



Guidance Document

The Accreditation and Verification Regulation - Relation between the AVR and EN ISO 14065

AVR Key guidance note No. II.8, Version of 21 March 2022

This document is part of a series of documents and templates provided by the Commission services for supporting the implementation of Commission Regulation (EU) No. 2018/2067 of 19 December 2018 on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council.

The guidance represents the views of the Commission services at the time of publication. It is not legally binding.

This guidance document takes into account the discussions within meetings of the informal Technical Working Group on MRVA (Monitoring, Reporting, Verification and Accreditation) under the WGIII of the Climate Change Committee (CCC), as well as written comments received from stakeholders and experts from Member States.

This guidance document was unanimously endorsed by the representatives of the Member States at the meeting of the Climate Change Committee on [19 September 2012].

All guidance documents and templates can be downloaded from the documentation section of the Commission's website at the following address:
https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets/monitoring-reporting-and-verification-eu-ets-emissions_en#tab-0-1

Version History

Date	Version status	Remarks
19 September 2012	Published	Endorsed by CCC on 12 September 2012
21 March 2022	Re-published	<ul style="list-style-type: none">• Updates to the new Accreditation and Verification Regulation 2018/2067 that was amended by Commission Regulation 2020/2084. This includes revisions for the fourth trading period.• Updates as a result of revisions in EN ISO 14065

Background

This paper is part of a suite of guidance documents developed by the Commission services to explain the requirements of the EU ETS Regulation on Accreditation and Verification (AVR).¹ The suite of guidance documents consists of:

- an explanatory guidance on the articles of the AVR (EGD I), including a user manual providing an overview of the guidance documents and their interrelation with the relevant legislation;
- key guidance notes (KGN II) on specific verification and accreditation issues;
- a specific guidance (GD III) on the verification of aircraft operator's reports;
- templates for the verification report and information exchange requirements;
- exemplars consisting of filled-in templates, checklists or specific examples in the explanatory guidance or key guidance notes;
- frequently asked questions.

This key guidance note (KGN II.8) explains the requirements of EN ISO 14065 and how this standard relates to the AVR. In addition, explanation is provided on how EN ISO 14065 provisions should be interpreted for single verifiers. The note represents the views of the Commission services at the time of publication. It is not legally binding.

1. EN ISO 14065

The AVR prescribes the application of a harmonised standard in EU ETS.

Requirement	Location in AVR
<i>With respect to the requirements on verifiers, the harmonised standard pursuant to Regulation (EC) No 765/2008 concerning requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition, shall apply.</i>	Annex II

On 25 May 2012, a reference to EN ISO 14065:2012 was published in the Official Journal of the European Union making it a harmonised standard. This standard was updated in 2020 and subsequently harmonised under Regulation (EC) No 765/2008.² EN ISO 14065 contains requirements for legal persons and legal entities that undertake GHG verification. By referring in Annex II to this harmonised standard pursuant to Regulation (EC) No 765/2008, this standard is applicable to EU ETS verifiers and must be used by national accreditation bodies (NAB) to assess verifiers. Compared to the 2012 version, EN ISO 14065:2020 has changed in some aspects. First of all the scope of the standard has widened covering not only GHG verification but also other types of environmental information. As the AVR narrows down the application of EN ISO 14065 to verification of GHG emission verifications under the EU ETS, the provisions specific to other types of verifications are not relevant for EU ETS. Secondly, the updated EN ISO 14065 refers to a new harmonised standard EN ISO/IEC 17029 which contains general principles and requirements for the competence, consistent operation and impartiality of conformity assessment activities, including verification. EN ISO 14065 is a sector specific application of ISO/IEC 17029:2019.

¹ Commission Implementing Regulation (EU) 2018/2067 of 19 December 2018 on the verification of data and on the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council.

² EN ISO 14065:2020: General principles and requirements for bodies validating and verifying environmental information.

Both EN ISO 14065 and EN ISO/IEC 17029 contain a number of principles that legal persons and legal entities³ should be able to demonstrate and provide specific requirements that reflect these principles. The requirements concern not only the verification process but also internal procedures of the verifier, its legal structure and its responsibilities. Both standards are programme-neutral. This means that if a specific GHG programme or trading scheme is applicable, the requirements of that GHG programme or scheme are additional to the requirements of EN ISO 14065 and EN ISO/IEC 17029.

The EU ETS is such a specific GHG trading scheme/programme, and the AVR contains the EU ETS specific requirements on the verification process as well as on the competence and impartiality of the different parties involved in the verification.

2. Presumption of conformity

NABs use harmonised standards to assess the competence and performance of verifiers. A key principle in this assessment is the presumption of conformity reflected in Article 4 of the AVR.

Requirement	Location in AVR
<i>Where a verifier demonstrates its conformity with the criteria laid down in the relevant harmonised standards within the meaning of point 9 of Article 2 of Regulation (EC) No 765/2008 or parts thereof, the references of which have been published in the Official Journal of the European Union, it shall, with the exception of Articles 7(1), 7(4), 22, 27(1), 28, 31 and 32 of this Regulation, be presumed to comply with the requirements set out in Chapters II and III of this Regulation in so far as the applicable harmonised standards cover those requirements.</i>	Article 4

The above implies that if the verifier demonstrates compliance with EN ISO 14065, the verifier is presumed to comply with the requirements set out in Chapter II and III of the AVR. The burden of proof to state otherwise lies with the NAB.

This does not mean that the EU ETS specific requirements in the AVR, that are additional to EN ISO 14065 and that fill in the more general framework requirements defined in EN ISO 14065, do not have to be met; NABs are still required to assess whether the verifier and its personnel undertaking verification activities have the competence to carry out verification, are performing the verification in line with the AVR and meet the requirements of Chapter III AVR.

**Art. 45
AVR**

The fact that EU ETS specific requirements still have to be met also derives from the final phrase of Article 4 of the AVR: *“in so far as the applicable harmonised standards cover those requirements”*. Only where EN ISO 14065 covers the requirements in the AVR, does demonstration of compliance with that standard mean that the verifier is complying with Chapter II and III of the AVR. It implies that where the EU ETS specific requirements are not covered in EN ISO 14065, compliance with those additional EU ETS requirements still has to be demonstrated and the NAB has to check compliance with those additional requirements.

³ This could be an enterprise consisting of multiple persons or an enterprise that is privately owned and conducted by a single individual (i.e. one-man business).

There are a few provisions in the AVR that are covered in EN ISO 14065 but that provide more specific and stricter requirements than the ones listed in EN ISO 14065. It concerns the following requirements:

- The requirement to apply a reasonable level of assurance in Article 7(1) of the AVR;
- The requirements on what a verifier needs to assess during the verification (the scope of verification) in Article 7 (4) of the AVR;
- The requirements on how to address misstatements, non-conformities and non-compliance including the requirement to correct these issues in Article 22 of the AVR;
- The requirements concerning the verification opinion statements and limitation of scope;
- The mandatory site visit requirement and circumstances under which site visits can be waived.

The verifier must follow the requirements in the AVR.

The table below indicates which requirements in the AVR are EU ETS specific, and are therefore additional to EN ISO 14065. It also refers to sections of this guide where more information can be found. Annex I provides a more comprehensive overview highlighting the relation with EN ISO/IEC 17029. For some articles only part of the article contains EU ETS specific requirements (e.g. Article 43 of the AVR).

EN ISO 14065	AVR requirements	Section of guide
Section 3: Definitions	Article 3	
Section 4: Principles	Article 7(2) (3), 12	3
Section 5.1: Legal Entity		3.1
Section 5.2: Responsibility for verification opinions		3.1
Section 5.3: Management of impartiality	Article 43	3.1 and 3.2
Section 5.4: Liability		3.1
Section 6.1: Organisational structure and top management	Article 43 (2) referring to EN ISO 14065 (with respect to impartiality)	3.1
Section 6.2: Operational control		3.1
Section 7.1: Resource requirements		3.2 and 3.3
Section 7.2: Personnel	Article 36 to 40 and 43	3.2 and 3.3
Section 7.3: Management process for the competence of personnel	Article 36	3.3
Section 7.4: Outsourcing	Article 43(5)	3.4
Section 9.1 to 9.7: Verification process and reporting	Chapter II	3.6
Section 9.8: Facts discovered after issue of verification statement	Article 70 of the MRR ⁴	3.6
Section 9.9: Handling of appeals		3.7
Section 9.10: Handling of complaints		3.7
Section 9.11: Records	Article 26	3.5

⁴ Commission Implementing Regulation (EU) 2018/2066 of 19 December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council as amended by Commission Implementing Regulation (EU) 2020/2085 of 14 December 2020: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02018R2066-20210101&from=EN>

EN ISO 14065	AVR requirements	Section of guide
Section 10.1: Publicly provided information	Article 42(2) referring to EN ISO 14065	3.5
Section 10.2: Other available information	Article 42(2) referring to EN ISO 14065	3.5
Section 10.3: Rules on how clients can refer to verification		3.5
Section 10.4: Confidentiality	Article 42(3) referring to EN ISO 14065	3.5
Section 11: Management system requirements	Article 41 and Annex II	3.8 and 3.9
Annex B: reference to verified statements and use of marks	Article 27(1) (verification opinion statement)	
Annex E: Additional requirements to GHG verification and AUP	Chapter II with respect to EU ETS verification	

3. EN ISO 14065 requirements in relation to AVR

EN ISO 14065 defines the following main principles that have to be adhered to in any GHG verification.

- Decisions are based on objective evidence obtained through the verification process and not influenced by other interests or parties (impartiality). Threats to impartiality can for example concern, self-interest, self-review, familiarity or intimidation. For more information please see section 5 of the Explanatory Guidance;
- Personnel have the necessary knowledge, skills, experience, training and capacity to effectively complete the verification (competence);
- The verification opinion statement is based on the evidence collected through an objective verification;
- Timely information about the status of the verification and verification process is accessible or disclosed appropriately to the client and other users;
- Confidential information obtained or created during verification activities is safeguarded and not inappropriately disclosed;
- The operator is responsible for compliance with the requirements and accuracy of the data. The verifier is responsible for the appropriateness of the verification opinion statement making sure that it is based on sufficient and appropriate objective evidence;
- Complaints have to be appropriately managed and resolved;
- Verifiers need to consider the risks associated with verification which can for example concern risks related to competence and impartiality, the risk of missed errors in the data, risks related to the organisation and internal controls of the operator.

The requirements in EN ISO 14065 are built on those principles.

Please note that this guidance does not portray the full text of EN ISO 14065 because of copyright reasons. For a complete overview of the requirements the standard itself must be consulted.



3.1 Legal status and structure of a verifier

EN ISO 14065 requires the verifier to be a legal entity or a defined part of a legal entity, and contains specific requirements on the legal status and structure of a verifier.


Requirement in EN ISO 14065/ EN ISO /IEC 17029	Explanation in relation to AVR
The verifier must be a legal entity or a defined part of a legal entity that can be held legally responsible for verification activities. The verifier has to describe its legal status (section 5.1).	The description should be such that the NAB can determine if the verifier is a legal entity or part of a legal entity.
The verifier must have legally enforceable contracts or agreements with its operator or aircraft operator clients (section 9.3). Section 9.3.2 outlines what provisions should be included in the contract or agreement.	<p>Contracts with EU ETS operators/aircraft operators should specify the conditions for verification in a clear and transparent manner. It should for example include:</p> <ul style="list-style-type: none"> ▪ the amount of time allocated for the verification and the possibility of changing that time allocation if this is necessary because of findings during the verification; ▪ the scope of verification and verification criteria that will be used during the verification; ▪ conditions to ensure that the operator will make the necessary arrangements for the conduct of verification and on-site assessment (e.g. to provide access to all relevant documentation, locations of the site and personnel, make provisions to accommodate observers); ▪ conditions to ensure that the operator provides all information listed in Article 10 of the AVR; ▪ conditions to ensure compliance with the rules of the verifier in using references to verification; ▪ the requirement that the operator shall not use the verification opinion statement, verification reports, marks, logos or labels in a manner that could mislead users or impair the reputation of the verifier. ▪ conditions to ensure the verification report or part thereof is not used in a misleading manner.
The verifier must be responsible for its verification activities and verification report (section 5.2).	The verifier should, for example, not outsource the independent review or the final decision on the verification and the issuance of the verification statement.
The verifier must identify its top management having overall authority and responsibility for the policies, finances and activities mentioned in section 6.1.4 EN ISO 14065.	Top management could be an individual, group or board. An NAB would, for example, assess whether the management roles and responsibilities are in fact in place. Evidence could be gathered from job descriptions, formally delegated responsibilities, terms of references for committees etc.
The verifier must document its legal and organisation structure as well as roles and the responsibilities of the verification personnel used (section 5.3).	<p>Documentation of the roles and responsibilities should not only include the personnel of the verifier itself, but also contracted persons. This concerns all personnel involved in the verification activities and not only verification team members. For example sales personnel involved in time allocation and personnel involved in planning should be included.</p> <p>If the verifier is a defined part of a legal entity, the verifier must document how the verifier relates to other parts of the legal entity. This is of particular relevance for assessing the impartiality and independence of a verifier. Conflict of</p>

**Art. 43(5)
AVR**

**Art. 43
AVR**

Requirement in EN ISO 14065/ EN ISO /IEC 17029	Explanation in relation to AVR
	interest between the verifier and the other parts of the legal entity must be avoided.
The verifier must be organised and managed in such a way that it is able to carry out the verification and it is impartial (section 6.1.1. and 6.1.2).	Article 36 of the AVR provides specific rules on competence of the verifier and its personnel and 43 of the AVR includes specific rules on how to ensure impartiality of the verifier and its personnel.
The verifier must have a process for effective control of verification activities by entities under its operational control (section 6.2).	To ensure effective control on the verification activities verifiers have to implement procedures in accordance with Article 41 of the AVR. When establishing the appropriate level of control the verifier has to consider the risks to competence and impartiality of the verifier.
The verifier must have adequate liability coverage to address the activities and areas in which it operates (section 5.4).	<p>Feasible methods of liability coverage could for example include insurance, contingency funds or reserves of capital.</p> <p>Furthermore, the verifier must demonstrate it has evaluated the financial risks involved which means that the verifier should be aware that:</p> <ul style="list-style-type: none"> ▪ findings during the verification might cause additional time to be allocated to the verification than was originally foreseen in the pre-contract stage; ▪ mistakes during the verification which lead to incorrectly verified data might cause substantial damages for the operator (e.g. penalties imposed by the CA⁵, the emission data being conservatively estimated by the CA⁶, insufficient emission allowances surrendered); ▪ significant additional time must be allocated if the independent reviewer rejects the verification opinion statement and the internal verification documentation. <p>The verifier should assess these risks in the pre-contract stage, and the internal verification documentation should reflect that it has considered such risks.</p>

**Section
3.2.1
EGD 1**

<p>For single person verifiers the following notes can be made:</p> <p>A single person verifier always forms his own “top management” with overall authority and responsibility. Unlike legal entities, natural persons are not required to delegate authorities to committees or other individuals. He/she only has to identify and document his/her own responsibilities, and define the tasks that he/she has assigned to contracted personnel that he/she has called in to carry out specific activities (e.g. independent reviewer).</p>	
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⁵ Article 16 EU ETS Directive requires Member States to ensure that any operator or aircraft operator who does not surrender sufficient allowances by 30 April of each year to cover its emissions during the preceding year, shall be held liable for the payment of an excess emissions penalty. The excess emissions penalty shall be EUR 100 for each tonne of carbon dioxide equivalent emitted for which the operator or aircraft operator has not surrendered allowances. Payment of the excess emissions penalty shall not release the operator or aircraft operator from the obligation to surrender an amount of allowances equal to those excess emissions when surrendering allowances in relation to the following calendar year.

⁶ If the verified emission data are not correct, the CA will conservatively estimate the emission data which means that the CA ensures that the emissions will not be underestimated (Article 70 of the MRR).

3.2 Impartiality and independence

The AVR contains EU ETS specific requirements on the impartiality and independence of the verifier and its personnel. The AVR not only specifies unacceptable risks to impartiality and conflict of interest for the verifier, but also actively requires the verifier to organise itself in such a manner as to safeguard its objectivity, independence and impartiality. The EU ETS specific AVR requirements on impartiality are detailed in Chapter 5 of the Explanatory Guidance on the articles of the AVR (EGD 1).

Art. 43
AVR


The AVR explicitly refers at two points to EN ISO 14065 provisions on impartiality, i.e. Article 43(2) and (5) of the AVR.

Requirement in EN ISO 14065	Explanation in relation to AVR
I. The verifier must be organised in such a way as to safeguard objectivity, independence and impartiality	
The verifier must have commitment from its top management to act impartially and publicly state how it manages conflicts of interests and ensures its impartiality (section 5.3).	Processes and procedures should be implemented through the whole organisation of the verifier to ensure that potential conflicts of interests are identified, analysed and avoided. These processes and procedures as well as the potential risks to impartiality should be monitored by the top management of the verifier.
The verifier is responsible for verification activities and shall not allow commercial, financial or other pressures to compromise impartiality (section 5.3.2 EN ISO/IEC 17029).	The verifier has to take measures to avoid unacceptable risks to impartiality. Requirements to ensure impartiality have been included in Article 43 of the AVR. Verifiers have to monitor threats to impartiality. What constitutes a threat to impartiality depends on circumstances. Article 43 of the AVR specifies when there is an unacceptable risk to impartiality and the verifier is not allowed to do the verification (see chapter 5 of the Explanatory Guidance I). Article 43 of the AVR is not exhaustive: there can be other unacceptable risks and threats to impartiality.
The verifier shall not market or offer verification activities linked with activities of an organisation that provides consultancy (section 5.3.10 EN ISO/IEC 17029).	If there are inappropriate links between activities or implications that the verification would be simpler, easier, faster or less expensive if a verifier or consultancy organisation were used, the verifier should take action and cease the inappropriate links and connections.
Personnel that provided consultancy to the client whose report is being verified shall not perform verification within a period specified by the verifier (section 7.2). The period must be long enough to ensure the threats to impartiality are eliminated but must not be less than 2 years.	This situation can arise if the verifier hires auditors, technical experts, independent reviewers or other verification personnel for the verification of an operator's report and the period between providing consultancy and carrying out verification is not long enough to eliminate the threats. If the verifier or any part of the legal entity carrying out verification have provided consultancy on the MP or monitoring and reporting systems of an operator, verification of the emission report of that same operator is not allowed (see Article 43 of the AVR which is further explained in Chapter 5 of EGD I).
The verifier must have formal rules and/or employment/	

Art. 43(2)
AVR

Requirement in EN ISO 14065	Explanation in relation to AVR
contractual conditions to ensure that its personnel acts in an impartial manner (section 9).	
The verifier must document how it manages potential conflicts of interests and risks to its impartiality (section 5.9).	<p>Managing potential conflicts of interest not only involves identifying and analysing potential conflict of interest situations but also making the necessary arrangements to avoid those situations. The verifier’s internal procedures should ensure that personnel communicate to the management of the verifier any situation from which a potential conflict of interest for the verifier could arise. As part of these processes the verifier must also evaluate finances and sources of income and liability coverage to ensure that the impartiality is not compromised.</p> <p>The key objective is to ensure that the verification is carried out by competent, impartial and independent staff and/or contracted persons. Any threats to impartiality have to be addressed by the verifier. This also includes threats concerning the actions of bodies to which activities have been outsourced.</p>
II. The verifier shall establish, document, implement and maintain a process to ensure continuous impartiality and independence which includes a mechanism of oversight of impartiality.	
EN ISO 14065 contains provisions on establishing mechanisms to safeguard the impartiality and independence of a verifier.	These mechanisms could include an independent committee, scheme specific mechanisms to monitor the impartiality of the verifier, non-executive directors, or internal auditing within the organisation.

Art. 43(6)
AVR

<p>For single verifiers the following notes can be made:</p> <p>The same requirements on impartiality apply to single person verifiers. A mechanism to safeguard the impartiality and independence of a single person verifier could consist of a contracted person monitoring and reviewing the impartiality of the single verifier. This could be the same person that is contracted by the verifier to do the independent review, where this does not compromise the independence of that review.</p>	
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3.3 Competence

EN ISO 14065 requires the verifier to have sufficient competent persons and to have the necessary facilities, equipment, systems and support services to perform verification. The AVR contains EU ETS specific requirements on the competence of the verification team and the members of that team: the EU ETS lead auditors, EU ETS auditors and technical experts. Specific competence requirements have also been laid down for independent reviewers. Furthermore, EU ETS specific requirements have been included in the competence process that verifiers have to establish, document, implement and demonstrate to the NABs; and to maintain on an on-going basis, to ensure that all personnel entrusted with verification activities are competent for the tasks that are allocated to them. Guidance on EU ETS specific requirements on the competence process is provided in Chapter 5 of the Explanatory Guidance on the articles of the AVR (EGD 1) whereas guidance on the EU ETS specific competence requirements and their connection to EN ISO 14065 is given in the key guidance note on competence (KGN II.7).

3.4 Contracting and outsourcing


Both the AVR and the EN ISO 14065 explicitly forbid the verifier from outsourcing the independent review or the issuance of the verification report, but allow other verification activities to be outsourced. Outsourcing means that contract arrangements have been made with another external organisation to deliver verification services on behalf of the verifier. The organisation to which the activity is outsourced, will perform the activity externally and have ownership and responsibility over that specific activity. Once the activity has been delivered, the verifier takes back the responsibility since it is responsible for the verification and the delivery of the opinion and verification report to the operator.

Contracting persons means hiring persons to carry out certain verification activities internally for the verifier under the direction, control and full responsibility of the verifier itself. The AVR clearly states that contracting other parties to carry out verification activities does not constitute outsourcing of these activities.

Art. 43(5)
AVR

Requirement in EN ISO 14065	Explanation in relation to AVR
The verifier must have procedures or policies that demonstrate that the verifier has full responsibility for the verification activities that are performed by contracted persons.	At all times the verifier must have full responsibility for the verification activities. Contracted persons shall therefore work as part of the verification team and under the direct supervision, responsibility and control of the verifier. The verifier is at all times responsible for hiring in competent persons that meet the competence requirements in the AVR.
Contracted persons have to sign a written agreement.	This agreement shall address: <ul style="list-style-type: none"> ▪ a commitment to comply with the policies and procedures of the verifier; ▪ a commitment to comply with the requirements on confidentiality and impartiality as well as to raise issues concerning impartiality and conflict of interests.
The verifier may outsource only under certain conditions.	Conditions for outsourcing: <ul style="list-style-type: none"> ▪ outsourcing is not allowed for independent review and the issuance of the verification report; ▪ the verifier will retain control and full responsibility for the work of the outsourced body; ▪ the outsourced body will have to provide independent evidence that it meets the relevant requirements of the AVR ▪ the operator has to agree to the outsourced activities; ▪ the verifier and the outsourced body should sign a properly documented agreement underpinning these requirements and outlining a clear allocation and scope of outsourced work. This legally enforceable agreement should also include confidentiality and management of impartiality requirements. The verifier and outsourced body should comply with this agreement.

Art. 43(5)
AVR

<p>For single verifiers the following notes can be made:</p> <p>As contracting persons to carry out verification activities does not constitute outsourcing, the single person verifier is allowed to hire a second qualified person to do the independent review on its behalf. Article 25(2) of the AVR prevents the single person verifier from doing both the verification and the independent review.</p>	
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3.5 Communication and records

The verifier must keep up to date records to demonstrate compliance with the AVR. This includes, for example, records related to the competence process (e.g. training, competence criteria, monitoring competences of its personnel), records related to the competence and impartiality of individual personnel and their relations with other organisations etc., records on contracted personnel, outsourced activities, records on clients, documentation on appeals, complaints and corrective action.

Art. 42(1)
AVR

The information that the verifier has to provide to the operator and other parties is outlined in EN ISO 14065, together with measures that the verifier must undertake to safeguard the confidentiality of information obtained during the verification.

Art. 42(2)
(3) AVR

Requirement in EN ISO 14065	Explanation in relation to AVR
Informing operators on the verification	<ul style="list-style-type: none"> ▪ description of the verification process; ▪ changes to the verification requirements; ▪ a schedule of the verification activities and tasks; ▪ relevant information on the verification team members; ▪ information on the verification fees (in particular, how additional time can and may be allocated and charged for, if findings during the verification show that there is a need for additional time to be allocated); ▪ the verifier's rules on the necessary arrangements to make for conducting verification and accommodating observers; ▪ its policy on how an operator can use the verifier's mark on the verification report; ▪ information on procedures for handling complaints and appeals.
Informing operators of their responsibilities	<ul style="list-style-type: none"> ▪ The operator must comply with the verifier's direction and requests; ▪ The operator must provide the verifier with the information listed in Article 10 of the AVR as well as allow access to different locations of the installation or aircraft operator; ▪ The operator must make arrangements needed to facilitate witness audits by NAB's assessors.
Policy and measures to safeguard the confidentiality of information	<p>The policy should cover the following:</p> <ul style="list-style-type: none"> ▪ it should be legally enforceable and meet legal requirements. The verifier is responsible for the management of all information obtained or created during verification; ▪ the policy should not only be applicable to persons within the verifier but also contracted persons and outsourced bodies; ▪ confidential information obtained during the verification should be treated as confidential regardless of the source from which the information is obtained.⁷ This is applicable to all personnel including contractors and external bodies or individuals to which activities are outsourced; ▪ in general, information on operators⁸ should not be disclosed without obtaining express consent from operators. However if

⁷ If the information is obtained from another source, the provider of that information is also confidential and should not be shared with the operator unless the source agrees that this information will be shared with the operator.

⁸ Information can also not be withheld if the operator has publicly disclosed the information itself.

Requirement in EN ISO 14065	Explanation in relation to AVR
	<p>legislation⁹ requires the information to be publicly disclosed, disclosure is not dependent on the operator's consent, and that information cannot be withheld. In those cases the operator should be informed that the information will be disclosed;</p> <ul style="list-style-type: none"> ▪ the verifier shall take precautions to ensure that confidential information is securely documented and processed. Precautions could include control of electronic information and hard copy data, having proper IT security, making sure files and other data are stored for 10 years¹⁰ and that the document management and storage system is of high quality. Special care should be taken of information stored by third party contractors managing archives, or information coming from outsourced bodies.
Public information	Public information should be up to date and disclosed upon request; it relates to the verifier's activities, commitment to impartiality, complaints and appeals processes and scopes of accreditation in which the verifier operates. Upon request, information should also be provided on the status of the verification opinion statement.
Records on verification process	Internal verification documentation for each verification engagement should be secure and retained for the mandated period.

3.6 Verification process

EN ISO 14065 contains general requirements on the verification process and refers on certain points to EN ISO 14064-3. These requirements are GHG programme neutral. EU ETS specific requirements have therefore been included in Chapter II of the AVR. For more guidance on the verification process please see Chapter 3 of the Explanatory Guidance on the articles of the AVR (EGD 1).

After the verifier has submitted the verification report to the operator for onwards submission to the competent authority, situations can arise whereby the operator or any other party identifies facts that have a material impact on the verification opinion statement, e.g. the verified emission data are incorrect, not all relevant information was revealed or the verifier was not impartial throughout the engagement. In those cases EN ISO 14065 requires the verifier to assess whether revision of the verification opinion statement is necessary, and to consult the operator. If revision is needed, the verifier must implement a process to issue such a revised verification report which addresses the reason for revision. In order to revise the verification report steps in the verification process may sometimes need to be repeated. This process does not preclude the CA from taking action and conservatively estimate the emissions.

**Art. 70
MRR**

⁹ If the information is in the possession of the CA or the NAB legislation could for example be national law implementing Directive 2003/4 on the public access to environmental information if somebody request for access to information, that information concerns environmental information and there are no justified grounds to withhold the information.

¹⁰From the date that the verified report is submitted to the CA – this means longer for the primary source data.

If as a result of complaints or facts discovered after the verification, the verification has to be carried out anew by the verifier, it must inform the operator of the conditions under which the new verification will be carried out and take special care in selecting the team to be involved in the verification.

3.7 Appeals and complaints

EN ISO 14065 requires the verifier to have a properly documented process to receive, evaluate and make decisions on appeals and complaints as well as to take corrective action. This process must include at least a description of the process for receiving, substantiating or investigating the appeal or complaint and deciding what actions need to be taken to address the appeal or complaint. The description of the process should be available to any interested party. In the EU ETS, complaints will be more likely to occur than appeals. For both complaints and appeals the verifier must:

- inform the public of the appeal and complaint handling process upon request;
- be responsible for gathering all the necessary information to determine whether an appeal or complaint is substantiated;
- be responsible for all decisions in the process;
- ensure that the persons engaged in the appeal and complaint handling process (making decisions, reviewing or approving decisions) are different from the persons that carried out the verification activities;
- provide feedback to the appellant and complainant: e.g. informing on the receipt of the appeal or complaint, the progress in the appeal or complaint process, the persons engaged in the process and the decisions on appeals or complaints;
- ensure that the process, the decisions and related activities are non-discriminatory to appellants or complainants;
- track and record the appeal and complaint and ensure that appropriate action is taken.

For single verifiers the following notes can be made:

To accommodate the EN ISO 14065 requirement that persons engaged in appeals or complaints are different from persons that carried out the verification, the single person verifier is required to hire a second competent person to make those decisions. This could be the same person that is doing the independent review, where this does not compromise the independence of that complaint or the appeal process.



3.8 Management system

The verifier must design, document, implement and maintain a management system. Such a system includes all the steps in the verification process, management system policy, control and filing of documents, control and filing of records, internal audits, corrective and preventive actions, actions to address risks and opportunities and management review. The management system should also cover the maintenance of related records. The management system has to demonstrate compliance with EN ISO/IEC 17029 which specifies the elements of a management system:

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Elements management system	Explanation
Management review	The verifier has to review its management system at planned intervals to make sure it is still appropriate. Required inputs and

Elements management system	Explanation
	outputs of the management review are outlined in the standard. Management review is conducted at least once a year not exceeding 15 months between management reviews.
Internal audits	The verifier has to carry out internal audits at planned intervals to assess whether the management system meets requirements and is correctly implemented and maintained. ISO/IEC 17029 contains requirement on how to plan and conduct the internal audits. Internal audits have to be conducted at least once a year not exceeding 15 months between audits.
Corrective action	The verifier has to establish processes for the identification and management of non-conformities in its verification activities. In order to prevent non-conformities from reoccurring the verifier has to undertake corrective action and eliminate causes of non-conformities. EN ISO/IEC 17029 specifies the requirements for such a process.
Actions to address risks and opportunities	The verifier has to consider the risks and opportunities to ensure the management systems functions effectively, the requirements in the AVR are met, failure in verification activities is avoided, the risk to failure is reduced and improvement in activities and organisation is achieved. The verifier has to plan actions to address these risks and opportunities, implement these actions in the management system and evaluate the effectiveness of the actions. Further rules on these type of actions are included in the standard.
Documented information	The verifier has to control documented information, make sure that documentation is available and protected. Requirements on the maintenance and control of documentation are included in the standard.

3.9 Procedures

As mentioned in this guidance, the verifier must establish, document, implement and maintain procedures for the verification activities and procedures mentioned in Annex II.

The procedures on verification activities have to outline the different steps in the verification process: e.g. what steps the verifier undertakes during a strategic analysis and the risk analysis, and what activities the verifier does in these stages. A checklist of activities to be performed during the verification could be part of these procedures. The other processes and procedures in Annex II of the AVR concern:

- a process and policy for communication with the operator or aircraft operator, and other relevant parties;
- adequate arrangements to safeguard the confidentiality of information obtained;
- a process for dealing with appeals;
- a process for dealing with complaints (including indicative timescale);
- a process for issuing a revised verification report where an error in the verification report or the operator's or aircraft operator's report has been identified after the verifier has submitted the verification report to the operator or aircraft operator for onwards submission to the competent authority;
- a procedure or process for managing outsourcing of verification activities to other organisations;

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- a procedure for ensuring that the verifier takes full responsibility for contracted persons;
- processes that ensure the proper functioning of management system consisting of the elements explained in section 3.8 of this guide.

Annex I Provisions in EN ISO 14065 and EN ISO 17029

EN ISO 14065	Reference to EN ISO/ IEC 17029 and additional rules in EN ISO 14065	AVR requirements	Section in this guidance for more information
Section 3: Definitions		Article 3 of the AVR (EU ETS specific definitions)	
Section 4: Principles	Reference is made to the principles listed in section 4 EN ISO/IEC 17029: e.g. impartiality, competence, confidentiality, openness, responsibility, responsiveness to complaints, risk-based approach	Article 7(2), (3) AVR (professional scepticism/ independence) and 12 of the AVR (Verifier's risk analysis)	3
Section 5.1: Legal Entity (section 3.1 of this guide)	Section 5.1 EN ISO/IEC 17029: a verifier must be a legal entity. EN ISO 14065 requires that a verifier must have a description of the legal status.		3.1
Section 5.2: Responsibility for verification opinions (section 3.1 of this guide)	Section 5.2 EN ISO/IEC 17029: verifier must be responsible for its decisions.		3.1
Section 5.3: Management of impartiality (section 3.1 and of this guide)	Section 5.3 EN ISO/IEC 17029: general requirements on impartiality of the verifier. EN ISO 14065 requires the establishment of a mechanism to ensure impartiality	Article 43 of the AVR	3.1 and 3.2
Section 5.4: Liability (Section 3.1 of this guide)	Section 5.4 EN ISO/IEC 17029		3.1
Section 6.1: Organisational structure and top management (section 3.1 of this guide)	Section 6.1 EN ISO/IEC 17029: general requirements on the organisation and top management of a verifier	Article 43 (2) of the AVR referring to EN ISO 14065 (with respect to impartiality)	3.1
Section 6.2: Operational control	Section 6.2 EN ISO/IEC 17029: general requirements for a verifier to have a process for effective control of verification activities		
Section 7.1: Resource requirements	Section 7.1 EN ISO/IEC 17029: requirement of a verifier to have access to the resources needed for the verification.		3.2 and 3.3
Section 7.2: Personnel	Section 7.2 EN ISO/IEC 17029: general requirements on competence and impartiality of personnel, including requirements on legal agreements between verifier and	Article 36 to 40 and 43 of the AVR	3.2 and 3.3

EN ISO 14065	Reference to EN ISO/ IEC 17029 and additional rules in EN ISO 14065	AVR requirements	Section in this guidance for more information
	personnel. EN ISO 14065 specifies the requirements in section 7.2.4 and 7.2.5 of EN ISO/IEC 17029.		
Section 7.3: Management process for the competence of personnel	Section 7.3 EN ISO/IEC 17029: requirement of a verifier to establish a management process for competence of personnel. EN ISO 14065 includes additional requirements on the process.	Article 36 of the AVR	3.3
Section 7.4: Outsourcing	Section 7.4 EN ISO/IEC 17029: conditions for outsourcing verification activities.	Article 43(5) of the AVR	3.4
Section 8: Verification programme	Section 8 EN ISO/IEC 17029	Not relevant for EU ETS	
Section 9.1 to 9.7: Verification process and reporting	Section 9.1 to 9.7 EN ISO/IEC 17029: general requirements on the verification process. EN ISO 14065 specifies certain requirements and includes additional requirements.	Chapter II of the AVR	3.6
Section 9.8: Facts discovered after issue of verification statement	Section 9.8 EN ISO/IEC 17029: general requirements on what to do if facts are discovered after a verification statement is issued and what internal processes to implement.	Article 70 of the MRR ¹¹	3.6
Section 9.9: Handling of appeals	Section 9.9 EN ISO/IEC 17029: general requirements on process of handling appeals and activities to carry out when addressing appeals.		3.7
Section 9.10: Handling of complaints	Section 9.10 EN ISO/IEC 17029: general requirements on process of handling complaints and activities to carry out when addressing complaints.		3.7
Section 9.11: Records	Section 9.11 EN ISO/IEC 17029: general requirements on what records to maintain and how to ensure	Article 26 of the AVR	3.5

¹¹Commission Implementing Regulation (EU) 2018/2066 of 19 December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council as amended by Commission Implementing Regulation (EU) 2020/2085 of 14 December 2020: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02018R2066-20210101&from=EN>

EN ISO 14065	Reference to EN ISO/ IEC 17029 and additional rules in EN ISO 14065	AVR requirements	Section in this guidance for more information
	confidentiality		
Section 10.1: Publicly provided information	Section 10.1 EN ISO/IEC 17029: general requirements on what information should be made publicly available. EN ISO 14065 specifies what is publicly provided information in the context of the standard.	Article 42(2) of the AVR referring to EN ISO 14065	3.5
Section 10.2: Other information to be available	Section 10.2 EN ISO/IEC 17029: general requirements on what other information should be maintained by the verifier and what information should be provided to clients. EN ISO 14065 includes additional requirements on type of information to be maintained.	Article 42(2) of the AVR referring to EN ISO 14065	3.5
Section 10.3: Rules on how clients can refer to verification	Section 10.3 EN ISO/IEC 17029: requires verifier to have rules on how to refer to verification. EN ISO 14065 includes additional requirements on the use of marks.		3.5
Section 10.4: Confidentiality	Section 10.4 EN ISO/IEC 17029: requirements on what information can be held confidential and how to ensure confidentiality of information.	Article 42(3) of the AVR referring to EN ISO 14065	3.5
Section 11: Management system requirements	Section 11 EN ISO/IEC 17029: requirements on what a management system should entail and what activities to carry out EN ISO 14065 specifies the frequency of management review and internal audits.	Article 41 and Annex II of the AVR	3.8 and 3.9
Annex A: Types of opinion		Not applicable to EU ETS	
Annex B: reference to verified statements and use of marks	Contains requirements on what wording to use in verification opinion statements and how to refer to verification by a verifier.	Article 27(1) of the AVR (verification opinion statement)	
Annex C: examples of reports of factual findings		Not applicable to EU ETS	
Annex D: Requirements applicable to green band verification and AUP		Not applicable to EU ETS	
Annex E: Additional	Contains requirements on competence of personnel	Chapter II of the AVR	

EN ISO 14065	Reference to EN ISO/ IEC 17029 and additional rules in EN ISO 14065	AVR requirements	Section in this guidance for more information
requirements to GHG verification and AUP	carrying out verification and reference to EN ISO 14064-3		
Annex F: Additional requirements applicable to validation, verification and agreed upon procedures associated with reporting investments and financing activities related to climate change		Not applicable to EU ETS	

