

**Umwelt
Bundesamt**



DEHSt

Deutsche
Emissionshandelsstelle

PMR Regional MRV Training Workshop

September 17-19, 2014

Izmir, Turkey

**Quality Assurance, Quality Control and Verification
Country Case Studies: Germany**



QA/QC and Verification Operations at the Facility Level and Accreditation of Third Party Auditors in Germany

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E 2.3 Economic Aspects of Emissions Trading, Monitoring, Evaluation

Outline

- Legal Framework in the EU and in Germany
- QA/QC Activities by the Operator
- EU ETS Accreditation and Verification Regulation
- Role of Third Party Verification in EU ETS MRV
- Administrative Structure for A and V in Germany
- Accreditation and Verification
- Surveillance and Information Exchange
- Information Sources for EU ETS AV

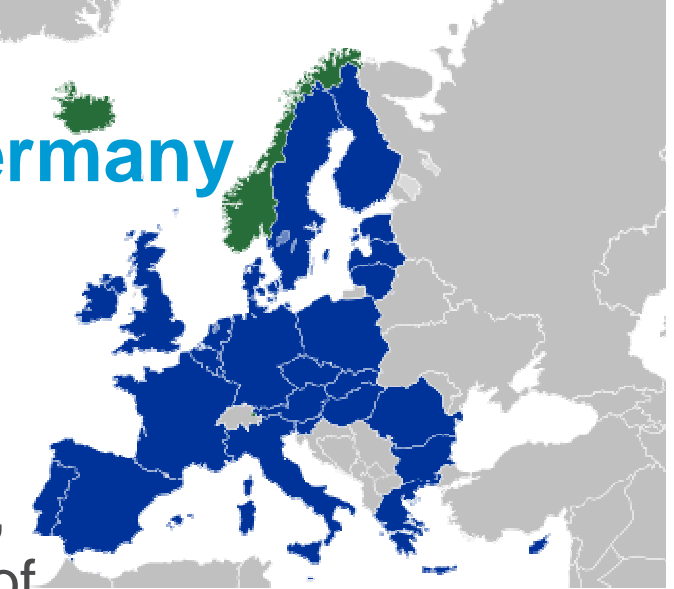
LEGAL FRAMEWORK in the EU and in Germany

- EU ETS Directive 2003/87/EC
- **1st and 2nd Trading Period (2005-2012):**
Monitoring & Reporting Guidelines:
Guidelines provided the framework for monitoring, reporting & **verification** of emissions until the end of 2012 (no detailed regulation on accreditation)
- **Germany:** German Greenhouse Gas Emissions Trading Act (TEHG) – diverse national design in Member States

→ Need for more harmonization!

→ 3rd Trading Period (2013-2020):

- EU Regulation on Accreditation & Market Surveillance
- EU Monitoring and Reporting Regulation and EU Accreditation and Verification Regulation, i.e. legally binding & directly applicable in all Member States
- **Germany:** Adjusted TEHG and national ET regulation with some specified requirements



QA/QC ACTIVITIES BY THE OPERATOR

Requirements for operators included in the Monitoring and Reporting Regulation

- **Effective Control System:** Written Procedures for control activities shall at least include
 - detecting and mitigating risks,
 - QA of measurement equipment and of IT,
 - the segregation of duties in the data flow and control activities and management of necessary competencies,
 - the internal review and the validation of data, corrections and corrective actions, control of outsourced processes, record/documents keeping and versioning
- **Quality Assurance:** e.g. QA of measurement equipment: i.e. all relevant measuring equipment is calibrated, adjusted and checked at regular intervals including prior to use, and checked against relevant standards traceable to international measurement standards...

EU ETS ACCREDITATION AND VERIFICATION REGULATION

Main Chapters:

- Verification
- Requirements for verifiers
- Accreditation
- Requirements concerning accreditation bodies for the accreditation of ETS verifiers
- Information exchange

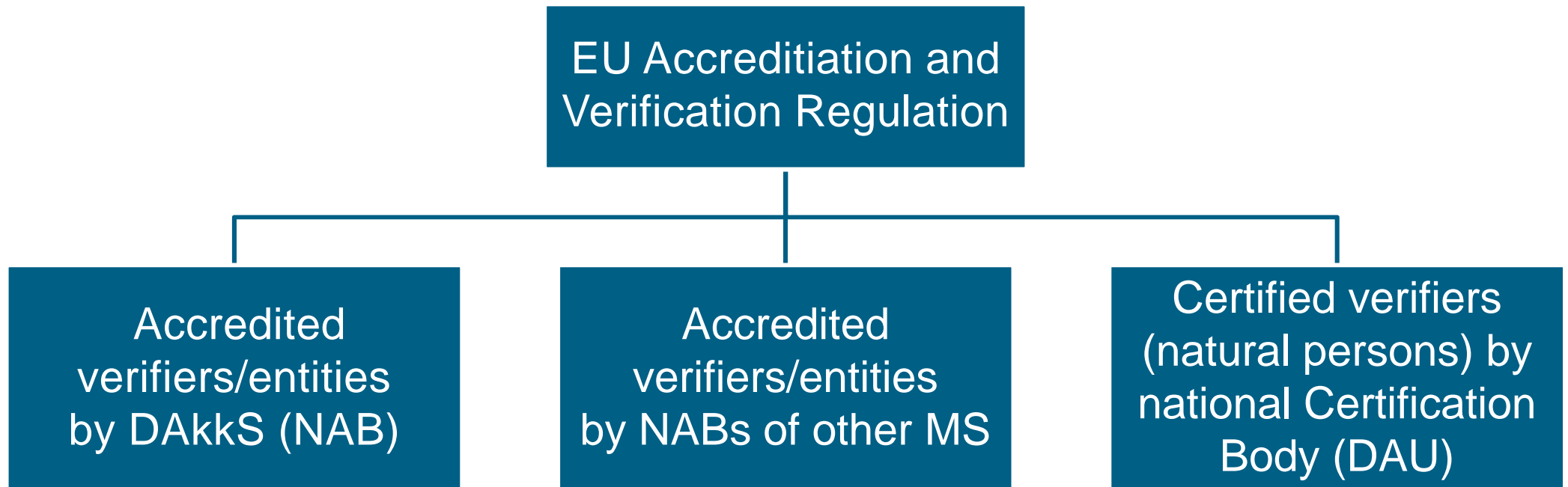
ROLE OF THIRD PARTY VERIFICATION IN EU ETS MRV

Acceptance, strength and environmental integrity of any ETS depends upon:



- **BUT: Competent Authority (CA) has ultimate responsibility for a functioning Emissions Trading System (ETS)**

ADMINISTRATIVE STRUCTURE FOR A AND V IN GERMANY



- AVR as a comprehensive and coherent legislative framework for all verification bodies and verifications in Europe
- Provide standardization of structures and mutual exchange of information
- ➔ **Potential for permanently high verification quality**

ACCREDITATION: Requirements for National Accreditation Bodies

- **National Accreditation Bodies (NAB)** have to fulfill the requirements laid down in the **AVR** & the applicable **international standard ISO 17011**
- Accreditation needs to be a **public authority activity**
- **NABs** are subject to „**peer evaluation**“ organised by the European Cooperation for Accreditation (**EA**)
- **NABs** have to publish a „**register**“ (publicly available database) **of accredited verifiers**

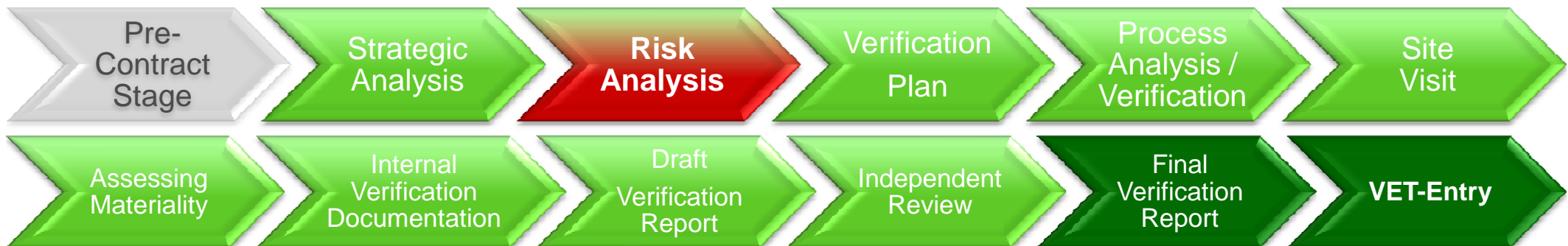
ACCREDITATION: Requirements concerning the Accreditation Procedure

- **Verifiers** have to be **legal entities**
- **Verifiers have to prove compliance with the AVR and ISO 14065, e.g.**
 - Various procedural/organizational requirements
 - Competence
- **NAB assess compliance through “office visits” & “witness audits”**
- **Accreditation Certificate** is valid for **5 years**

VERIFICATION: Objective (scope) of verification

- **Ensuring that**
 - **emissions have been monitored** in accordance with
 - the **approved monitoring plan**
 - legal requirements (esp. **EU Monitoring Reporting Regulation**)
 - **reliable and correct emissions data are reported**
 - reassurance of “a ton being a ton” (CO₂)
- **Satisfactory verification = Verification opinion states**
 - with **reasonable assurance** that the report is
 - **free from material misstatements**

→ Verification as a risk based approach



VERIFICATION: Subject of Verification

- **Annual Emissions Reports**
- **Common template for operators and verifiers in Germany**
 - **Combined electronic templates** for annual emissions reports and the verification reports are published by DEHSt
 - **Operators & Verifier have to use** the templates and a **qualified electronic signature**

SURVEILLANCE of Verifiers

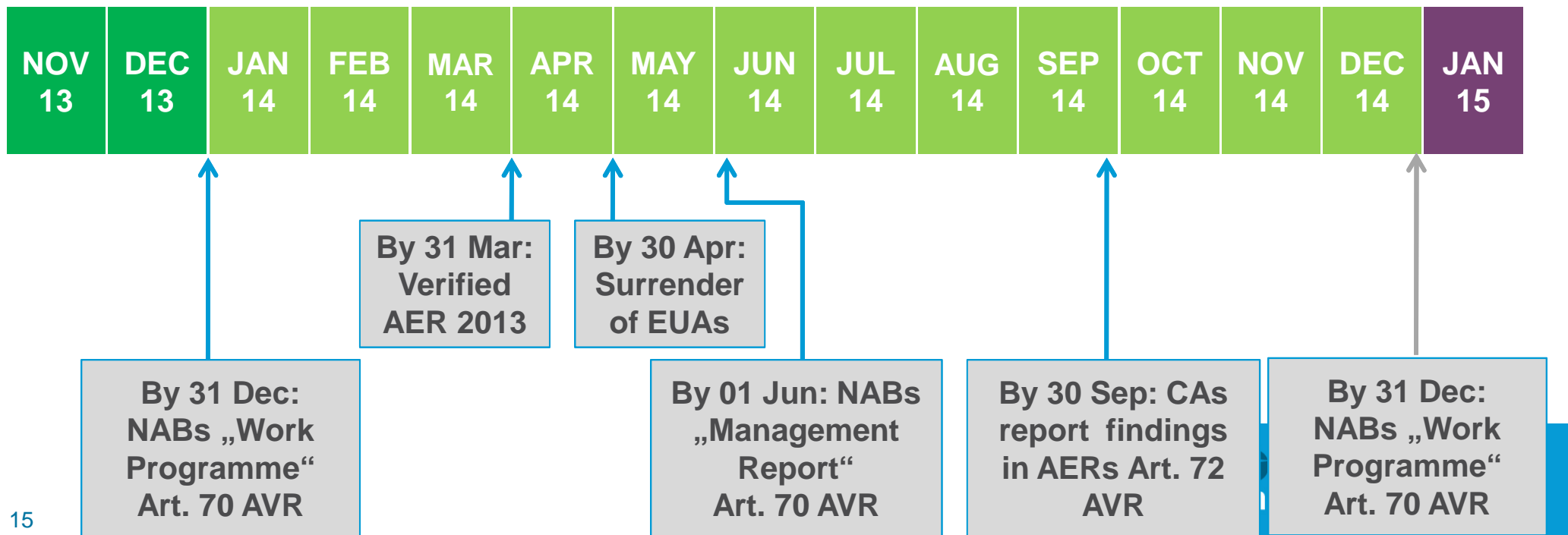
- **NABs are responsible for surveillance activities**
 - Annual “office audits” & “witness audits”
 - suspension or withdrawal of an accreditation is **up to the NAB**
- **CAs get information about the performance of verifiers** by checking the verified annual emission reports
 - **CAs are allowed to investigate non-compliances** of verifiers
 - **CAs can file complaints** (to be answered by the NAB within three months)

COOPERATION BETWEEN DAKKS AND DEHST IN GERMANY

- Since 2012 a **close cooperation between DAkkS (NAB) and DEHSt** has been established
 - **DEHSt is represented in the „Sectoral Committee“ & „Accreditation Committee“** of DAkkS concerning the accreditation of EU-ETS verifiers
 - DAkkS and DEHSt concluded an official administrative agreement on the **involvement of DEHSt officers as assessors / technical experts in assessment teams**
 - DAkkS and DEHSt **agreed to organise annual workshop for verifiers**, first workshop takes part end of November 2014
 - Exchange of experiences on verification, official assessment/review of verified AER and accreditation/surveillance issues
 - Maintain and improve the quality of verification activities with regard to the 2014 AER

INFORMATION EXCHANGE between CAs and NABs

- **NABs have to submit to the CAs annually**
 - Accreditation Work Program
 - Management Report
- **CAs have to submit to the NABs annually** relevant results from checking operator reports



INFORMATION on EU ETS Accreditation and Verification

EU:

- <http://ec.europa.eu/clima/policies/ets/monitoring/>
- Regulations:
 - Monitoring and Reporting Regulation (MRR): Regulation (EU) 601/2012
 - Accreditation and Verification Regulation (AVR): Regulation (EU) 600/2012
- Supplemented and concretised by various
 - Guidance Documents / Templates / Exemplars of the EU COM; available at: http://ec.europa.eu/clima/policies/ets/monitoring/documentation_en.htm
 - Verification/Accreditation Document of the “European co-operation for Accreditation (EA)”, e.g. EA 6/03

Germany:

- www.dehst.de in German
- MR Guidance with some AV topics available in English soon

Thank you for your attention!

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