

Contract No.: \_\_\_\_\_



CEPREI Certification Body

# CDM Project Contract

[Please fill in block letters]

The client (shall be one of PPs): \_\_\_\_\_

Validation  Verification and Certification  Other: \_\_\_\_\_

The client (shall be one of PPs): \_\_\_\_\_ (hereinafter referred to as Party A) and the Service Party: **CEPREI Certification Body** (hereinafter referred to as Party B) have reached an agreement regarding the  validation  verification and certification of \_\_\_\_\_ CDM project located in \_\_\_\_\_ City (County) Province \_\_\_\_\_ Country \_\_\_\_\_ Longitude \_\_\_\_\_ Latitude, and it is hereby mutually agreed as follows:

## 1. Contents and Requirements

### 1.1 General provisions

Party B shall provide Party A with CDM project validation and/or verification services, and recommend Party A's CDM project to the EB for registration/issuance upon successful validation/verification and certification according to the agreed-upon requirements; Party A shall provide necessary information and facilities for Party B's validation/verification activities.

### 1.2 CDM project activities required and applied for by Party A : (Please mark "✓" in the box next to the required activities)

#### ➤ CDM project validation

- Validation of CDM project under approved methodologies
- Validation of CDM project under new methodologies
- Validation of bundled small-scale CDM projects

#### ➤ CDM project verification

- Initial verification (optional)
- Periodic verification
- Request for deviation
- Request for revision of the monitoring plan

#### ➤ Other \_\_\_\_\_

### 1.3 Sectoral scopes of the CDM project applied for by Party A:

1.4 The basis for the CDM project validation/verification applied for by Party A is *United Nations Framework Convention on Climate Change (UNFCCC), Kyoto Protocol, CDM M&P, relevant decisions by the CMP and CDM EB, relevant laws and regulations of the Host Parties on CDM projects and other requirements.*

## 2. Payment

2.1 Party A shall pay Party B (in RMB):

Application and contract review fees: RMB \_\_\_\_\_

Validation fees (including the fees for document review, background investigation, on-site visit, report preparation and review):

RMB \_\_\_\_\_

Initial verification fees (including document review, on-site visit and preparation of initial verification report):

RMB \_\_\_\_\_

Verification and certification fees (including document review, on-site visit, preparation of verification report and preparation of certification report):

RMB \_\_\_\_\_

Total (amount in words): \_\_\_\_\_

2.2 If it is required to increase the number of on-site visits due to Party A's requirement or reason, the added fees shall be paid by Party A additionally on the basis of RMB 10,000/man-day (RMB 15,000/man-day for experts).

2.3 The expenses for travel, meal and accommodation incurred by Party B's validators/verifiers for performing on-site follow-up investigation and on-site visit shall be assumed by Party A.

2.4 Party A shall make payment to Party B according to this contract for the validation (verification) services provided by Party B, and the payment method is as follows:

Payment by installments: \_\_\_\_\_ shall be paid prior to validation (verification); \_\_\_\_\_ shall be paid upon issuance of the draft report; \_\_\_\_\_ shall be paid upon issuance of the final report.

Payment in one installment: The payment shall be made prior to validation (verification).

2.5 The relevant fees shall be remitted by Party A to the account designated by Party B within 30 days upon receipt of the charging notice, otherwise, a late fee in the proportion of 5‰ of the unpaid amount hereunder will be charged for each day overdue.

2.6 Other: \_\_\_\_\_  
\_\_\_\_\_

### **3. Risk**

3.1 If Party A's CDM project fails to conform to the CDM requirements and the requirements specified by Party B according to the validation results, Party A shall bear the risk that its CDM project cannot be recommended for registration or cannot be registered.

3.2 If Party A's CDM project fails to conform to the CDM requirements and the requirements specified by Party B according to the verification results, Party A shall bear the risk that its CDM project cannot be recommended for issuance.

3.3 Party B shall take the risk that its accreditation qualification may be suspended or revoked by the CDM-EB.

3.4 If on-site assessment will not be conducted according to the time as agreed upon in the contract due to the fault of either Party, the faulty Party shall give one month's prior written notice to the other Party, so as to make negotiations for resolution.

3.5 If this contract is terminated at Party A's request not due to Party B's reason, Party A still shall make full payment to Party B.

3.6 Both Parties shall be exempted from compensation liability for any delay or failure in performing this contract due to force majeure, including but not limited to war, natural disaster and so on, and the affected Party shall notify the other Party in writing without delay.

### **4. Party A's Responsibilities**

4.1 Provide Party B with the PDD of the project and the annexes to the application documents.

4.2 Ensure the documents, materials and data provided to Party B are authentic, objective and integral.

4.3 Provide valid evidence for validation/verification within the agreed-upon time when Party B's validation/verification team carries out document review, background investigation and on-site visit.

Provide necessary working conditions in compliance with regulatory requirements for Party B's

validation/verification team.

- 4.4 Notify Party B on a timely basis of the changes which possibly have a significant impact on validation/verification.
- 4.5 Shall neither, independently or via a third Party, employ the validators/verifiers appointed by Party B, nor employ Party B's personnel related to the validation or verification of this project as its advisor within six months upon completion of the validation/verification.
- 4.6 Provide Party B with evidence for taking clarification measures and corrective measures within the agreed-upon time at the request of Party B.
- 4.7 Unless Party B carries out the entrusted activities with ill intention or gross negligence, Party A shall ensure that Party B's behaviors for carrying out the activities entrusted by Party A are not subject to any third person's claim for right or compensation. In case of any third person's claim for right or compensation, Party A shall compensate all losses incurred by Party B arising out of this.
- 4.8 Pay Party B the fees as specified herein on schedule.

## **5. Party B's responsibilities**

- 5.1 Party B shall observe the relevant provisions of UNFCCC strictly and carry out the validation/verification impartially, objectively and scientifically.
- 5.2 Provide Party A with public documents for CDM validation/verification.
- 5.3 Organize and implement the validation/verification work for Party A's CDM project on schedule, submit the validation/verification plan to Party A for confirmation on a timely basis, and submit the validation/verification draft report and the final validation/verification report according to the agreed-upon time.
- 5.4 The validation/verification team members shall be assigned according to the relevant provisions, and consent shall be sought from Party A.
- 5.5 If Party A's project conforms to the CDM requirements, the final validation report shall be submitted to the CDM EB according to the time as agreed upon by both Parties for recommendation of registration or issuance of CERs.
- 5.6 Hold Party A's information obtained during validation/verification in confidence and shall not disclose

the information to any third Party in any way, with the exception of the materials made public by Party A, the information required by law and/or state authorities and the relevant information required by the CDM EB. The responsibility for confidentiality shall survive the termination of this contract.

## **6. Party A's Rights and Obligations**

- 6.1 Obtain the validation/verification draft report and final validation/verification report provided by Party B within the time as agreed upon in the contract.
- 6.2 Have the right to make a compliant or appeal if objecting to Party B's behaviors or decisions.
- 6.3 Have the right to put forward the request for deviation or request for revision of the monitoring plan during the verification; however, the final request for deviation or revision shall be judged and decided by Party B.
- 6.4 Maintain the results of stakeholder consultations, and provide them at the request of Party B.
- 6.5 Provide Party B with necessary conditions for carrying out validation/verification and solving complaints/appeals (including document review, entry into the required areas, access to documentation, arrangement of the interviewees and etc.)

## **7. Dispute**

- 7.1 Any dispute arising out of or in connection with this contract shall be settled by both Parties through friendly negotiation.
- 7.2 Should no settlement be reached through friendly negotiation, the dispute shall be submitted to Guangzhou Arbitration Commission for arbitration.
- 7.3 Otherwise, the dispute shall be resolved through judicial proceedings.

**8. Matters Related to this Contract**

8.1 This contract shall be terminated upon fulfillment of both Parties' responsibilities and obligations hereunder; if the CDM project proposed by Party A can not satisfy relevant CDM requirements, Party B shall submit report including negative results as actual. At the same time the contract terminates automatically.

8.2 This contract is made in duplicate, with one counterpart to each Party, which shall come into effect on the date when it is signed by both Parties. This contract will automatically become void if not implemented within two years.

**9. Contact Information (This provision is not bound by the contract, which is just for the convenience of liaison)**

Party A		Party B
Mailing Address		Address: No.110, Dongguanhuang Lu, Tianhe District, Guangzhou
		P.O. Box: 1501-33, Guangzhou
		Postcode: 510610
		Tel: +86-20-87236606, 87237425
Postcode		Fax: +86-20-87236230, 87237199
Name of Contact Person		E-mail: <a href="mailto:info@ceprei.org">info@ceprei.org</a>
Department		Bank Name: <b>Guangzhou Branch, China CITIC Bank</b>
Post		Account Holder's Name: <b>CEPREI Certification Body</b>
Tel	( )	Account Number: <b>7443020182600066500</b>
Fax	( )	<u>Contact phone number of each department:</u>
E-mail		<b>Customer Service Department:</b> Yuan Xinghua
		Tel: +86-20-87218712
		<b>Finance Department:</b> Yang Xiaoling
		Tel: +86-20-87237221
		<b>Climate and Energy Department:</b> Chen Chunyan
		Tel: +86-20-87237208
		<b>Administration Department (material uploading):</b> Pang Haiyan
		Tel: +86-20-87239617

**10. Miscellaneous:**

*Note: Please provide the enterprise information and fill in the application form and questionnaire*

---

*truthfully. This contract is made based on the information stated in the application form and questionnaire provided by the applicant (Party A), and if a negative impact on the validation/verification is caused due to inaccurate information provided in the above documents, the consequences shall be borne by the applicant (Party A).*

Signature of Party A's Representative

Signature of Party A's Representative

\_\_\_\_\_  
(Company Seal)

\_\_\_\_\_  
(Company Seal)

Date: \_\_\_ Day \_\_\_ Month \_\_\_ Year

Date: \_\_\_ Day \_\_\_ Month \_\_\_ Year