



# ***ISO14064 Part 3 GHG Verification***

Lauren Jones: GHG Verification Services  
Environment Canada



b26

delete or move the grey line  
bretonm, 6/20/2005

- Who can verify and what skills do they need:
  - Independence
  - Competence
- How do we translate this into a national framework?



# Who can verify?

## ISO14064: Part 3

### **“verifier**

*competent and independent person, or persons, with responsibility for performing and reporting on the verification process*

*NOTE This term can be used to refer to a verification body.”*

**What does it mean to be ‘competent’ and ‘independent’?**



# *Independence*



# ISO14064: Part 3

## Principles

**Intended to guide those applying the document**

### ***“Independence***

*Remain independent of the activity being validated or verified, and free from bias and conflict of interest.*

*Maintain objectivity throughout the validation or verification to ensure that the findings and conclusions will be based on objective evidence generated during the validation or verification.”*



# ISO14064: Part 3

## Requirements

---

*“The validator or verifier selected to perform the validation and verification activities...*

*b) shall be independent;*

*c) shall avoid any actual or potential conflicts of interest with the responsible party and the intended users...”*

**ISO14065 gives more detailed guidance but it is not a requirement to conform to that standard**

**Need for program authority to provide specific guidance**



***Independence:  
some examples of  
real situations***





# NSW GGAS: Context

- State (provincial) government programme in Australia

Sydney is the capital city of New South Wales (NSW)

- Program came in force 1 January 2003
- Requires electricity sold in NSW to be 5% below 1990 emissions over the 1st Kyoto commitment period



# NSW GGAS: Audit activity

- 12 approved 'auditors': may undertake 3<sup>rd</sup> party validation or verification
- 28 validations covering 47 projects in 2004
  - Total cost = AUD\$277,458
  - Average per project = AUD\$5,900
- To date: 30 verifications covering 90 projects
- 24 compliance audits (conducted in January and February each year)



# NSW GGAS: *Col examples*

- An incumbent internal auditor of a project proponent wanted to conduct a verification of that firm's GHG project
- An energy efficiency project proponent wanted to use their energy advisors to verify their project.
- The Sydney office of a verification body advises the Sydney office of a project proponent. The Melbourne office of the verification body wanted to verify that company's project in Melbourne.



# Key lessons

---

- Conflict of interest is a difficult, dynamic issue – it is impossible to foresee every unacceptable circumstance and specifically disallow it
- Independence needs to be assessed on a case-by-case basis using sound guiding principles



# *Competence*



# ISO14064: Part 3

## Requirements

*“The ... verifier selected to perform the validation and verification activities”*

*a) shall demonstrate competence and due professional care consistent with their roles and responsibilities*

- No firm definition of ‘competence’ provided in Part 3.
- Some informative guidance an annex to the standard.



# ISO14064: Part 3

## Guidance on competence

### Assurance

- auditing of GHG data and information and data sampling methodologies, including the level of assurance
- materiality and verification plan
- risk assessment methodologies

### General skills

- the legal rules
- requirements of the GHG programme
- accreditation requirements on the verifiers
- procedures for performing the verification work.

### Engineering

- the processes that generate GHG emissions, and the technical issues associated.
- GHG emission or reduction quantification, monitoring and reporting methodologies used
- GHG removal or enhancement quantification, monitoring and reporting methodologies used

### Science

- the biological systems that affect GHGs removals, and the technical issues associated



## *An example of what can go wrong*

---

- Project proponent had incorrectly applied a laboratory result from fuel testing
- Reasonable assurance was provided by the validator over record keeping processes and calculation methods
- Discrepancy = 100% (the project proponent was not entitled to any credits)





# Key lessons

- Verifiers require significant capacity building in the early stages of a GHG programme (sometimes more than project proponents)
- Verification statements cannot be taken on 'face value' – some degree of review or supervision is required by the GHG programme
- It is very important that policies/procedures exist for verifier errors – mistakes happen, particularly early on



# *A national framework for Canada*



# Objectives

---

- Determine which organisations are suitably qualified to conduct verifications in Canada
- Manage and monitor verifications and verification body performance to build credibility and capacity
- Assist and support GHG programs in setting verification criteria and guidance



- Compliance with ISO14065
  - Discussions underway to find implementation mechanism
  - One option is accreditation under the standard by Standards Council of Canada
- Fulfilment of competency criteria
  - Expert national committee has been formed to determine criteria
- Personnel required to undertake training
  - Courses scheduled for every 4 - 6 weeks across Canada in 2006



***More information?***

***Greenhouse Gas Verification Services  
Environment Canada***

***1800 668 6767  
ghg@ec.gc.ca***

