

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 OPERATIONAL ENTITIES

General

1. An applicant operational entity has to demonstrate competence at the following two levels:
 - a. At the Management level
 - b. At the Audit Team level.
2. Before accreditation for a specific sectoral scope, the management of the applicant has to demonstrate that they are able to assign an audit team for a specified project within the sectoral scope(s) applied for. The competence requirements may vary from one CDM project to another.

Competence requirements at management level

3. The management shall demonstrate competence in four areas:
 - a. Assessment of resources required
 - b. Contract review
 - c. Training and selection of audit teams
 - d. Management of the decision-making process

Assessment of resources required

4. The management shall:
 - a. Have a system which ensures up-to-date knowledge of the technological 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 for, 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 should have the competence to complete the following activities:
 - i. Identify the typical GHG aspects of the areas of activity of the sectoral scope;
 - ii. Define the competence needed to validate the application of approved baseline and monitoring methodologies and verify/certify projects in relation to the sectoral scope, with specific reference to GHG aspects.

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 GHG aspects, arising from the complete range of the project's activities, correspond to those referred to in section 1 (c) above,
 - c. Confirm the availability of the required resources.

6. Additionally, it should have procedures by which it determines the length of time needed to cover all the relevant elements of the validation as well as the verification and certification process, taking into account the information provided by the project participants in the current version of the CDM-PDD as well as the requirements defined in the M&P of the CDM.

Training and selection of audit teams

7. The management shall have criteria for the selection and training of audit teams, consistent with the competence requirements for audit team personnel (see section "Competence requirements for audit 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 audited;
 - 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.

Management of the decision-making 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.

Competence requirements at the audit team personnel level

9. The competence requirements for entity audit team personnel are classified into three levels:
 - a. Individual audit team member,
 - b. Audit team
 - c. External experts that may be required

The level of individual audit team member

10. All members of the audit team shall meet the requirements similar to those in international standards for auditor competence (e.g. ISO 14012¹), 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 CDM.
 - b. The concepts of management systems in general
 - c. Issues related to various environmental aspects and impacts of CDM project activity.

The level of the audit team

11. The audit team shall collectively have experience, training and up-to-date knowledge through at least one audit team member taking responsibility within the team for:
 - a. Leading the team and managing the audit process

¹ 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".

- 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.

The level of the external experts

13. The work of the audit 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 audit team.