



华夏认证中心有限公司
China Certification Center. Inc

Contract Review Procedure

(Version 04.2)

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History of the document

Version	Date	Nature of revision
01.0	22 April 2014	Initial adoption
02.0	04 August 2014	Editorial change in the purpose of the contract review; Inclusion of provision for the selection of members of technical review teams; Inclusion of procedural steps to clear the conflict of interest concerns with respect to all members of the technical review team.
03.0	04 November 2016	1, To add requirement to check projects in contract review to confirm whether the project is deregistered project or whether the monitoring period is effective; 2, To refer to Applicability of Sectoral Scopes Standard when to review contract and select validation/verification team; 3, The names and tasks of the validation/verification team members and sufficient background information shall be sent to client by email but not in annex of the contract; 4, To add latest version of relevant standards and procedures in Section 8.
03.1	02 May 2017	Inclusion of the requirements in terms of verification onsite manday change in verification.
04.0	6 June 2017	Inclusion of the requirements of the latest version of Project Standard for Project Activities and Project Standard for Programmes of Activities, Project Cycle Procedure for Project Activities and Project Standard for Programmes of Activities, Validation and Verification Standard for Project Activities and Project Standard for Programmes of Activities
04.1	23 February 2018	Inclusion of the decision of EB-90 related to the signing of contracts with PP.
04.2	27 July 2023	Inclusion of the statement on the number of CCCI conducting a project's verification.

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1. Purpose

The purpose of this procedure is to establish a step-wise approach for ensuring that the contracts for validation and/or verification/certification services are issued in accordance with all applicable CDM requirements.

2. Responsibilities

- Director of GHG Validation and Verification Department
- Contract Review Department
- Client Account Manager of GHG Validation and Verification Department (CAM)

3. Requests for validation and/or verification/certification service

To request for validation and/or verification/certification service, the clients can download and fill in the Project Information Form which is publicly available on CCCI's official website, and send the form to the CAM. CCCI will only accept applications within the scopes accredited by UNFCCC.

The Project Information Form is designed in a way to collect all the necessary information including details of the related project activity as listed below:

- The draft project description (such as the PDD, PoA-DD or CPA-DD etc.) that defines project boundaries and sites included in assessment, the nature of the data needed for validation/verification and the CDM baseline and monitoring methodology(ies) used;
- Information about the PPs and/or coordinating/managing entity, the host Party and its designated national authority (DNA);
- Information about persons or organizations engaged in identification, development, consultancy and financing of the project activity or POA;
- Information about project status and any other issues influencing the validation/verification such as language, safety conditions, etc.;
- Scope of the validation/verification;
- Contract period and the liability conditions;
- Exact location of the project site(s) and travel route for the on-site visit.

The purpose of the contract review is to ensure that:

- There is no impartiality issues on the policy, organization and operational level;
- CCCI has necessary human resources with required competence to perform the requested service;
- The timeline necessary for the delivery of the service takes into account project specific characteristics/risks and corresponds to the availability of the assigned personnel;
- CCCI is eligible to provide validation/verification services under the sectoral scope of the project activity;
- In case of the small-scale project activity, the project activity is not a de-bundled component of the large-scale project activity;
- Project activity does not claim emission reductions under any other standard or scheme for the same period of time, causing double counting;
- For the deregistered project activity, the monitoring period is prior to the effective date of deregistration. CCCI shall not make any monitoring report publicly available for a period that includes any date that is on

or after the effective date of deregistration;

- CCCI has mandatory on-site inspection at validation and verification for the project activity;

The validation or verification services contract must be signed directly between the project participant/coordinating and managing entity (CME) and the DOE. In case of any negative conclusion regarding the above mentioned aspects, CAM shall inform the client that CCCI will not be able to deliver the requested service.

4. Requests for application review

Upon the Project Information Form received, CAM shall conduct requests for application review step by step as described from 4.1 to 4.7.

4.1 DOE eligibility

CAM shall determine whether the methodology applied by project activity falls under the scopes accredited by UNFCCC. In case of verification/certification for large scale project activity, CAM shall ensure CCCI did not involve in validation of project activity.

4.2 De-bundling check

In case the project activity applies small-scale methodology, CAM shall determine whether it is a part of large-scale project activity.

4.3 Double counting check

In order to eliminate the risk of the double counting, CAM shall cross-reference the title of the project activity with public available information source.

4.4 Safety issues

CAM shall assess the safety conditions of the project sites by checking the accessibility of the road and whether a natural disaster or war is likely to happen.

4.5 Competence of the human resources

CAM shall compare the competence required for performance of the requested service and the competence of the technical personnel indicated in the “Table of Competence”.

The validation or verification/certification team and the technical review team shall be assigned in such a way that collectively covers all the associated requirements related to:

1. Validation and verification technical knowledge¹, sectoral scopes and technical knowledge²,
2. Regional and linguistic competence required for the project activity.

And following aspects shall be considered by the CAM in selecting members of the validation or verification/certification team and the technical review team:

3. Complexity of the CDM project activity or PoA;
4. Risks associated with the project activity or PoA;
5. Technological and regulatory aspects;
6. Size and location of the facility (this is only for selecting the validation or verification/certification team);
7. Type and amount of field work necessary for the validation or verification/certification process (this is only

¹ For details, please refer to Appendix 3 of the latest “CDM accreditation standard”

² For details, please refer to Appendix 2 of the latest “CDM accreditation standard”

for selecting the validation or verification/certification team).

8. The latest version of Applicability of Sectoral Scopes Standard

In addition to compliance with team competence requirements, CAM shall ensure:

- a. At least one member of the validation or verification/certification team is qualified in the technical area(s) of the CDM project activity or PoA to be validated or verified/certified;
- b. At least one member of the validation or verification/certification team is qualified as Team Leader, as defined in section 3.5.2.6 of the *GHG CDM_Procedure_009_Personnel Appointment Training and Performance Assessment Procedure*;
- c. At least one member of the technical review team is qualified in the technical area(s) of the CDM project activity or PoA to be validated or verified/certified.
- d. The technical review team meets the requirements as defined in section 3.5.2.8 of the *GHG CDM_Procedure_009_Personnel Appointment Training and Performance Assessment Procedure*.

The “Team Selection Workbook” shall be used for the assignment.

4.6 Personnel availability

In order to provide high quality service, CAM shall assess the team member’s availability and the project characteristics. The assessment shall be included into the “Requests for application review Form”.

4.7 Impartiality concerns

CAM shall conduct impartiality assessment in accordance with “Conflict of Interest Assessment Procedure”:

Prior to propose a contract, each appointed validation or verification/certification team member and technical review member shall sign “Individual Impartiality Declaration”, and informs the CAM, prior to accepting the assignment, about any known existing, former or envisaged link to the CDM project activity or PoA to be validated or verified.

CAM shall review each appointed validation or verification/certification team member and technical review member’s curriculum vitae and the project background information, to ensure that they have no conflict of interest with respect to the CDM project activity or PoA to be validated or verified. CAM shall review the number of verifications CCCI conducted, if the appointed verification/certification team leader conducting the project’s verification consecutively for 5 times then another verification/certification team leader will be appointed. The review process from 4.1 to 4.7 above shall be documented by the “Requests for application review Form” and the “Team Selection Workbook”.

The names and tasks of the validation/verification team members and sufficient background information shall be sent to client by email. The client has opportunities to object to the appointment of any particular member(s), with sufficient justification (e.g impartiality concerns and/or competence concerns). If the justification is valid and reasonable, the CAM shall reconstitute the team in response to the objection.

5. Contract Review

5.1 Proposing Contract

If the request for application review is concluded positively, the CAM may propose a contract for the provision of services using the related contract template based on the service type applied for.

5.2 Reviewing Contract

The proposed contract shall be sent to the client for review.

Once the proposed contract is confirmed by the client, CAM shall send the proposed contract alone with the Project

Information Form and the Requests for Application Review Form to the Contract Review Department for contract review.

5.3 Signing Contract

The Contract Review Department is solely responsible for the signing of these service contracts on behalf of CCCI.

The conditions in the contract with the client, under no circumstance link CCCI's payments to the final outcome of the validation and/or verification/certification activities.

Once the signed contract is received from the client, the CAM shall inform the validation/verification team by sending an initiation email and establish necessary folder structure on CCCI's server. The records of the contracting process such as Project Information Form, Requests for Application Review Form, Team Selection Workbook and the signed contract shall be archived in the corresponding folders of CCCI's server.

6. Change in the team composition

The validation/verification team can be changed at any point of the validation/verification process, due to the following reasons:

- Qualification concern

Qualification of one or more of the team member no longer suffices the requirements of the role in the validation/verification team.

- Contractual concern

Contractual relationship with one or more of the team members has been terminated.

- Excess capacity

Participation of one or more of the validation/verification team member is considered no longer necessary.

- Unforeseen circumstances

Team composition has to be updated/revised due to previously unforeseen circumstances.

Team change request can be initiated by Team Leader of the respective validation/verification team or the Director of GHG Validation and Verification Department.

The request can be based on own observations or concerns expressed by stakeholders involved into the validation/verification, including project consultants and experts, project participants, designated national authorities or regulatory authorities.

In order to initiate the team change, the "Team Change Request Form" shall be completed and submitted to the CAM and the Director.

In case team change request suggests that assessment team is no longer fulfils the team qualification requirements, all further activities related to project activity are considered to be on hold, until final decision is taken.

Possible resolutions of the team change request can be:

- Request is granted

Team composition is revised, all qualification requirements are fulfilled and project activity can continue normally.

- Service termination

Team cannot be revised, there are unfulfilled qualification requirements. Project activity must be terminated in accordance with "Contract Termination Procedure".

- Change is unnecessary

Requested team change is considered unnecessary or insufficiently substantiated.

7. Change of onsite mandays for verification

When conducting verification, if more than one monitoring periods for a CDM project activity are verified during one onsite visit, the onsite man-day can be changed before the onsite visit due to verification activities not necessary to be repeated for the monitoring periods. The team leader shall reported this change and reason to CAM before the onsite visit, and the CAM shall report the reason, revise the Requests for Application Review Form and sent the revised form to the Contract Review Department.

8. Finalization of services

A project is considered finalized in the following situations:

- CDM EB reaches a final decision on whether project is registered, issued or rejected
- Termination of contract
- Issuance of a negative opinion

9. Related documents

GHG CDM_Form_001_Project Information Form

GHG CDM_Form_002_Requests for application review Form

GHG CDM_Form_003_Team Selection Workbook

GHG CDM_Form_004_Table of Competence

GHG CDM_Form_005_Team Change Request Form

GHG CDM_Declaration_002_Individual Impartiality Declaration

GHG CDM_Procedure_005_Conflict of Interest Assessment Procedure

GHG CDM_Procedure_009_Personnel Appointment Training and Performance Assessment Procedure

The latest version of Applicability of Sectoral Scopes Standard

The latest version of Project Standard for Project Activities

The latest version of Project Standard for PoAsThe latest version of Project Cycle Procedure for Project Activities

The latest version of Project Cycle Procedure for PoAs

The latest version of Validation and Verification Standard for Project Activities

The latest version of Validation and Verification Standard for PoAs

The latest version of Accreditation Standard for Project Activities

The latest version of Accreditation Standard for PoAs