

# **Regional Workshop on Monitoring, Reporting and Verification of Greenhouse Gas Emissions**

**AUGUST 26-27, 2019**



# Independent 3<sup>rd</sup> Party Verification and Requirements for Verifiers

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Santiago de Chile, 27 August 2019

# OUTLINE

- Preliminaries
- Legal Framework
- Verification Principles and Procedures
- Requirements for Verifiers

# WHY THIRD PARTY INVOLVEMENT?

Acceptance, effectiveness and practicality of a MRV-System depends upon:



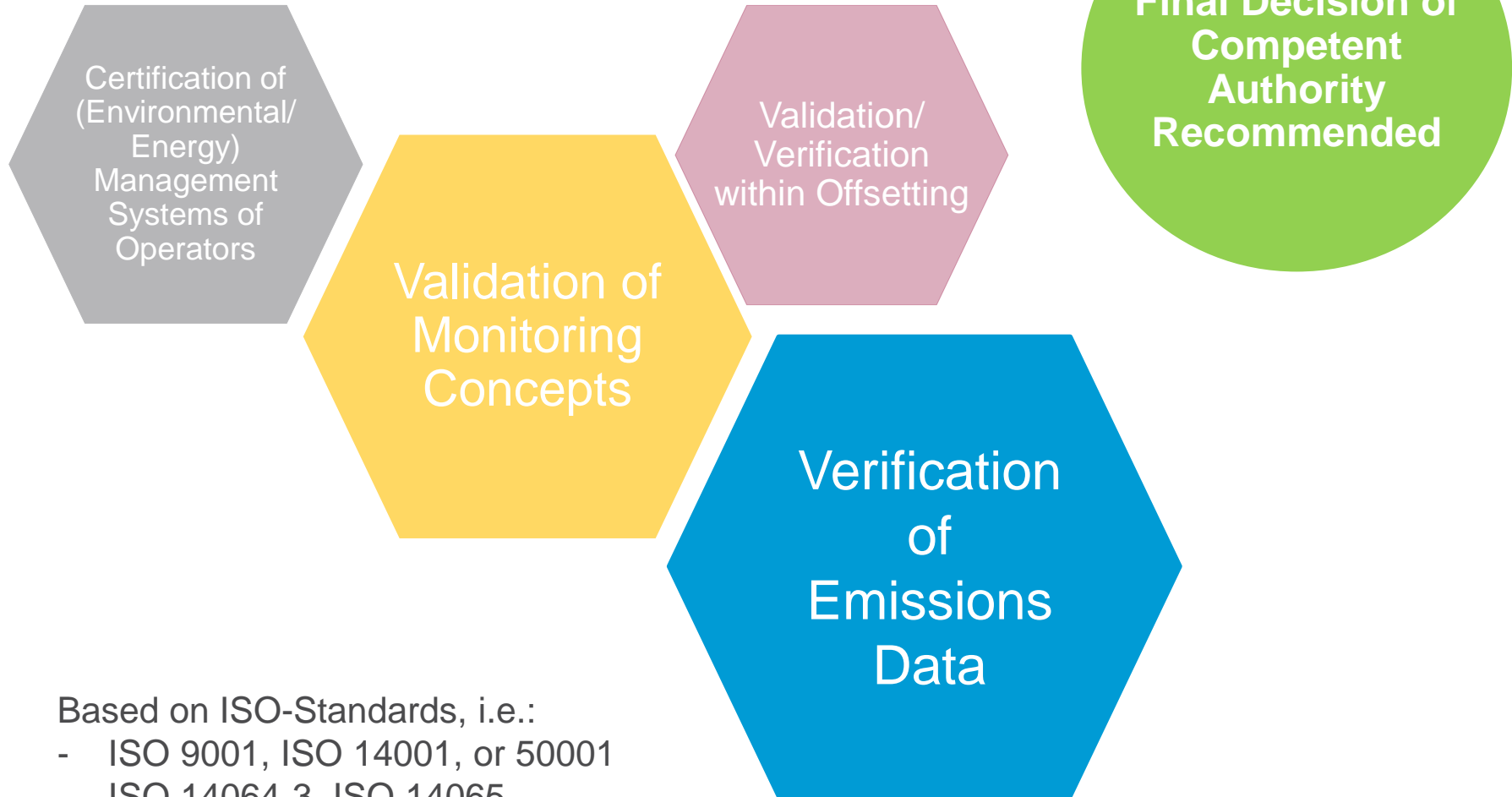
Comprehensive  
Assessments by  
Authority

Involvement  
of  
Independent  
Private Sector  
Verifiers

Trust in Accuracy  
of Submitted  
Data

# HOW TO INVOLVE THIRD PARTY VERIFIERS?

## WHAT AREAS ARE POSSIBLE?



Based on ISO-Standards, i.e.:

- ISO 9001, ISO 14001, or 50001
- ISO 14064-3, ISO 14065

# WHO IS INVOLVED?



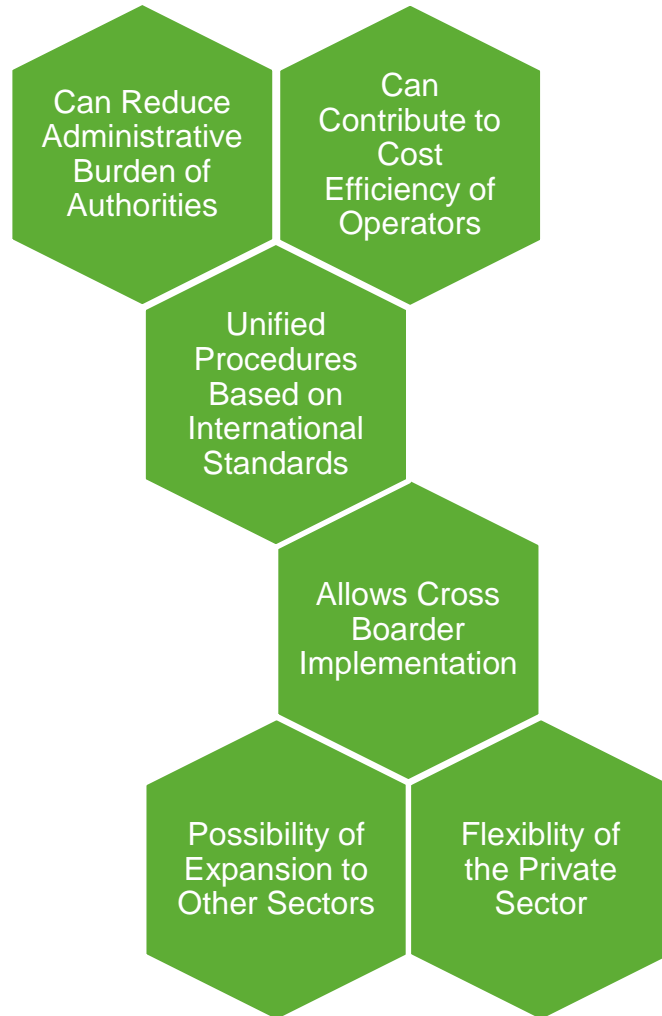
\* National Accreditation Body

\*\* Regional Umbrella Organization, i.e. IAAC (Inter-American Accreditation Cooperation)

\*\*\* International Accreditation Forum

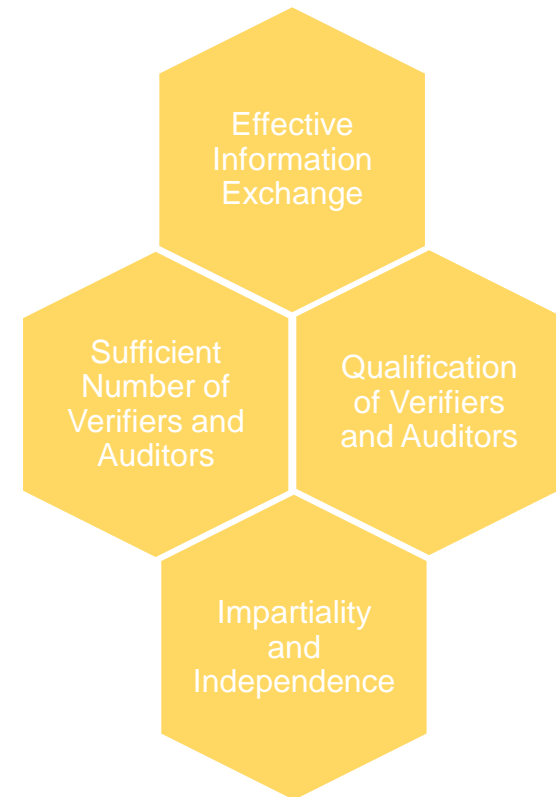
# REASONS WHY?

## PROS

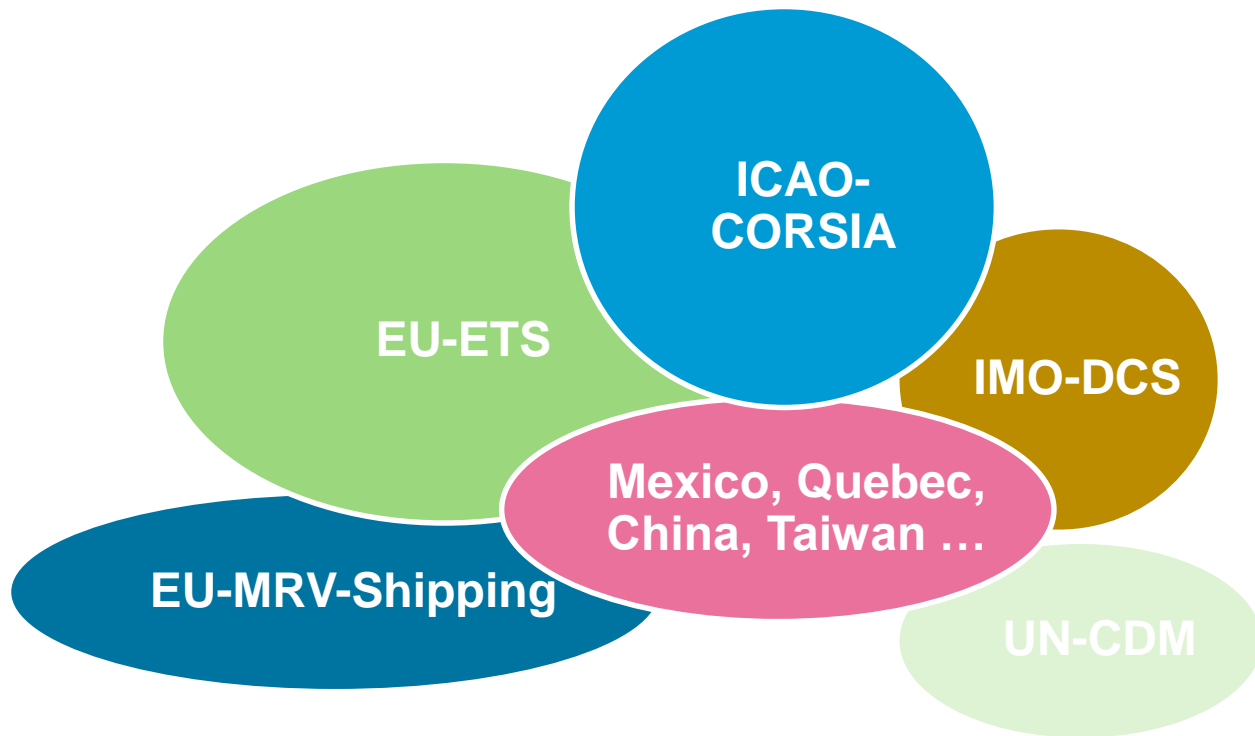


## AND

## CHALLENGES



# IMPLEMENTED WHERE SO FAR?





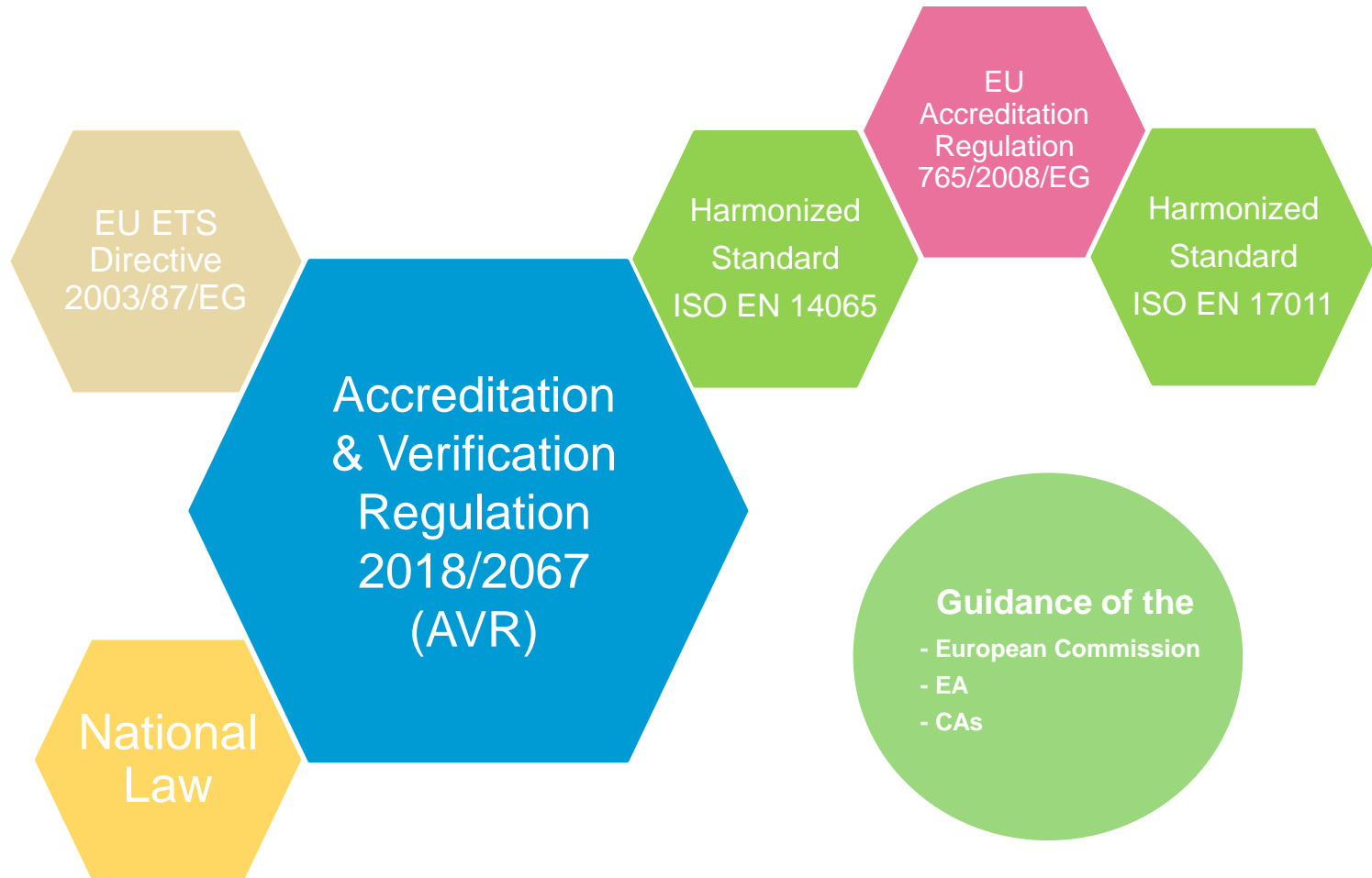
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# LEGAL FRAMEWORK OF AN ACCREDITATION AND VERIFICATION SYSTEM



# LEGAL FRAMEWORK OF THE ACCREDITATION AND VERIFICATION SYSTEM IN EU ETS



# LEGAL FRAMEWORK

- **Legal framework in EU-ETS consists of Regulations on three levels**
  - EU law
  - National law
  - International Standards
- **Current framework for A&V was developed taking into account experiences acquired with monitoring, reporting and verification during Phase I, Phase II and Phase III within the EU ETS**
- At the moment experiences acquired during **Phase III** are used to **further improve** the legal framework for **Phase IV**
  - In discussion at the moment is for instance a mandatory rotation of lead verifiers or verification bodies

AVR is not perfect but perhaps one of the most comprehensive and sophisticated regulatory texts available

# LEGAL FRAMEWORK

## AVR at a glance

Chapter	Content
I	General Provisions
II	Verification
III	Requirements for Verifiers
IV	Accreditation
V	Requirements concerning Accreditation Bodies
VI	Information Exchange
VII	Final Provisions
Annex I	Scope of Accreditation for Verifiers
Annex II	Requirements for Verifiers
Annex III	Minimum requirements of the accreditation process and requirements on accreditation bodies

Covers essentials  
of

- ISO 17011
- ISO 14065
- ISO 14064-3
- ISO 14066

Compliance with  
ISO-Standards is  
crucial

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# VERIFICATION PRINCIPLES

- The **objective** of verification in an MRV-System is **to ensure** that
  - **emissions have been monitored** in accordance with
    - the legal requirements
    - i.e. the **(approved) monitoring plan**
  - **reliable and correct emissions data** are **reported**
    - reported date is in congruency with monitored data
  - reassurance of “a ton emitted must be a ton reported”

# VERIFICATION PRINCIPLES

- Objective of verification in MRV should be:

**Verification opinion states**

with the **applicable level of assurance**

that the report

is free

**from material misstatements**

Applicable level of  
assurance should be  
reasonable and not  
limited



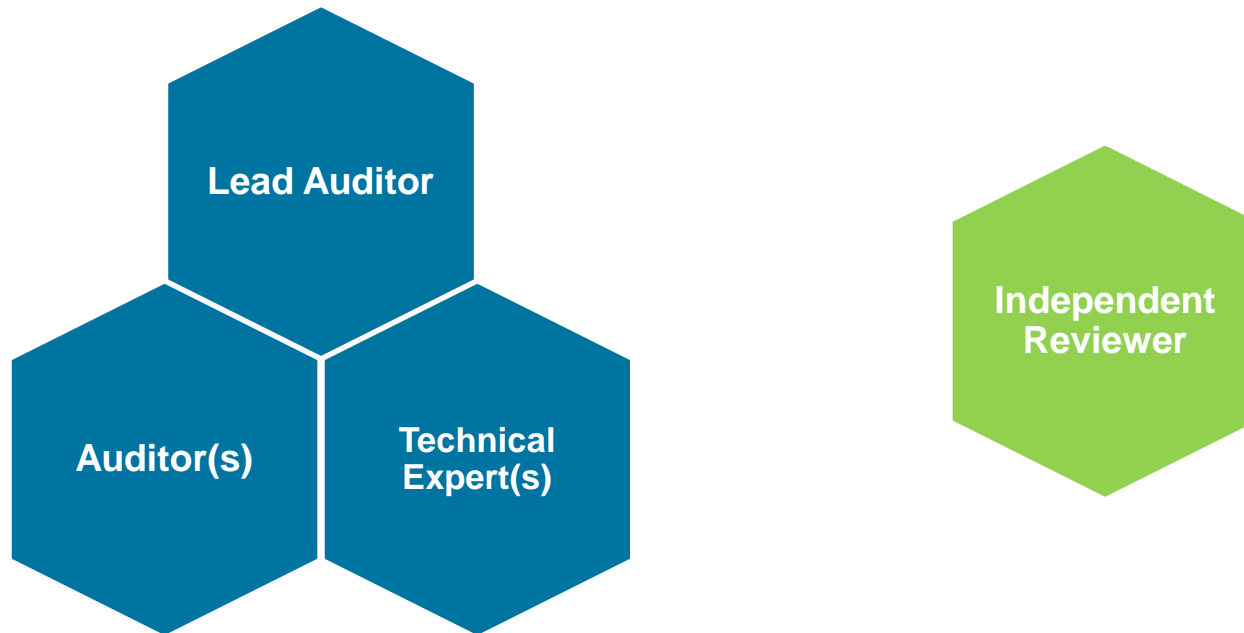
# VERIFICATION PRINCIPLES

Concept of materiality is essential

- Verification follows a risk based approach
- Verification is based on a factual approach on decision making
- Verification is ideally based on checks with primary data sources  
Verification should not only be a sophisticated plausibility check
- Verification relies and depends on the professional judgement of the auditor

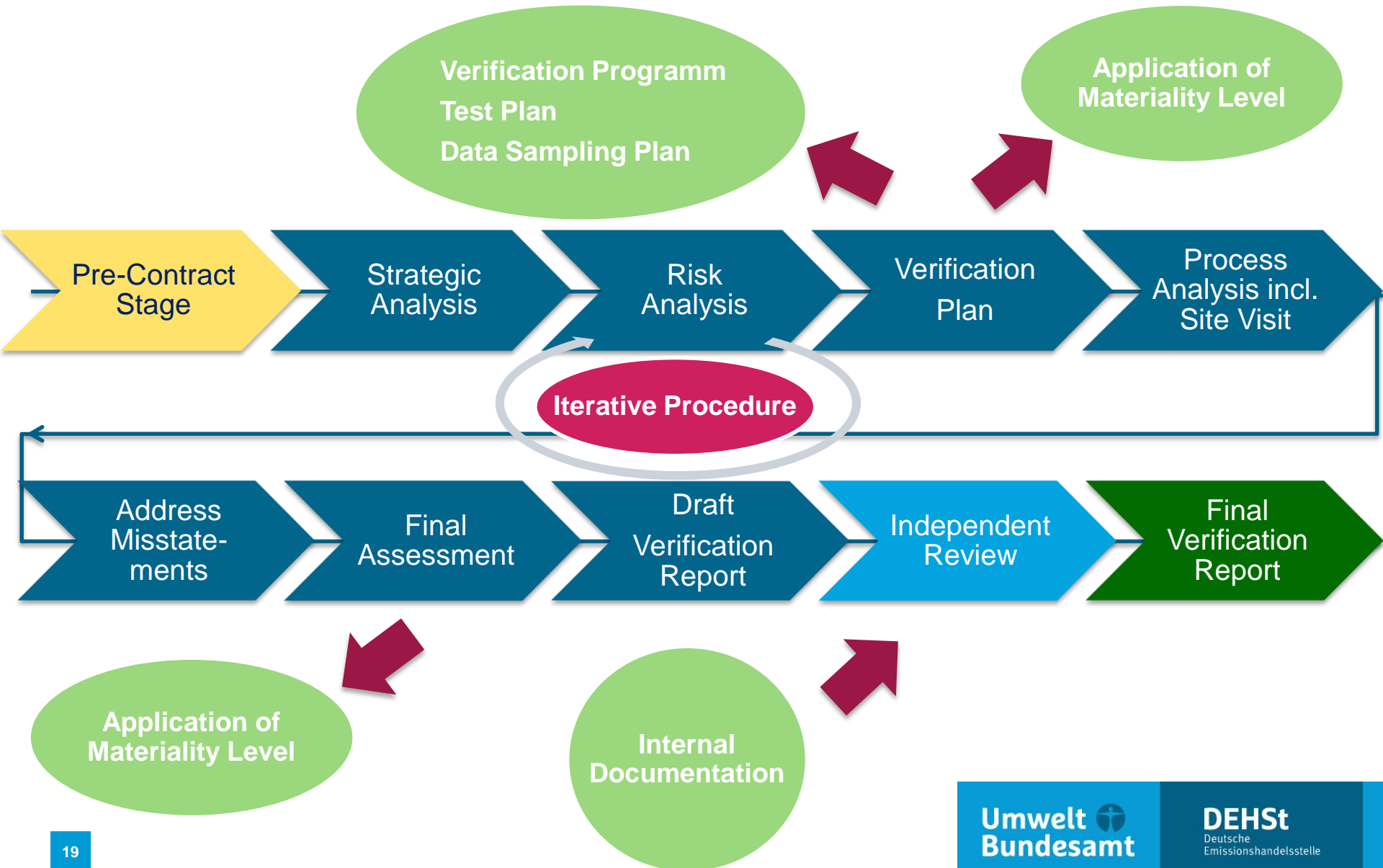
# VERIFICATION PROCEDURES

- The verification body appoints a verification team for each verification, specified to the task of verification



- The independent reviewer shall not be part of the verification team

# VERIFICATION PROCEDURES



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# REQUIREMENTS FOR VERIFIERS

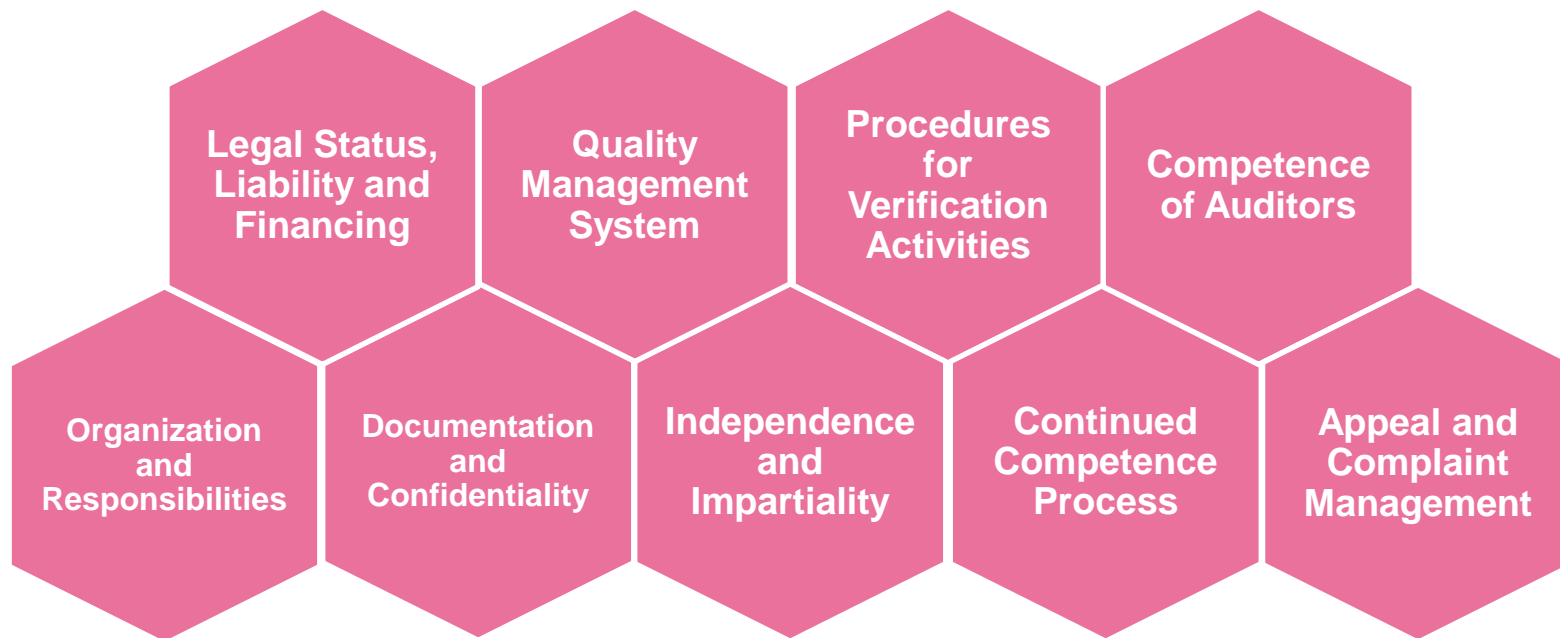
- Requirements for Verifiers can be divided into two aspects



- ISO 14065 focuses on the verification body
- ISO 14066 concerns the verification team/auditors

# REQUIREMENTS FOR VERIFICATION BODIES

- A verification body has to meet requirements set by
  - **National law and/or**
  - **Applicable standards**
  - **For instance in EU ETS/AVR and ISO 14065:**



# REQUIREMENTS FOR AUDITORS AND EXPERTS

- (Lead) auditors and experts (and independent reviewers) have to to meet requirements set by
  - **National law and/or**
  - **Applicable standards**
  - **For instance in EU ETS/AVR based on ISO 14066:**



# Thank you for your attention!

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