



On behalf of:



Federal Ministry
for the Environment, Nature Conservation,
Building and Nuclear Safety

of the Federal Republic of Germany



Ricardo
Energy & Environment

MRV
CAPACITY DEVELOPMENT
PROJECT - TURKEY



Accreditation and Verification approaches under the European Union Emission Trading Scheme (EU ETS)



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Overview

1. Scope
2. Legal basis
3. Compliance process
4. Verification process
5. Accreditation process
6. Ensuring harmonisation
7. Lessons Learned



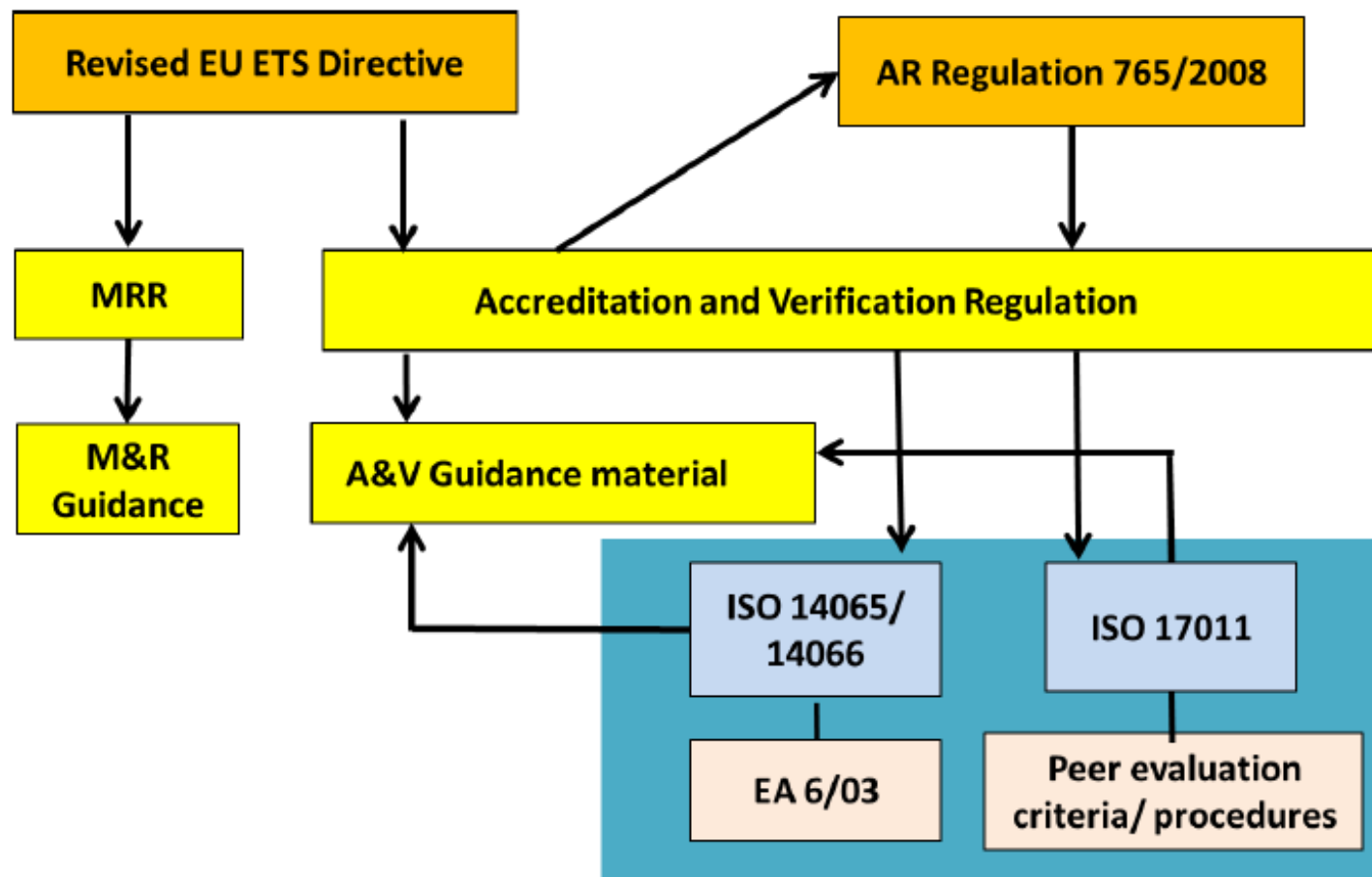
Scope

- **Largest multi-country, multi-sector GHG emissions trading system in the world.**
- Includes more than 11,000 power stations and industrial plants across the EU and covers emissions from domestic and international flights

GHGs covered	Sectors covered
Carbon dioxide (CO ₂)	<ul style="list-style-type: none">- Power and heat generation- Energy-intensive industry sectors including oil refineries, steel works and production of iron, aluminium, metals, cement, lime, glass, ceramics, pulp, paper, cardboard, acids and bulk.- Organic chemicals.- Civil aviation.
Nitrous oxide (N ₂ O)	<ul style="list-style-type: none">- Production of nitric, adipic, glyoxal and glyoxlic acids.
Perfluorocarbons (PFCs)	<ul style="list-style-type: none">- Aluminium production



Legal Basis



Compliance process

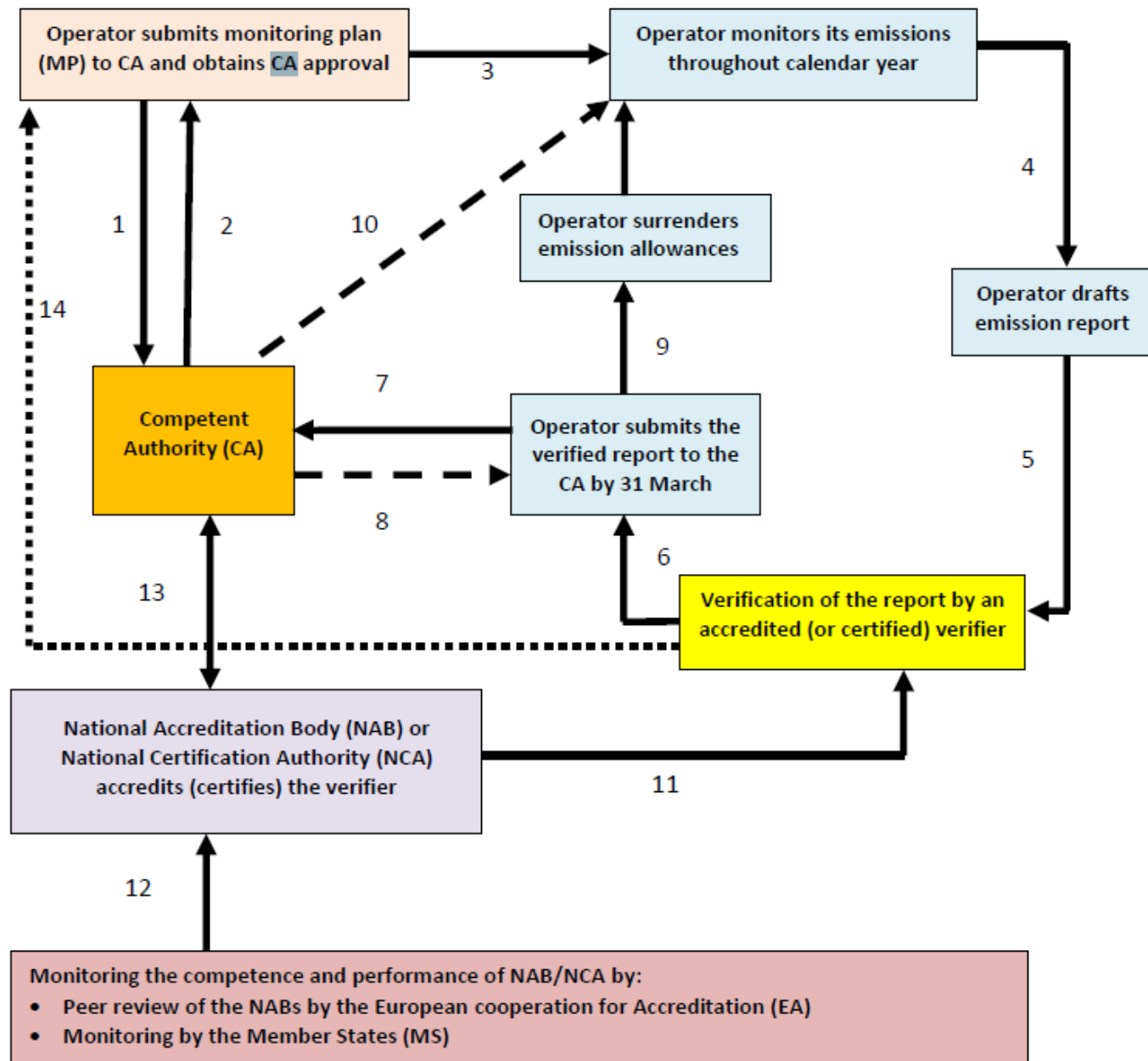
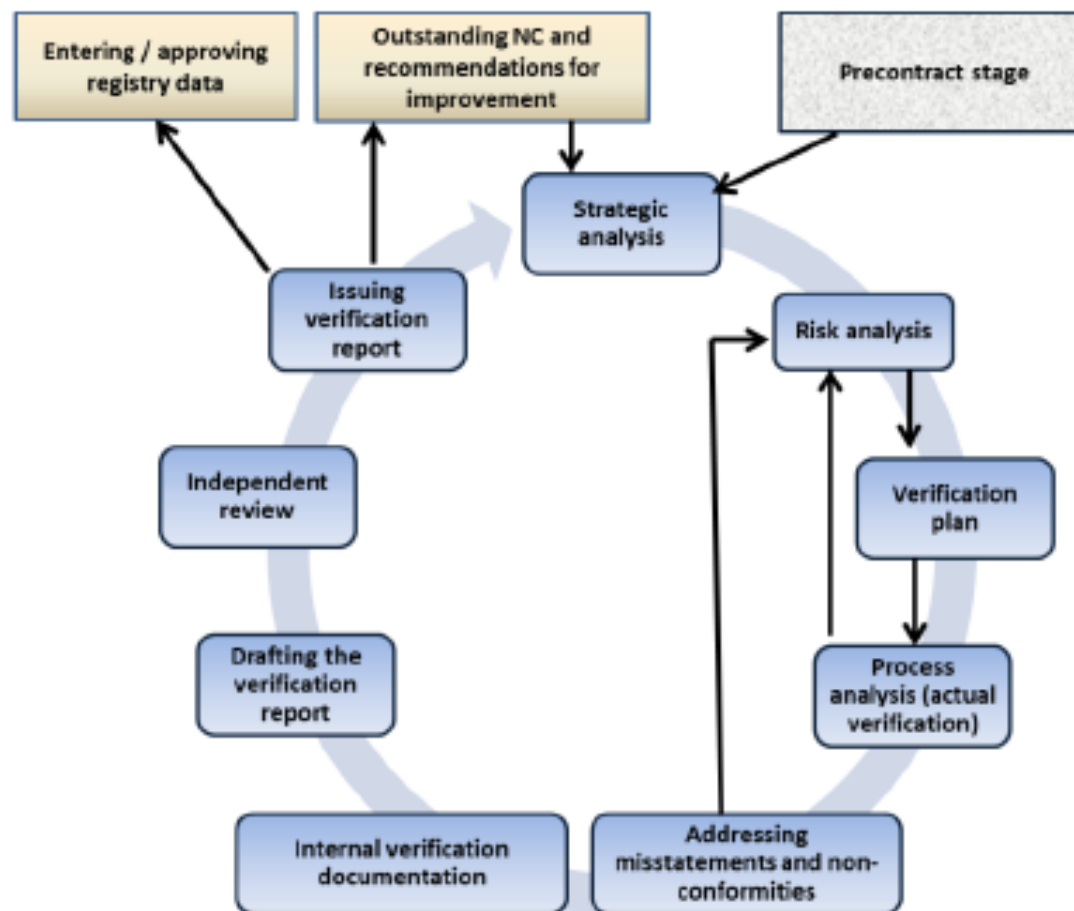


Figure 1: EU ETS Compliance Chain and the roles of parties involved



Verification process

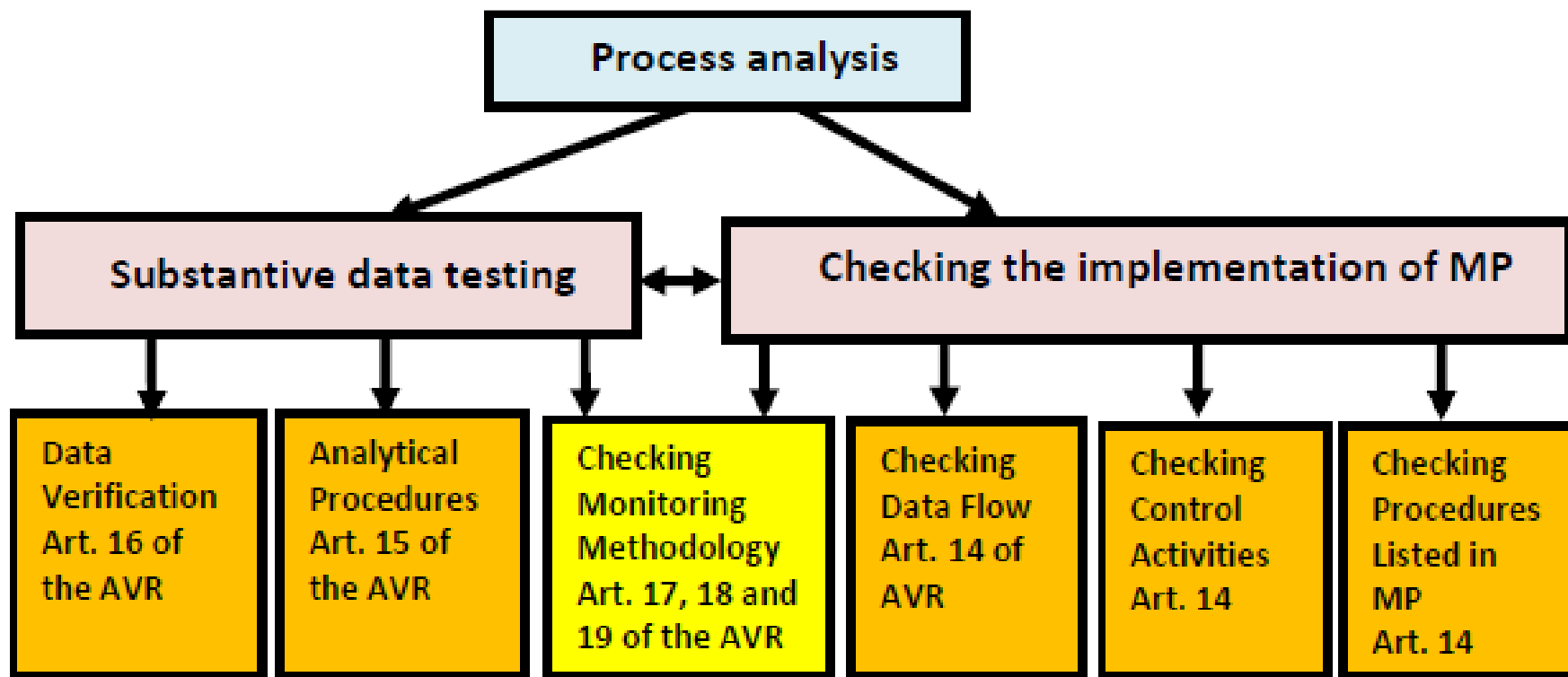


Verification process

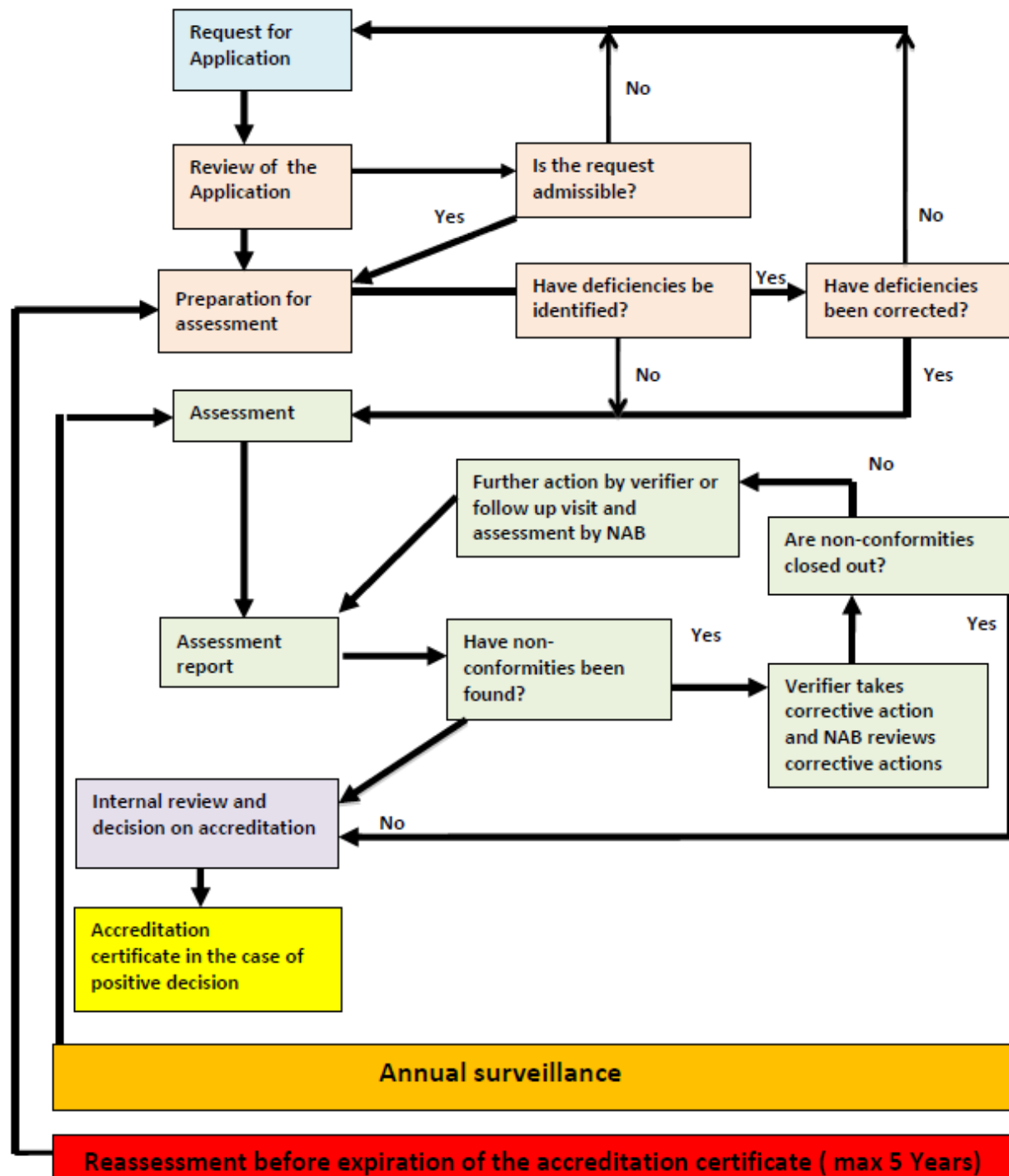
- Aim:
 - monitoring has been carried out in compliance with the approved MP;
 - the compilation of the report is in line with the requirements of the MRR;
 - the emission report does not contain any misstatements with regards to the emission data contained and;
 - there is potential for improvement in the operator's performance (for more information see Art. 30 of the AVR).
- Verifier is contracted and paid by the operator
 - Verification can include preparatory activities, site visit, reporting and documentation activities
- Verifier develops a verification plan
- Verifier presents the results of the assessment in a verification report (template provided by EU)



Checks during the verification process



Accreditation



Accreditation of verifiers I

- Verifier can be a legal entity or legal person accredited by a national accreditation body (NAB) or a natural person that is certified by a National Certification Authority (NCA) in compliance with the requirements of the Accreditation and Verification Regulation (AVR).
- Accreditation and certification systems aim to ensure that the verifiers have the required expertise and have processes in place which comply with the AVR requirements and ensure the quality of the verification process.

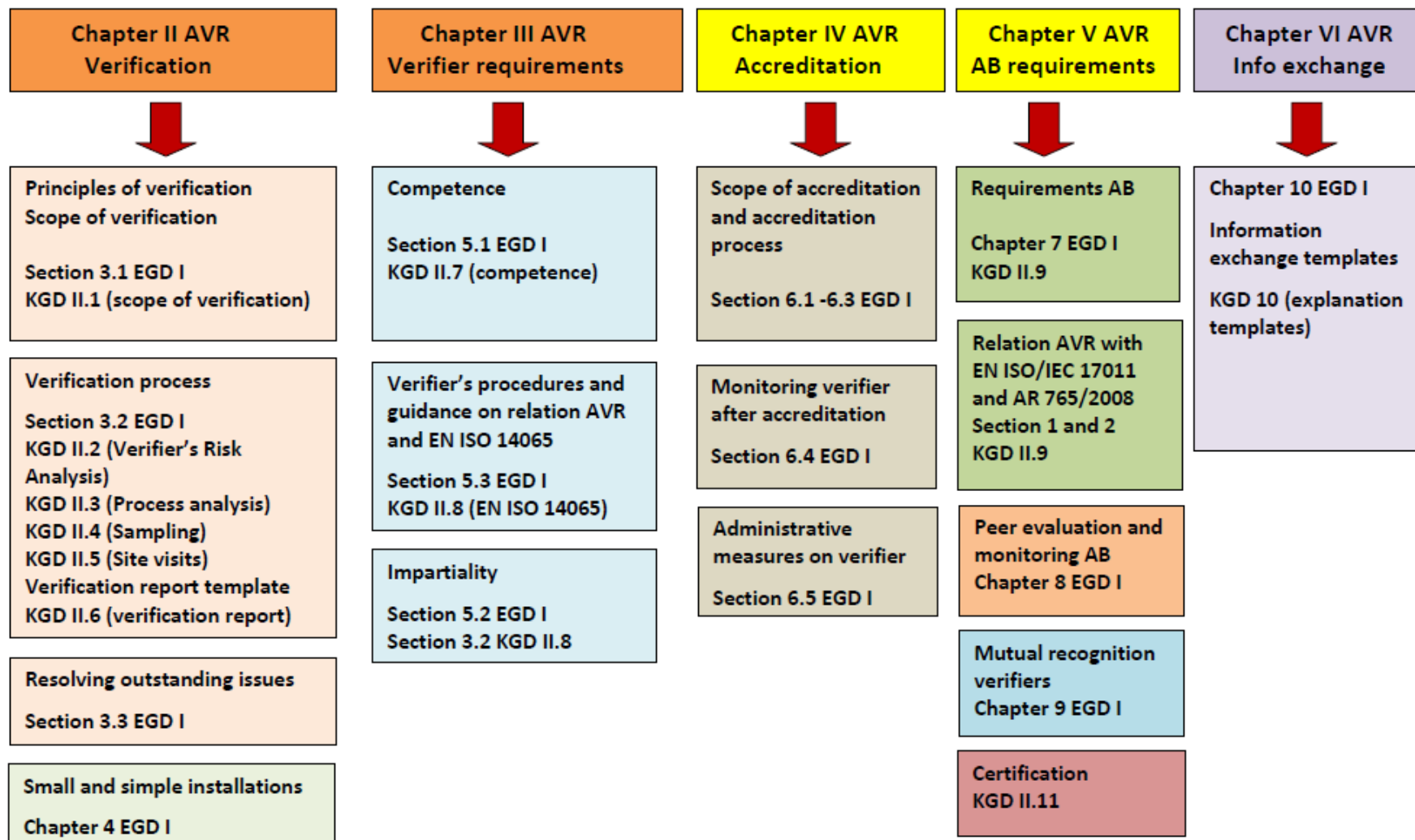


Accreditation of verifiers I

- Accreditation under the EU ETS is based on Regulation (EC) No 765/2008
- The accreditation body will:
 - Review information provided and visit the applicant's premises
 - Accompany the prospective verifier's staff during audits
- AVR sets out the composition and competence of the team performing the assessment (see Art. 58 and 59) → upon satisfactory assessment the accreditation will be granted



Requirements in the AVR



Accreditation of verifiers II

- NAB has to continuously ensure the quality of the verification process
 - Annual visit to the verifier's office to perform a witness assessment
 - A reassessment is required after a number of years depending on specific EU Member State
 - Where in doubt about the performance of a verifier, NAB can perform an extraordinary assessment

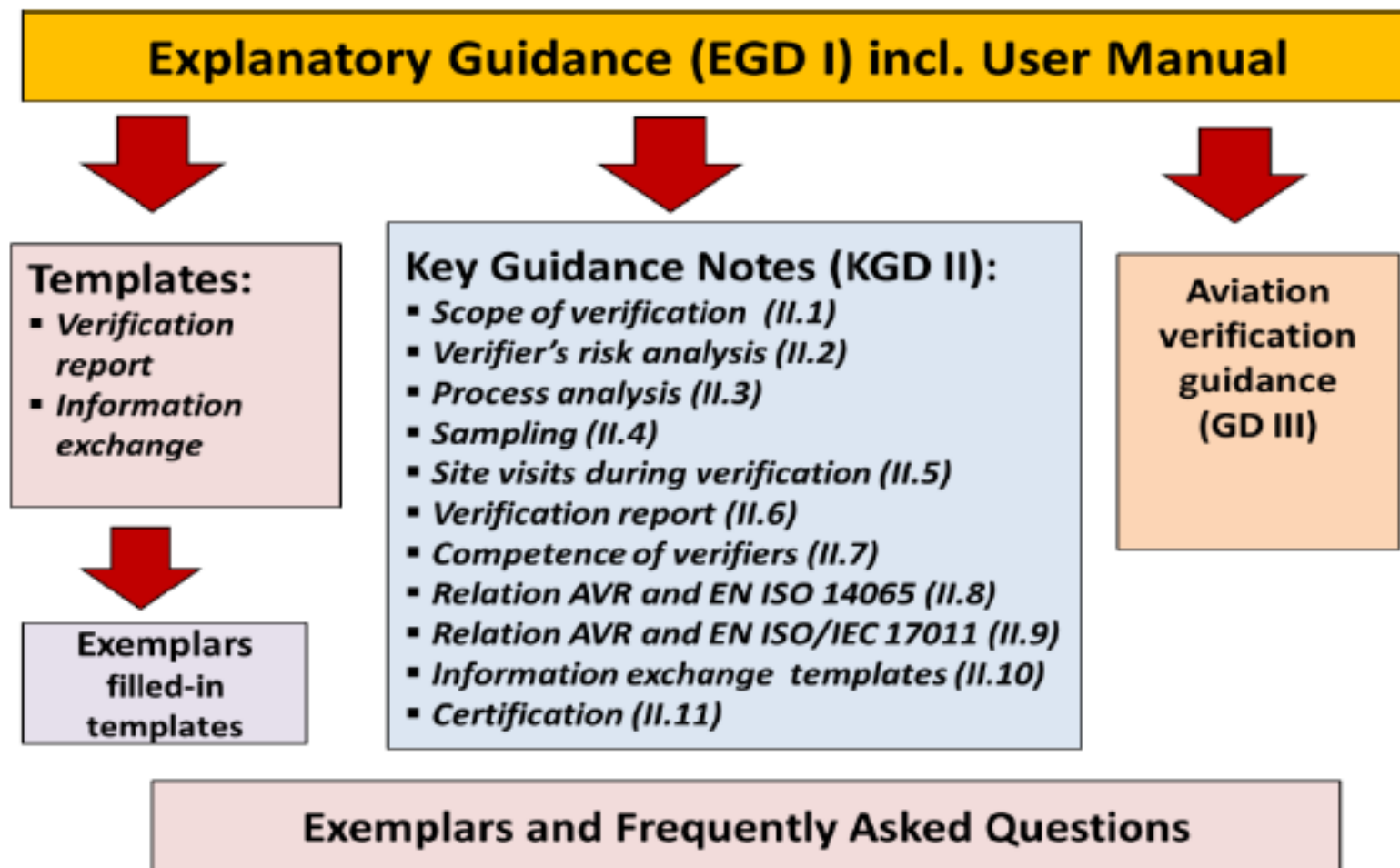


Accreditation of verifiers II

- AVR also requires that the competence and performance of the NAB is monitored by the EU Member State that has appointed the NAB
- Regular and independent peer evaluation process by the European Cooperation for Accreditation (EA)
 - Experts from the EA, NABs and other parties assess whether the NAB that is subject to peer evaluation meets the requirements of the AVR



Ensuring Harmonisation through guidance



Ensuring Harmonisation

Information Exchange

- The AVR includes requirements on information exchange between the CA and NAB
 - enhancing the mutual understanding between the institutions will help to improve the verification and accreditation processes over time
- Information exchange between CAs of different MS is to take place where a verifier performs in an EU Member State other than the one where he has been accredited

Harmonised approaches

- “Guidance on the *Accreditation and Verification Regulation*” is supplemented by smaller guidance documents on specific issues (e.g. risk assessments, sampling, waiving site visits, verification reports, etc.)
 - This facilitates harmonised approaches in verification and accreditation by providing interpretations on the practical application of the AVR, example cases, and electronic templates (e.g. for verification reports and improvement reports) including filled-out examples of the templates.



System Development over time

- 2005: very basic requirements on the verification process where laid down legally (Monitoring and Reporting Guidelines) but no requirements on accreditation
 - MS developed their own accreditation and verification approaches
- 2005: EU Commission held a Verifier's Forum and set-up the EU Compliance Forum to meet once annually.
 - EU MS representatives met monthly to discuss issues related to the EU ETS.
- 2007: The Monitoring and Reporting Guidelines were revised with a new version agreed on
- 2008, 2010, 2011: EU Commission performed assessments on the implementation of MRV requirements
- 2009: Directive 2009/29/EC required the development of a Regulation for Accreditation and Verification
- 2012: Accreditation and Verification Regulation regulation approved
- 2013: 3rd phase of the EU ETS starts, AVR and MRR come into force

Requirements and accreditation under EU ETS have changed over time



Lessons learned

- ✓ Harmonization of high-quality verification approaches across EU Member States, allowing to create the trust necessary for a functioning emission trading system
- ✓ Clarity of roles and procedures of the accreditation and verification process, laid down in a manner not allowing legal interpretation at Member State level, complemented with wide-ranging and detailed guidance
- ✓ Continuous identification of potential for improvement of the verification and accreditation approaches and increased harmonisation
- ✓ Strong development over time from a virtually unregulated situation to a situation with detailed requirements and guidance



Thank you for your attention!

Any Questions?





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