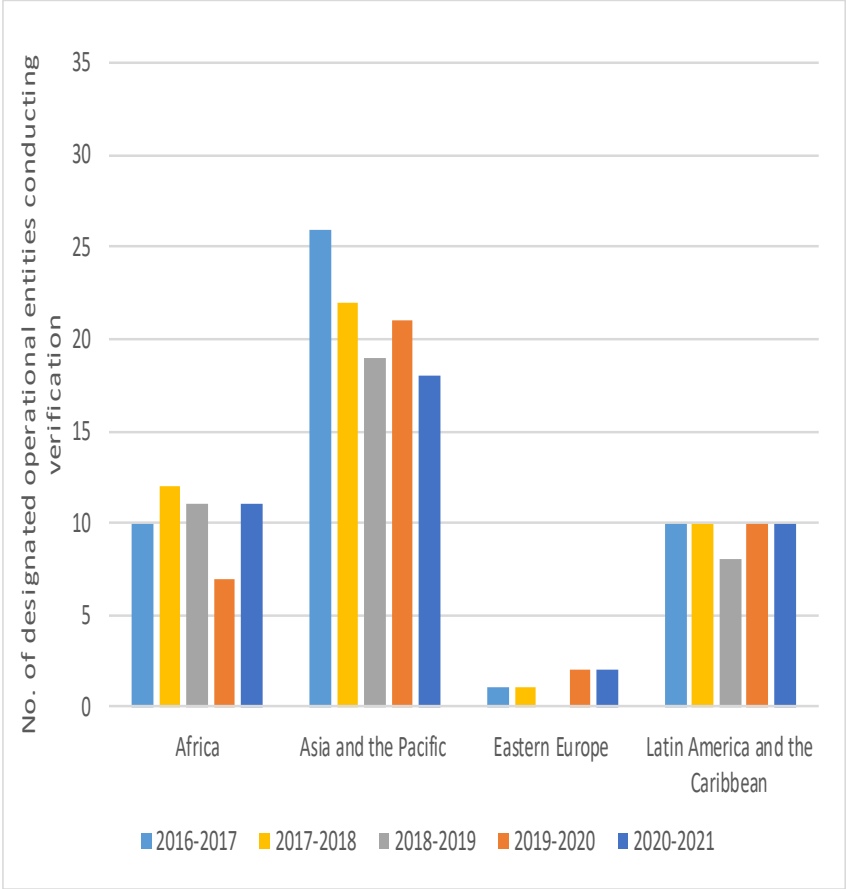


# Activities related to project activities – Distribution (2)

Number of DOEs conducting validation and verification activities in each region



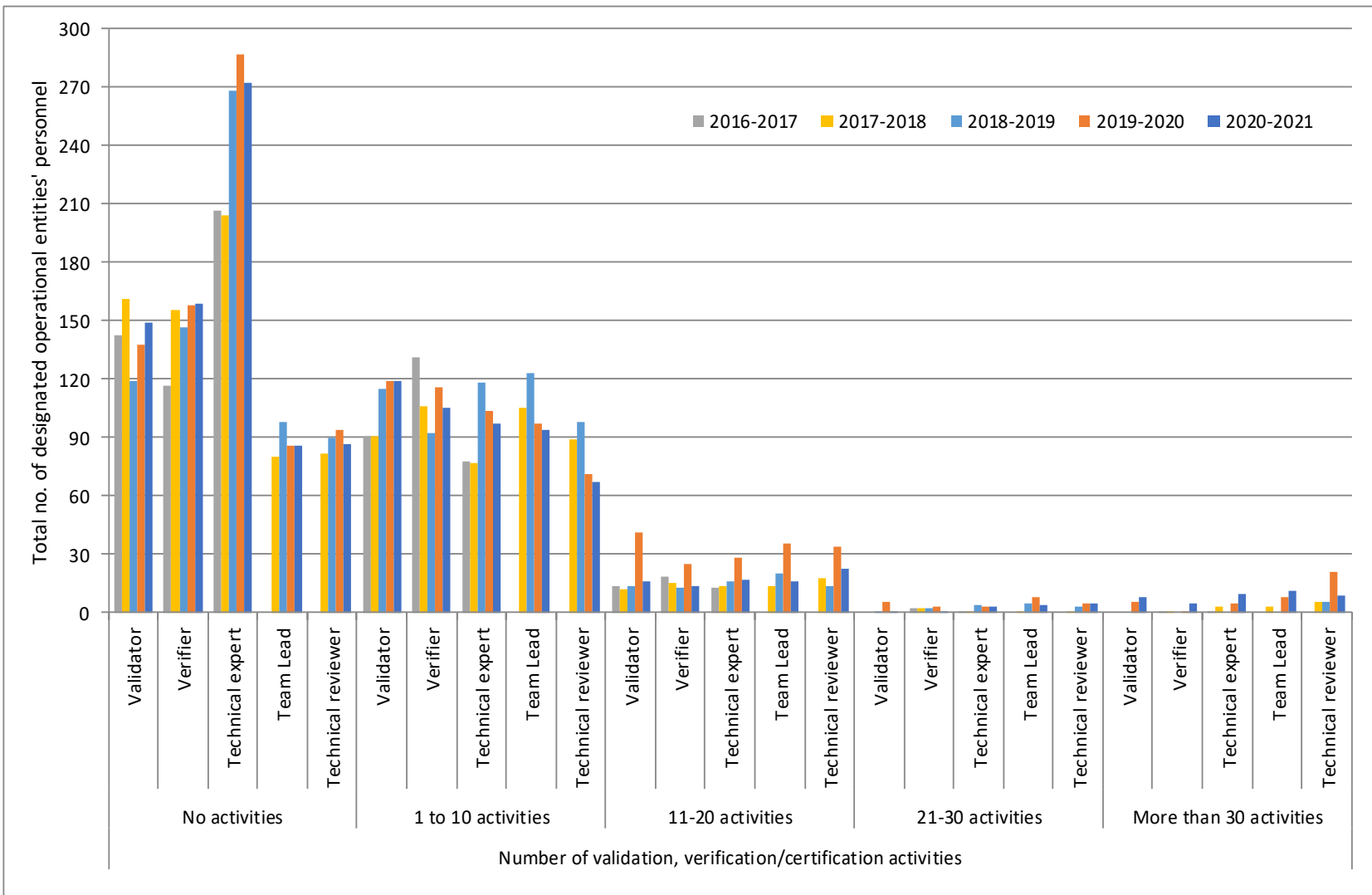
**Number of DOEs conducting validation**



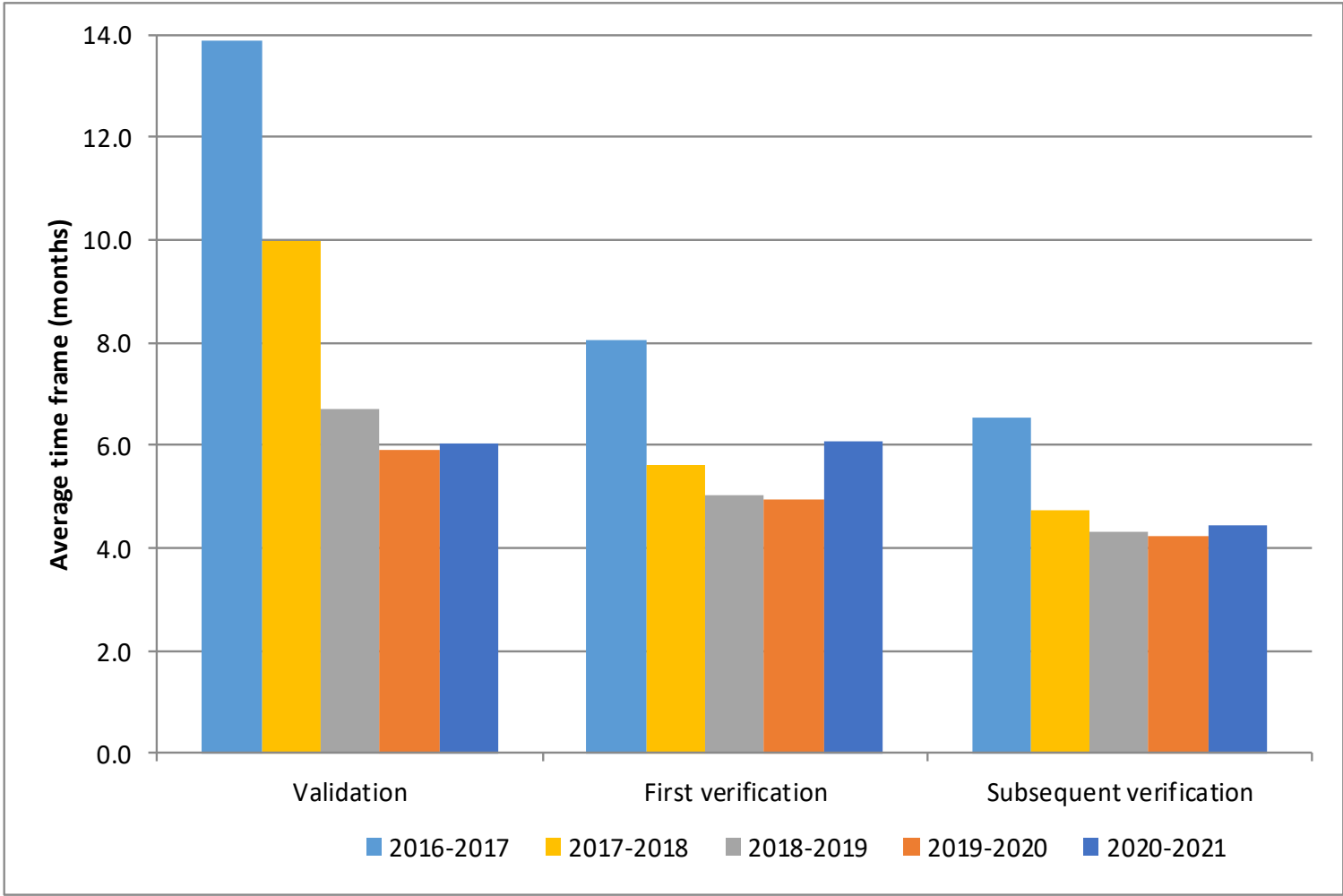
**Number of DOEs conducting verification**



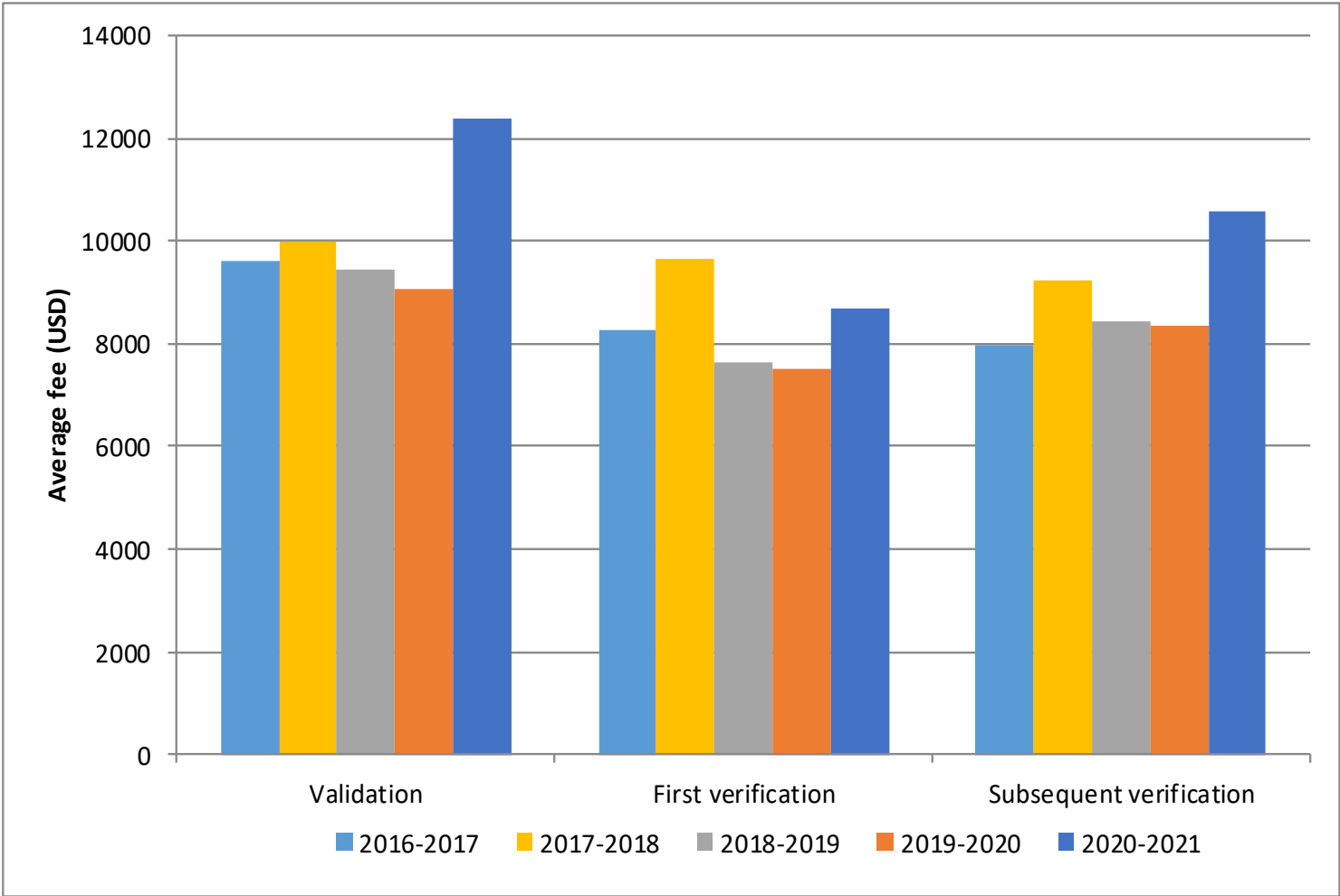
# Activities related to project activities – Workload per auditor



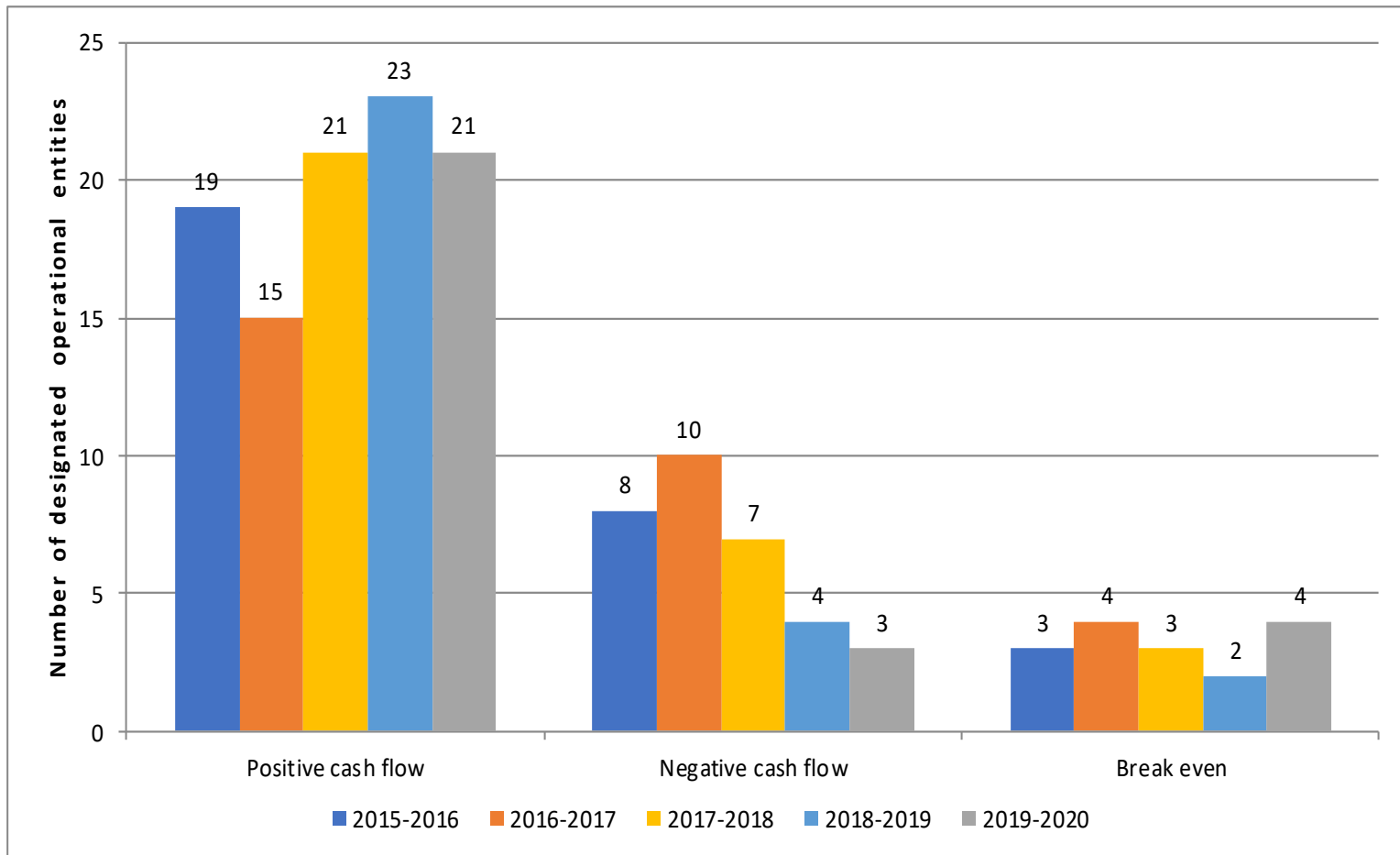
# Activities related to project activities – Average time frames



# Activities related to project activities – Average fees



# Financial statement





## Challenges and lessons learnt

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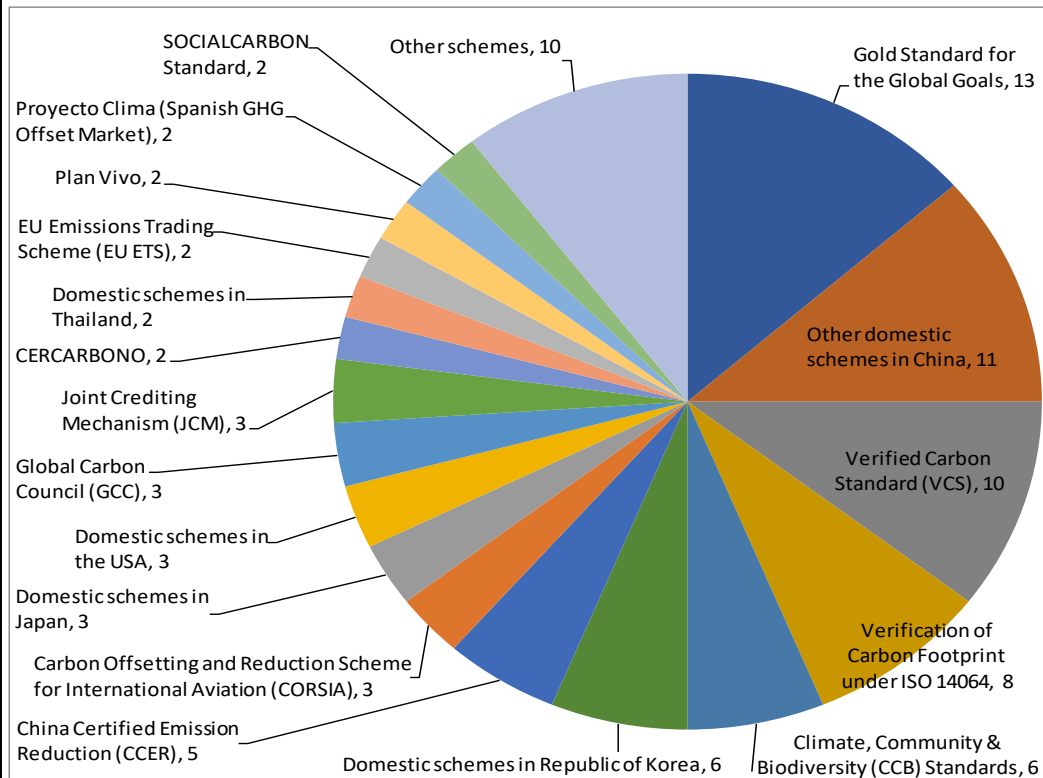
21 DOEs reported on challenges and lessons learnt, which have grouped into four areas :

1. **Uncertainty in the future of CDM**, including low price of certified emission reductions and the decrease in the volume of validation and verification work. For some DOEs, this has led to difficulties in maintaining the accreditation in terms of the cost;
2. **Lack of opportunities to practice and implement** the updated CDM requirements, due to the low volume of projects;
3. Experience with the CDM and current market conditions having provided **opportunities to seek and support other certification business**;
4. The COVID-19 pandemic enabling DOEs to update its **system to accommodate remote validation and/or verification/certification** activities and remote accreditation-related assessments. Some DOEs reported **challenges in conducting remote validation and/or verification activities**.

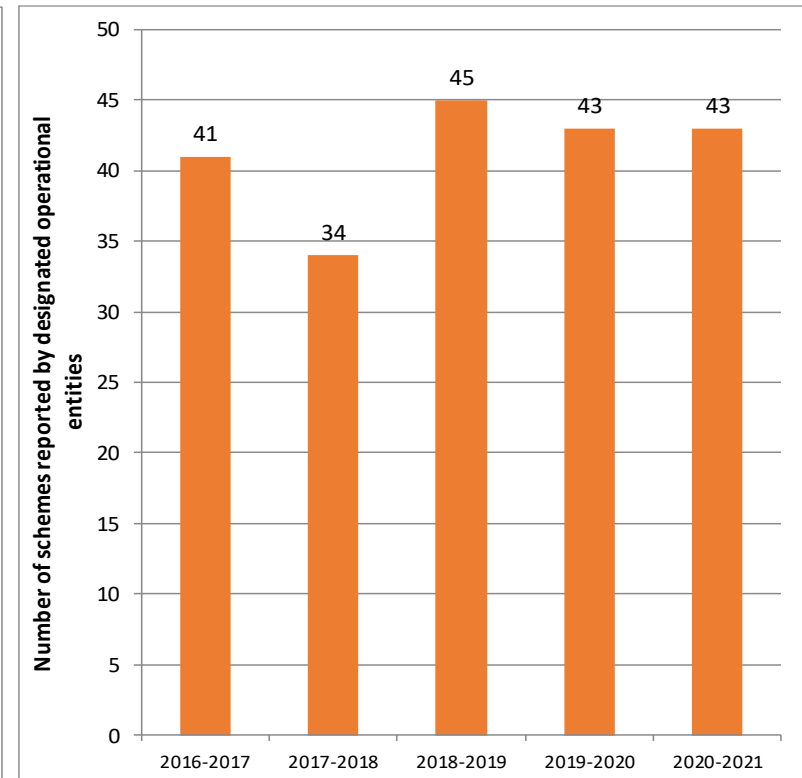


## Other business activities

27 DOEs reported other business activities that involve validation or verification of GHG assertions in schemes other than the CDM.



**Schemes reported by DOEs**



**Number of schemes reported by DOE**



## Recommendation

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The secretariat recommends that the Board take note of the synthesis report (1 July 2020 to 30 June 2021), and provide guidance as appropriate.



# End of presentation

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***THANK YOU***

