

Compliance Conference

(Dealing with) similarities and differences on EU ETS enforcement*

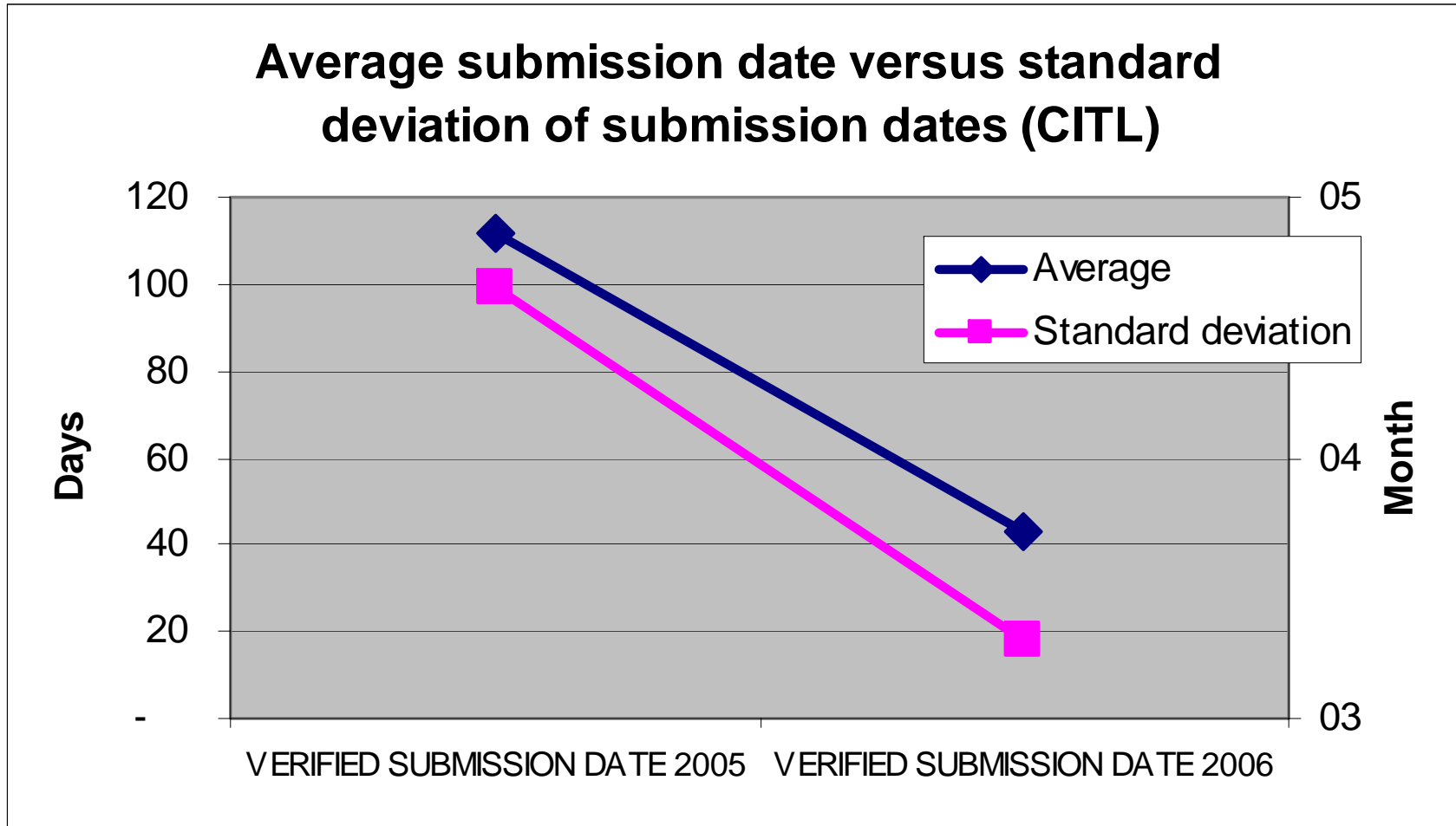
Brussels, 10 September 2008



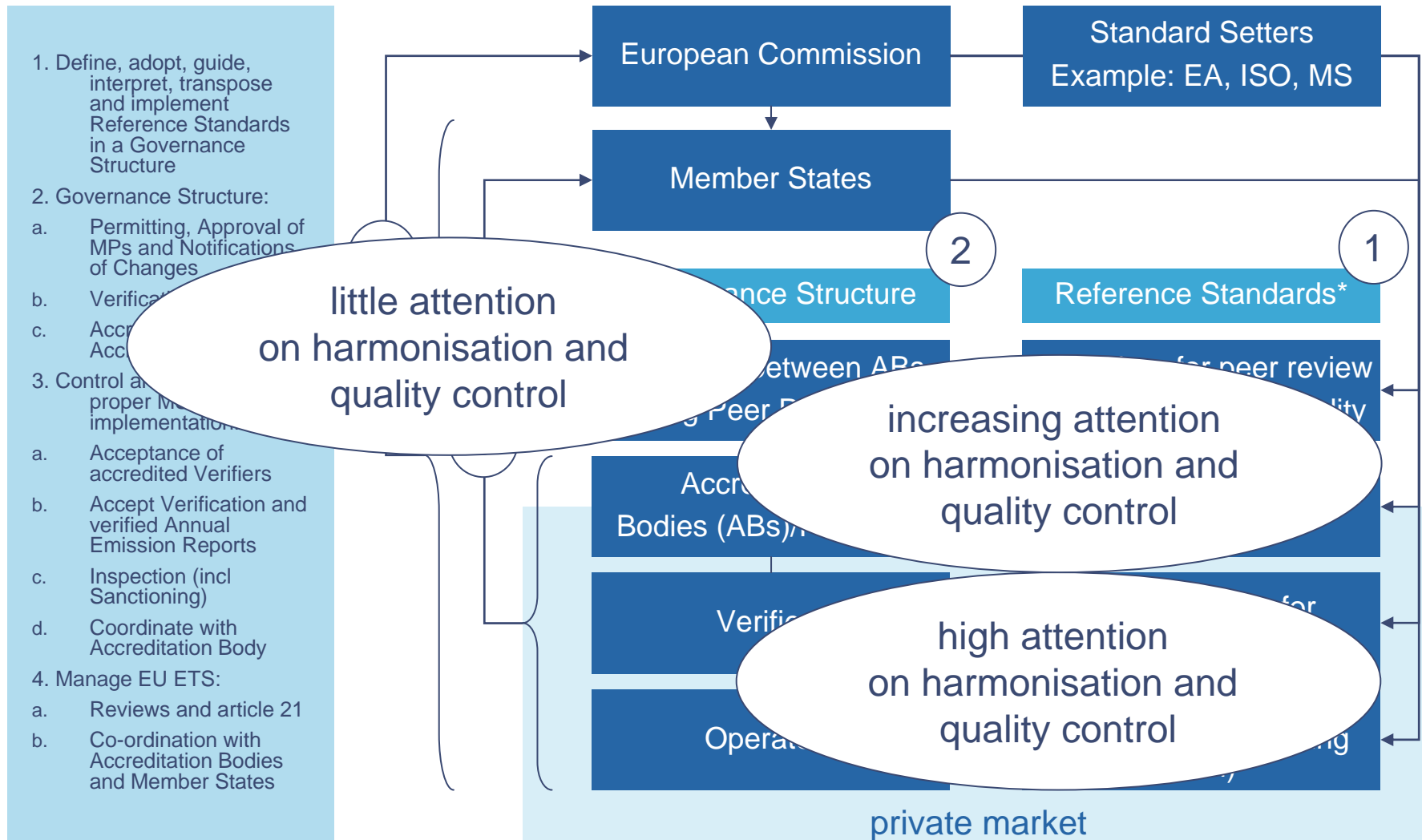
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Overall compliance increased significantly



Most Member States implemented a system like this to ensure compliance



*Organisation, Processes, Systems/Tools and Competences

What should (does) the Competent Authority do? (contentious elements)

*Not in all regions

	No	No data
Notification of changes	ES*, DE*, LV	
Acceptance of accredited verifiers	EE, ES*, DE*, LV, LT, PT, SE	
Accreditation control	BE, EE, ES*, DE, FR, IT, LT, LU, MT, NL, PL, SE	LV
Acceptance of AERs	ES*, FI, IT, LT, LU	SI
Acceptance of verification (reports)	FR, DE*, UK*, DK, EE, IT, LT, NL	IR, LV, SI
Inspections	BE*, DE*, IT*, ES*, UK*, DK*, MT	IR, SI

How should the CA perform these compliance processes?
Differences are many, but smaller for one process than another

responsibilities

frequencies

sampling sizes

time spent

methodology/checklists

competences required (if any...)

outcome (findings, sanctions, ...)

recording of findings

tools used

control/supervision

→ is this a bad thing? The outcome may be the same...

It's time to focus on data quality and consistency of approaches, to show a tonne is a tonne

Many different approaches, not at all bad per se. But, to ensure trust...

→ it *is* not a good thing to diverge unnecessary for the sake of consistency and transparency

→ it *is* a good thing to learn and incorporate best practices to ensure quality

→ it is necessary to communicate agreed quality levels to be accountable

For example

Why would we use different checklists and methods for MP approval, or the review of VRs or AERs, or inspections?

Why wouldn't we exchange the results of this to improve the system?

Why would we deal with non compliance differently, including incorrect reports, non verifiable AERs and verifiers?

→ Why would a EU-wide regime as for verification not fit the Competent Authorities?

Your worlds, our people



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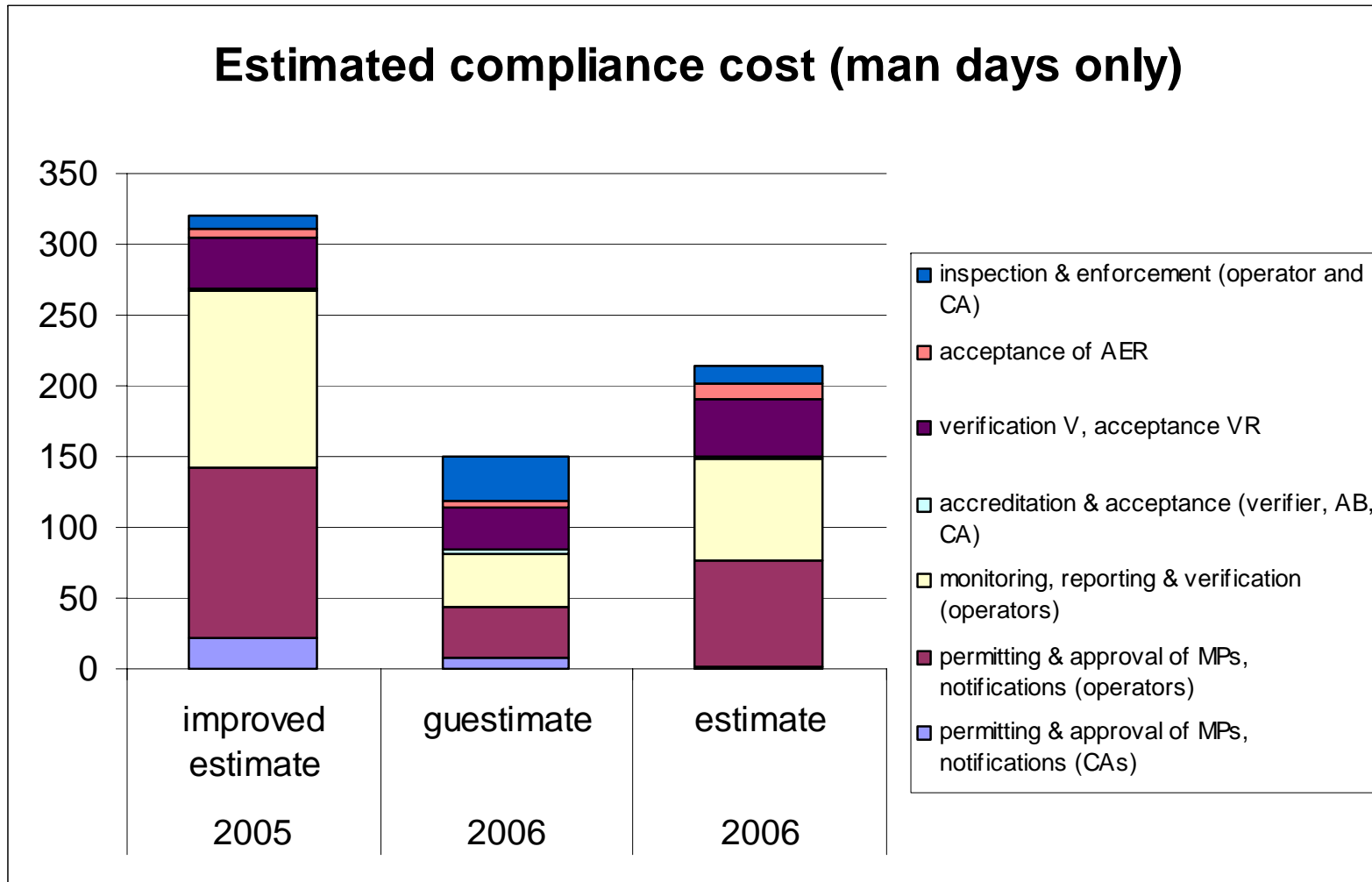
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Suggestion: Develop a EU ETS Quality Manual

Chapters

- Verification
 - Accreditation
 - Compliance
 - Monitoring & Reporting
- process flow, activity description, control activities, formats/checklists, criteria
- online, based on common understanding, derived from best practices, voluntary, basis for IT tools, produced by forums and managed by the Compliance Conference

Cost-effectiveness increased with 50%



Member States make different choices where they put the emphasis to control compliance – it's about the right balance

