

**LIST OF SECTORAL SCOPES**

1. Energy industries (renewable - / non-renewable sources)
2. Energy distribution
3. Energy demand
4. Manufacturing industries
5. Chemical industry
6. Construction
7. Transport
8. Mining/Mineral production
9. Metal production
10. Fugitive emissions from fuels (solid, oil and gas)
11. Fugitive emissions from production and consumption of halocarbons and sulphur hexafluoride
12. Solvents use
13. Waste handling and disposal
14. Afforestation and reforestation
15. Agriculture

In accordance with the procedural guidelines, the CDM-AP adopted this list of sectoral scopes which is based on the list of sectors and sources contained in Annex A of the Kyoto Protocol. Scopes 1 to 9 are industrial sectors and 10 to 13 are sectors based on sources of GHG emissions. For some of these scopes there might be partial overlap in terms of knowledge and skills. This list may be further modified in accordance with the procedural guidelines.

Applicant entities may choose to apply for one or more sectoral scopes. The specific requirements to be met, in addition to those contained in Annex A to the M&P, are contained in Appendix A to this list. An applicant entity may also propose a new scope in accordance with the procedural guidelines for accreditation.

## Appendix A

### COMPETENCE CRITERIA FOR AN AE/DOE UNDER CDM

#### A. General

1. An AE/DOE shall demonstrate competence through analysis of the competence required for the CDM activity in the sectoral scopes applied for accreditation at the following two levels:
  - a) At the Management level
  - b) At the Validation and Verification Team level.
2. The Management of the AE/DOE shall have enough knowledge of the typical CDM project including the technical process, baselines, additionality, boundaries, and monitoring requirements relevant to the sectoral scopes in which the AE/DOE is active to enable it to operate an effective system for defining the competence needed to perform validation, verification and certification.

**Note:** The sectoral scopes referred to above are likely to be further subdivided into technical areas for the analysis of the competence required as the CDM projects within one sectoral scope are likely to vary in technical process, baselines, boundaries, additionality, monitoring requirements, geographical location etc.

#### B. Competence requirements at management level

3. The management of AE/DOE shall demonstrate that it has performed an initial competence analysis (determination of competence requirements in response to evaluated needs) for each technical area in which it operates. In particular, the management shall be able to demonstrate that the OE/AE has the competence to perform the following activities:
  - c) Identify the major processes and environmental issues associated with each technical area within a sectoral scope
  - d) Identify the requirements relevant to the baseline and monitoring methodologies in each technical area in which it operates
  - e) Define the competence needed in the OE/AE to validate, verify and certify CDM projects in each technical area in which it operates (this includes the competence of its auditors and of those responsible for conducting contract reviews, selecting assessment teams and making validation, certification decisions).

#### C. Assessment of resources required

4. The management shall:
  - a) Have a system, which ensures up-to-date knowledge of process technology, -methodologies, modalities and procedures, EB decisions and clarifications, and the applicable legal issues relating to the CDM project cycle in the sectoral scope(s) applied for.
  - b) Have a system for assessing the adequacy of competence requirements for each CDM project it wishes to accept a contract within the sectoral scope(s) applied for.
  - c) Be able to demonstrate that it has performed a competence analysis of the requirements of each sectoral scope applied for. In particular, it shall have the competence to complete the following activities:
    - a) Identify the typical CDM aspects like methodologies, baselines, additionality, monitoring, PDD etc. of the areas of activity of the sectoral scope;

- b) Define the competence needed to validate the application of approved baseline and monitoring methodologies including application of new methodologies and verify/certify projects in relation to the sectoral scope, with specific reference to CDM aspects.

#### **D. Contract review**

5. The management shall be able to demonstrate that it has the competence to complete the following activities for each of the CDM project activities it validates and verifies:

- (a) Confirm the appropriateness of the sectoral scope of the project;
- (b) Confirm that the typical CDM aspects, arising from the complete range of the project's activities, correspond to those referred to in paragraph 4(c) above,
- (c) Confirm the availability of the required resources under its own control.

#### **E. Training and selection of validation and verification teams**

6. The management shall have criteria for the selection and training of validation and verification teams, consistent with the competence requirements for validation and verification team personnel (see section "Competence requirements for validation and verification team personnel"). Such criteria shall ensure the appropriate levels of understanding and knowledge in the following areas:

- (a) The Kyoto protocol and CDM project cycle;
- (b) Technical and operational aspects of a project activity in the sectoral scope applied for to be validated;
- (c) Regulatory requirements relevant to CDM Project cycle;
- (d) Environmental issues relevant to the sectoral scope applied for;
- (e) Environmental management system;
- (f) Management system audit

7. The management shall have a procedure for monitoring the performance of the validation and verification team members. The monitoring methods and frequency would be dependent on the type, range and volume of work performed by different personnel.

#### **F. Management of the validation and certification decision process**

8. The management function shall have the competence and procedures in place for decision-making regarding the validation, registration as well as verification and certification of CDM project activity.

#### **G. Competence requirements at the validation and verification team personnel level**

9. The competence requirements for validation and verification team personnel of AE/DOE are classified into three levels:

- (a) Individual team member,
- (b) Validation and verification team
- (c) External experts that may be required

### **H. The level of individual team member**

10. All members of the validation and verification team should meet similar requirements to those in international standards for auditor competence (e.g. ISO 19011<sup>1</sup>), and as may be specified by the Executive Board from time to time. In addition, all members shall, as a minimum, be familiar with the following:

- (a) The Kyoto Protocol and modalities and procedures for the CDM.
- (b) The concepts of management systems in general
- (c) Issues related to various aspects of CDM project activity.

### **I. The level of the validation and verification team**

11. The validation and verification team shall collectively have experience, training and up-to-date knowledge through at least one validation and verification team member taking responsibility within the team for:

- (a) Leading the team and managing the validation and verification process
- (b) Regulatory and applicable legal requirements of the CDM
- (c) Baselines and monitoring methodologies (including GHG inventories)
- (d) Management systems and auditing methods
- (e) Applicable environmental and social impacts and aspects of CDM project activity
- (f) Current technical and operational knowledge of the specific sectoral scope
- (g) Sector specific technologies and their applications.

12. Notwithstanding the above responsibility, some of this expertise may be supplemented from external sources as described below.

### **J. The level of the external experts**

13. The work of the validation and verification team may be supported by input from technical experts with specific knowledge regarding:

- (a) Regulatory and applicable legal requirements of the CDM
- (b) Baselines and monitoring methodologies (including GHG inventories)
- (c) Applicable environmental and social impacts and aspects of CDM project activity
- (d) Current technical and operational knowledge of the specific sectoral scope;
- (e) Sector specific technologies and their applications.

14. Such experts shall not be considered as members of the validation and verification team.

-----

---

<sup>1</sup> Where international standards for audit competence refer to "environmental science and technology" this shall be understood as "science and technology relevant for the understanding of the Kyoto protocol and CDM and their social and environmental impacts".