

database of projects and for the development of a system of accounts designed to facilitate the transfer of Certified Emissions Reductions (CER) known as the CDM Registry (See section 2.1.7).

The Designated Operational Entities

The Designated Operational Entities (OEs) are accredited by the EB to specifically perform the Validation, Verification and Certification functions for a CDM project. The Validation step is required for the registration of projects while the Verification and Certification steps are required prior to the issuance of CERs. Project proponents can select one OE to perform the validation of its project and generally, another OE to perform the verification and certification functions.

1.2 The CDM Project Cycle

1.2.1 Steps Involved in the Registration of CDM Projects

i. Approval by Parties

Participation in CDM projects is voluntary and requires approval by Parties involved in the form of written confirmation. The host country will also make sure that the proposed project is consistent with its sustainable development. The parties involved in the CDM project are required to have a designated national authority.

ii. Validation

Validation is the process whereby an OE reviews the Project Design Document (PDD) that it received from the project participants and assesses whether the project meets all the requirements of the CDM. More specifically, the OE will confirm that the following requirements have been met:

1. The participation requirements have been met.
2. The project contributes to the host country's sustainable development
3. Comments by local stakeholders were invited and taken into account in the Project Design Document.
4. Participants have provided an analysis of the environmental impacts and if these impacts are significant and the host country required an environmental impact assessment, it is included with the validation request.
5. The project will result in anthropogenic GHG emissions reductions that are *additional* to any that would have occurred in its absence.
6. The baseline and monitoring plan comply with established methodologies that have already been approved by the EB. The baselines are project-specific for the CDM and must meet the criteria set out in the Marrakech Accords (See text box below).

Once the OE has evaluated the request for validation, it shall receive and publish, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations. The OE will then render a decision on whether or not the project can be recommended for registration to the Executive Board and make its decision publicly available. If rejected, the project proponents may seek validation in the future with revised documentation to address the concerns expressed by the OE.