

Ireland's National Emission Trading Registry: experiences and lessons learned

Environmental Protection Agency,
Ireland

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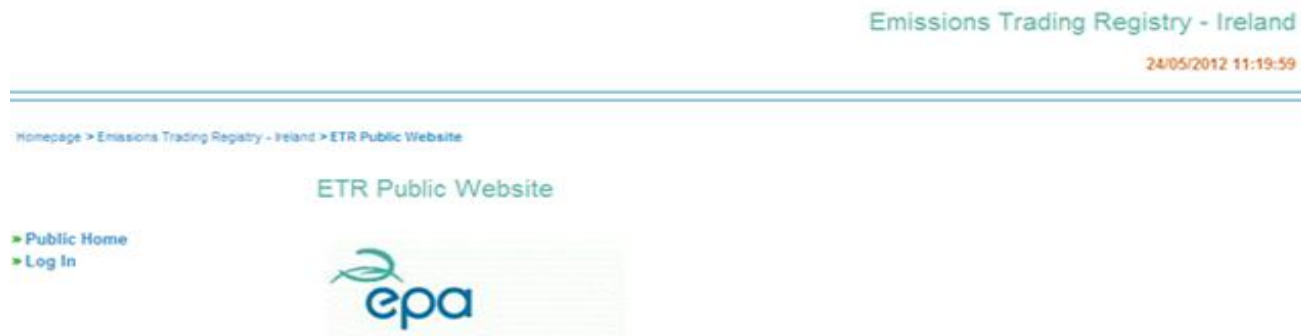
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Introduction : Ireland

- The Environmental Protection Agency (EPA) is the competent authority assigned to operate and maintain Ireland's National Emission Trading Registry
- Web-based, database application, accessed via internet



Union Registry 2012

- Up to 2012, each EU Member State has operated and maintained its own national registry including supporting IT infrastructure.

- From June 2012, national registries under the EU-ETS will be consolidated into one Union Registry.
 - The IT infrastructure supporting the Union Registry will be operated by the European Commission.
 - Each Member State will continue to administer accounts for its own national operators.

- Benefit: Reduced costs and enhanced security

Contents

- Key Experiences for Ireland
 - Registry Software Collaboration
 - Specialist IT Support
 - Security
 - Budget and Costs

- Lessons Learned

Software - GRETA Registry Software

- Ireland uses the GRETA registry software
 - Developed by the United Kingdom – Department of Energy and Climate Change (DECC)
- Licensed to 10 other Member States
 - Further updates of software in collaboration with all licensees.
- Strong benefits from such collaboration!

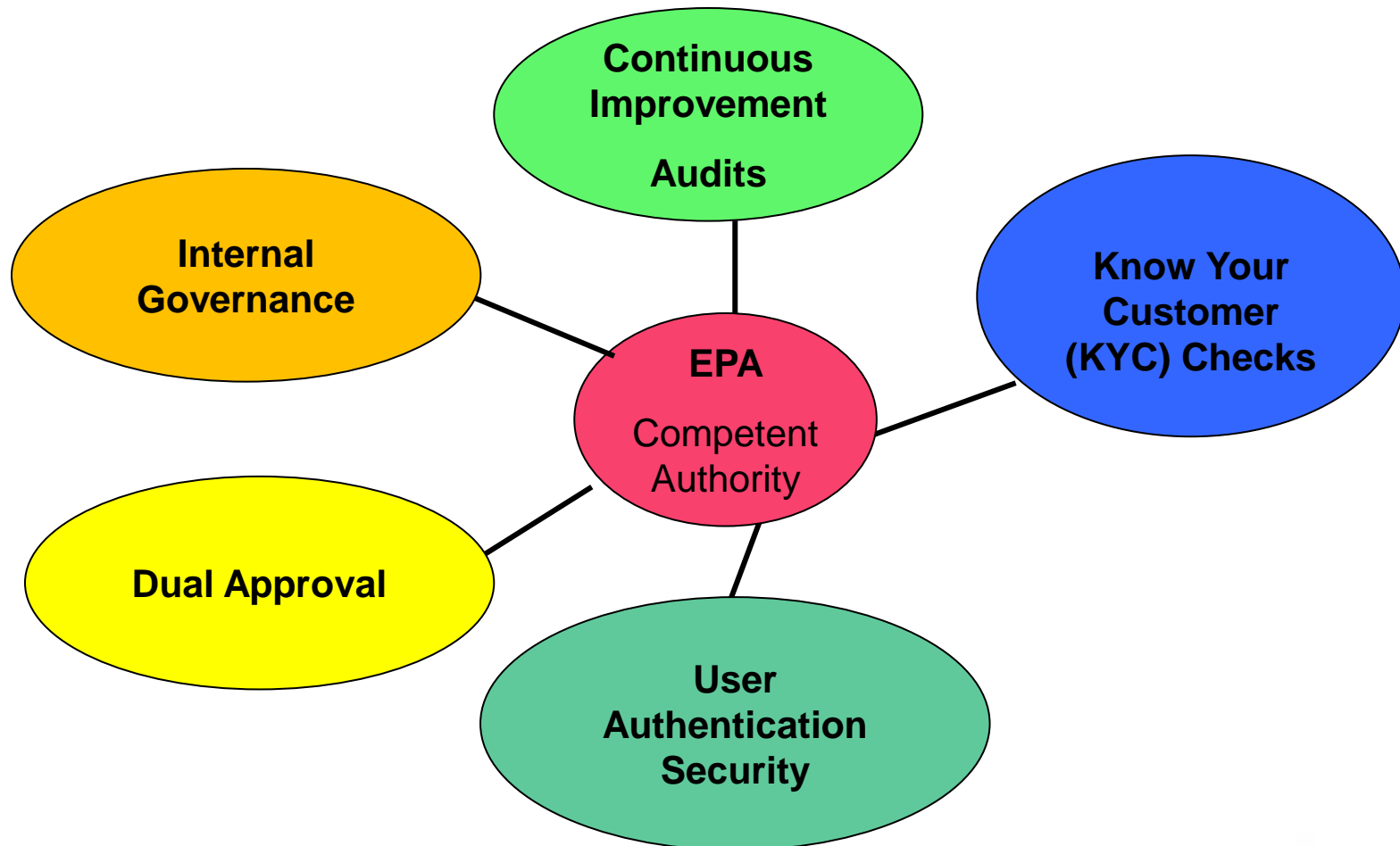
Software - GRETA Collaboration -Benefits

- Economies of scale
- Shared costs for testing and development
- Knowledge sharing and support
- Fair system where all licensees have a voice
- Representation at EU and UN level

Specialist IT Support - 24/7 Support

- Registry must be established, operated and maintained to the functional & technical standard specified by the UNFCCC.
- Registry is essentially a banking system!
 - Must be reliable – very important for user & market confidence
- Tartan Technology – external contractor providing specialist IT support –upgrades, localisation, installation & connectivity.
- 24/7 support crucial

Security of Ireland's National Emission Trading Registry



Security - Audit History

No	Auditor	Audited	Date
1	PriceWaterhouse Coopers	Administrative & Technical Review.	5/2005
2	PriceWaterhouse Coopers	Administrative & Technical Review.	7/2005
3	PriceWaterhouse Coopers	Administrative Procedures Review.	7/2006
4	PriceWaterhouse Coopers	Procedure Manual Review	10/2006
5	Deloitte	Administrative & Technical Review.	5/2007
6	Deloitte	Security of system. Administrative and Technical Audit.	9/2009
7	Deloitte	Network Security Test	2/2011
8	Deloitte	Network Security Test	2/2012

Security - Know Your Customer (KYC) Checks

- Detailed and robust rules for verifying the identity of the account holder (entity) and the authorised users on the Registry accounts.

- User requirements include:
 - Evidence of identity e.g. passport & address of permanent residence.
 - Provision of criminal record

- Entity requirements include:
 - Proof of open bank account, tax registration, annual accounts.

Security - User Authentication Security

- Unique Username and Password to access the system
 - Newly created usernames are sent by registered post
 - Password reset is subject to verification of security questions

- Single Union Registry (from 2012) has 2-factor authentication. SMS to mobile phone to log in and execute transactions.

Security - Dual Approval

- Dual approval required before transactions can be completed
 - Acts as a “second signature”, second pair of eyes overseeing a transaction
- Provides additional security and facilitates best practice in corporate governance
- Mandatory on Ireland’s National Emission Trading Registry from 2011 – concept also within the Union Registry

Security - Internal Governance

- Registry also has Administrative Users
 - responsible for operating and maintaining Ireland's Registry

- Different functions and privileges according to administrative level
 - Director User
 - Senior Registry Administrator
 - Registry Administrator

Budget and Costs - Ireland's National Emission Trading Registry

- 0.5% of allowances set aside under Ireland's second National Allocation Plan (NAP) to defray the expense of administering the Emissions Trading Scheme 2008-2012
- Total of 557,065 allowances – sold on three separate occasions between 2009-2011
- Income generation: €350 to open an account on Ireland's National Emission Trading Registry

Budget and Costs in Ireland's National Emissions Trading Registry

Yearly Total Budget: Ireland's National Emission Trading Registry	€500,000
<i>includes</i>	
<ol style="list-style-type: none">1. Greta Licence and Service Fee2. Specialist IT support3. Data Centre Maintenance and Services4. Security (including security audits) <p>User Training Other (for eg. migration to Community Registry, hardware, warranties)</p>	

Budget and Costs in Ireland's National Emissions Trading Registry

- IE – small Registry;
 - 680 transactions/year – 13/week (2011 figure)
 - 2.33 full time staff internal to EPA.
- Budget & costs reflect situation where IE had full responsibility for the national emission trading registry.
- June 2012 move to Union Registry will greatly reduce costs!

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Lessons Learned - What has worked well?

■ Reliability

- Achieved through strong IT support 24/7.

■ Security

- Integrity and security of registries is paramount to maintain confidence.

■ Open Communication

- Active helpdesk support; proactive communication with end users; annual user training provided.
- Constructive, working relationship with other stakeholders.



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