



Introduction to the MRR and AVR

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Overview

- **Legal background to ETS M&R and A&V**
- **Principles and main requirements of MRR and AVR**
- **Importance of guidance**

Importance of MRV in ETS

- **MRV plays a key role in the credibility and trust of ETS**
- **Robust, complete, consistent, accurate MRV ensures:**
 - *fairness among participants in the market*
 - *"a tonne emitted equals a tonne reported"*
 - *the goal set by the cap is reached*

Legal Basis

- **Articles 14 and 15 (and Annexes IV and V) of Directive 2003/87/EC establishing a scheme for GHG emission allowance trading within the Community (EU ETS)**
- **Commission Regulation 601/2012 on the monitoring and reporting of GHG emissions (MRR)**
- **Commission Regulation 600/2012 on the verification of greenhouse GHG emission reports and the accreditation of verifiers (AVR)**

EU ETS Phase III Regulations

MRR and AVR are aimed towards:

- *Greater consistency, efficiency, effectiveness and fairness*
- *Simplification where possible (to improve cost-effectiveness)*
- *Retaining existing practice that has worked well (evolution, not revolution)*
- *Statement of mandatory requirements (not guidance)*

General principles

- **Completeness (Art. 5)**

- *All process and combustion emissions from all emission sources and source streams*
- *Including emissions from abnormal events, start-up, shut-down and emergency situations*

- **Consistency and comparability (Art. 6)**

- *Consistency of time series of data throughout the years*
- *No arbitrary changes of monitoring methodologies*

- **Transparency (Art.6)**

- *Documentation on data and methodologies*

General principles

- **Accuracy (Art. 7)**
 - *Data neither systematically nor knowingly inaccurate*
- **Integrity of methodology (Art. 8)**
 - *Data as a credible and balanced account of an installation's emissions*
 - *Highest achievable accuracy, unless this is technically not feasible or would lead to unreasonable costs*
- **Continuous improvement (Art. 9)**
- **Coordination (Art. 10)**

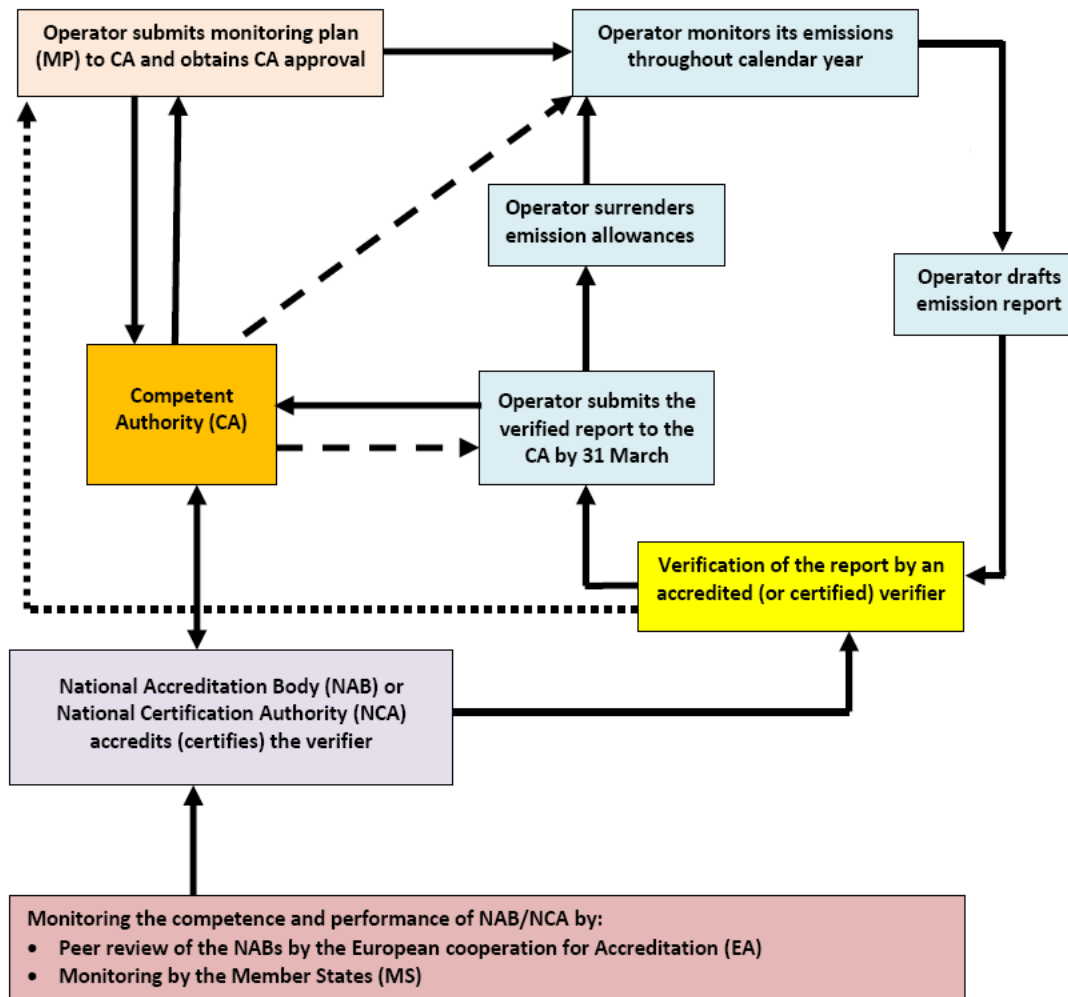
MRR main requirements

- *Competent Authority approved monitoring plans*
- *Emissions determination - calculation or measurement (CEMS)*
- *Calculation based on: $CO_2 \text{ emissions} = \text{activity data} * \text{emission factor}$*
- *CEMS operated according to EN 14181 (QA of AMS)*
- *Tier-based approach:*
 - Tiers for activity data and CEMS based on uncertainty thresholds
 - Other inputs based on standard values and analytical determinations
- *Data management and control procedures*
- *Information technology*
- *Simplification for installation with low emissions*

AVR main requirements

- *Independent verification to endorse the integrity of operator / AO reported data*
- *Accreditation of verifiers (including for independence, impartiality and competence)*
- *Verification in accordance with AV Regulation and international harmonised standard EN ISO/IEC 14065*
- *Accreditation in accordance with AV Regulation and international harmonised standard EN ISO/IEC 17011*
- *Mutual recognition of verifiers*
- *European cooperation for Accreditation (EA) organised peer review of National Accreditation Bodies*
- *Information exchange between Competent Authorities and National Accreditation Bodies*

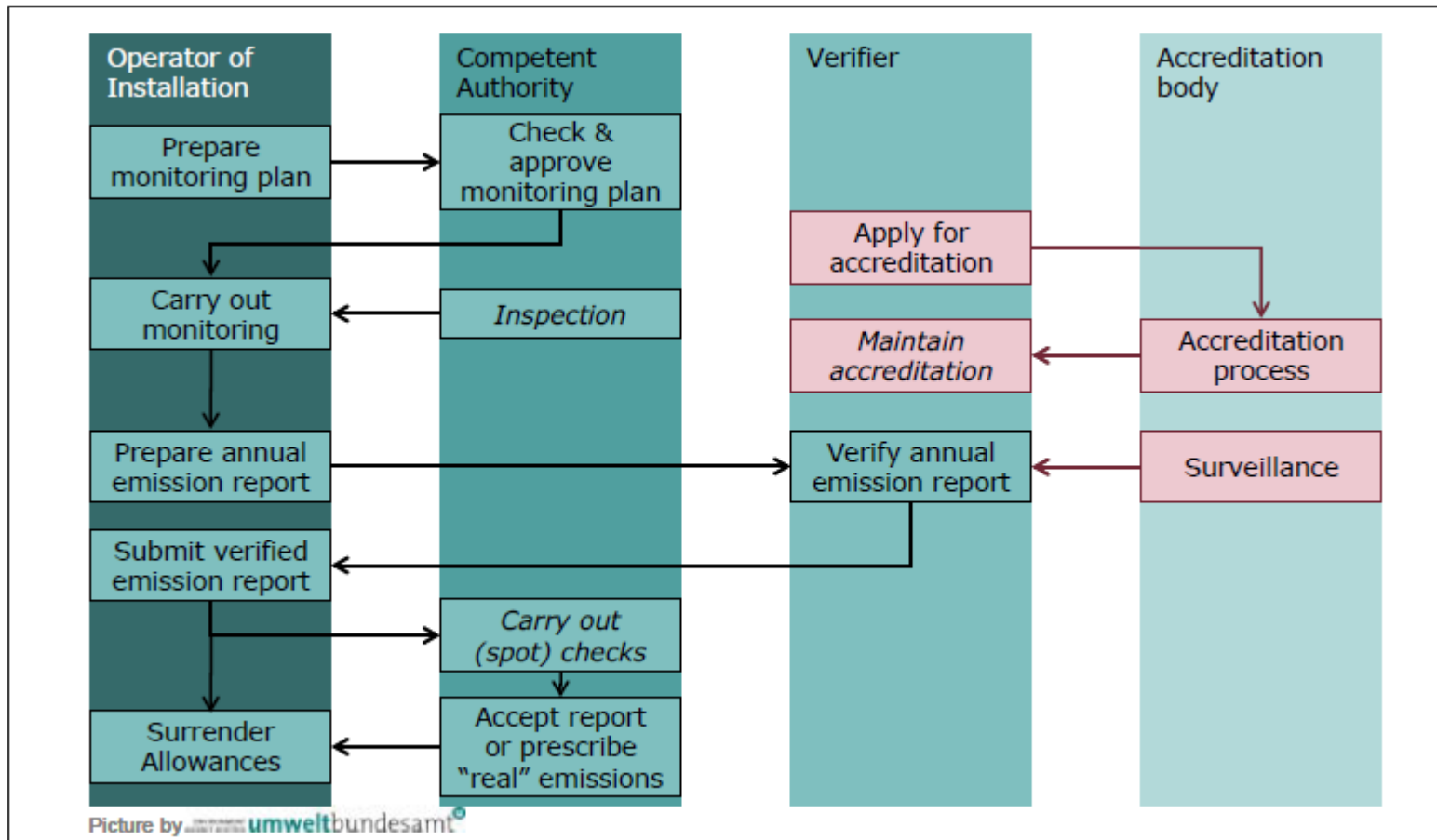
EU ETS Compliance cycle (MRVA)





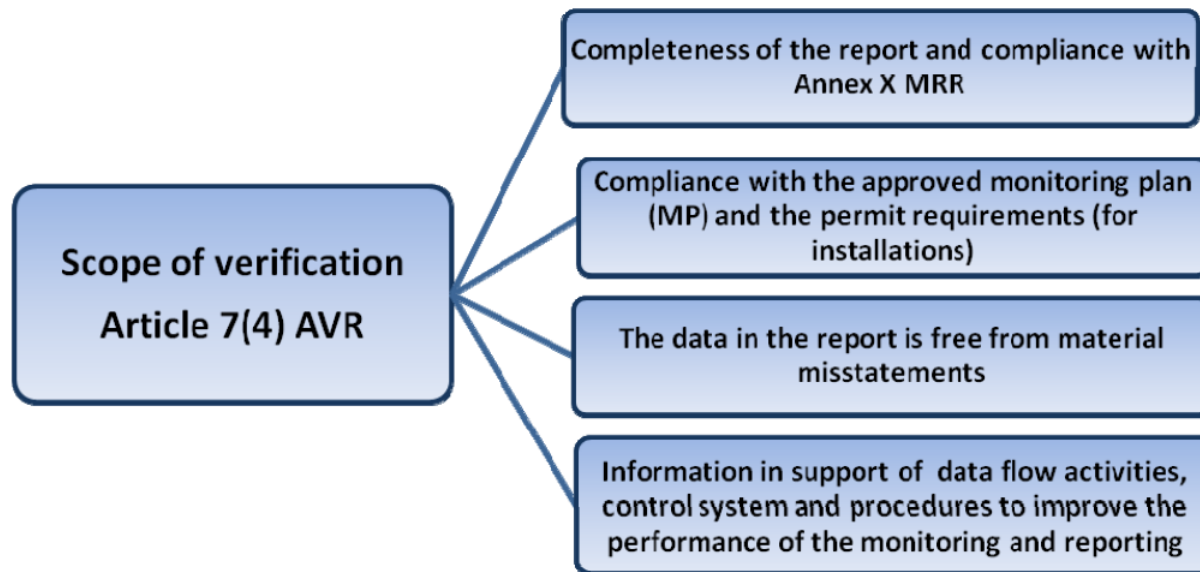
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Roles and responsibilities



Verification objectives and scope

Verification ensures that the emissions have been monitored and reported in accordance with the MRR



If the verifier has identified non-compliance with the MRR, it must report this in the verification report (Article 7 (5) of the AVR)

Verification principles

- **Reliability of verification (Art. 6 AVR)**
 - *Report must be reliable for its users*
 - *Report must be a faithful account of emissions*
 - *Verification is effective tool in support of QA/QC*
 - *Verification provides input for improvement*
- **Independence of the verifier (Art. 7 AVR)**
- **Professional scepticism (Art. 7 AVR)**
- **Reasonable level of assurance (Art. 7 AVR)**

Accreditation

- **Verifiers must be accredited by a NAB**
- **Scope of accreditation**
 - *It determines in what group of operator's activities the verifier may carry out verification*
 - *Annex I of AVR defines 15 scopes in relation to the activities or group of activities*
- **The NAB assesses whether:**
 - *the verifiers have the competence to carry out verification*
 - *the verifiers are performing verification in line with AVR*
 - *the verifiers meet the requirements in AVR*

Importance of Guidance for MRV

- **The European Commission is developing guidance, templates and tools, in order to:**
 - *Support operators, competent authorities, verifiers, national accreditation bodies*
 - *Support consistent interpretation and application of MRR and AVR*
 - *Facilitate implementation*
- **Guidance does not create supplementary requirements**
- **Guidance applies user-friendly language and points in particular to new requirements**

Thank you for your attention!

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DG CLIMA ETS MRV:

http://ec.europa.eu/clima/policies/ets/monitoring/index_en.htm