

SCHEDULES

SCHEDULE 6

Article 70(6)

Verification

Introduction

1. The procedures specified in this Schedule are concerned with the verification requirements in Part 3.

Verification body

2.—(1) This paragraph sets out the procedures required for verification bodies.

Avoidance of conflict of interest(1)

(2) If the leader of the verification team undertakes six annual verifications for one aeroplane operator, the leader of the verification team must take a three-consecutive year break from providing verification services to that same aeroplane operator. The six year maximum period includes any greenhouse verifications performed for the aeroplane operator prior to it requiring verification services under this Order.

(3) The verification body, or any part of it, must not be an aeroplane operator, the owner of an aeroplane operator or owned by an aeroplane operator.

(4) The verification body, or any part of it, must not be a body that trades emissions units, the owner of a body that trades emissions units or owned by a body that trades emissions units.

(5) The relationship between the verification body and the aeroplane operator must not be based on common ownership, common governance, common management or personnel, shared resources, common finances or common contracts or marketing.

(6) The verification body must not take over any activities from the aeroplane operator with regard to the preparation of the Emissions Monitoring Plan or the Emissions Report, including monitoring of fuel use and calculation of CO₂ emissions.

(7) To enable an assessment of impartiality and independence by the national accreditation body, the verification body must document how it relates to any other parts of the same legal entity.

Management and personnel(2)

(8) The verification body must establish, implement and document a method for evaluating the competence of the verification team personnel against the competence requirements outlined in ISO 14065:2013, ISO 14066:2011 and sub-paragraphs (11) to (16).

(9) The verification body must maintain records to demonstrate the competency of the verification team and personnel in accordance with sub-paragraph (11).

Competencies of personnel(3)

(1) ISO 14065:2013 section 5.4.2.

(2) ISO 14065:2013 section 6.1.

(3) ISO 14065:2013 section 6.2.

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(10) The verification body must—

- (a) identify and select competent team personnel for each engagement,
- (b) ensure appropriate verification team composition for the aviation engagement,
- (c) ensure the verification team includes, at a minimum, a team leader who is responsible for the engagement, planning and management of the team,
- (d) ensure continued competence of all personnel conducting verification activities, including continued professional development and training for verifiers to maintain and develop competencies, and
- (e) conduct regular evaluations of the competence assessment process to ensure that it continues to be relevant for this Order.

Validation of verification team knowledge(4)

(11) The verification team as a whole, and the independent reviewer, must demonstrate knowledge of—

- (a) the requirements set out in this Order, the Assembly Resolution A39-3(5), the Environmental Technical Manual (Doc 9501), Volume IV – Procedures for demonstrating compliance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)(6), and any public ICAO explanatory material,
- (b) the verification requirements set out in this Order, and Environmental Technical Manual (Doc 9501), Volume IV – Procedures for demonstrating compliance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), including materiality threshold, verification criteria, verification scope and objectives and the Verification Report preparation and submission requirements,
- (c) the eligibility criteria for technical exemptions, scope of applicability, State pair phase-in rules, and State pair coverage set out in this Order and the Assembly Resolution A39-3,
- (d) the monitoring requirements set out in this Order, and
- (e) the national requirements in addition to the provisions set out in this Order.

Validation of verification team technical expertise(7)

(12) The verification team as a whole, and the independent reviewer, must demonstrate knowledge of the following technical competencies—

- (a) general technical processes in the field of civil aviation,
- (b) aviation fuels and their characteristics, including CORSIA eligible fuel,
- (c) fuel related processes including flight planning and fuel calculation,
- (d) relevant aviation sector trends or situations that may impact the CO₂ emissions estimate,
- (e) CO₂ emissions quantification methodologies outlined in this Order, including assessment of Emissions Monitoring Plans,

(4) ISO 14065:2013 section 6.3.2.

(5) Resolution A39-3 is ICAO’s consolidated statement of continuing ICAO policies and practices related to environmental protection – Global Market-based Measure (MBM) scheme, and is available from the ICAO website at www.icao.int. For a hard copy contact the ICAO E-Commerce and Publications Sales Unit at International Civil Aviation Organisation (ICAO), 999 Robert-Bourassa Boulevard, Montreal, Quebec H3C 5H7, Canada (telephone +1 514-954-8219 and e-mail sales@icao.int).

(6) The Environmental Technical Manual (Doc 9501), Volume IV – Procedures for demonstrating compliance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is available from the ICAO website at www.icao.int. For a hard copy contact the ICAO E-Commerce and Publications Sales Unit at International Civil Aviation Organisation (ICAO), 999 Robert-Bourassa Boulevard, Montreal, Quebec H3C 5H7, Canada (telephone +1 514-954-8219 and e-mail sales@icao.int).

(7) ISO 14065:2013 section 6.3.3.

- (f) fuel use monitoring and measurement devices, and related procedures for monitoring of fuel use related to greenhouse gas emissions, including procedures and practices for operation, maintenance and calibration of such measurement devices,
- (g) greenhouse gas information and data management systems and controls, including quality management systems and quality assurance / quality control techniques,
- (h) aviation related IT systems such as flight planning software or operational management systems,
- (i) knowledge of approved CORSIA Sustainability Certification Schemes relevant for CORSIA eligible fuels under this Order, including certification scopes⁽⁸⁾, and
- (j) basic knowledge of greenhouse gas markets and emissions units programme registries.

(13) Evidence of these competencies must include proof of relevant professional experience, complemented by appropriate training and education credentials.

Validation of verification team data and information auditing⁽⁹⁾

(14) The verification team as a whole must demonstrate detailed knowledge of ISO 14064-3:2006, including demonstrated ability to develop a risk-based verification approach, perform verification procedures including assessing data and information systems and controls, collect sufficient and appropriate evidence and draw conclusions based on that evidence.

(15) Evidence of data and information auditing expertise and competencies must include previous professional experience in auditing and assurance activities, complemented by appropriate training and education credentials.

Use of contracted validators and verifiers⁽¹⁰⁾

(16) The verification body must document roles and responsibilities of the verification personnel, including contracted persons involved in the verification activity.

Outsourcing⁽¹¹⁾

(17) The verification body must not outsource the final decision on the verification and the issuance of the verification statement.

(18) The independent review must only be outsourced as long as the outsourced service is appropriate, competent, and covered by the accreditation.

Confidentiality⁽¹²⁾

(19) The verification body must ensure it has the express consent of the aeroplane operator prior to submission of the verified Emissions Report and the Verification Report to the Regulator. The mechanism for authorising this consent must be specified in the contract between the verification body and aeroplane operator.

Records⁽¹³⁾

(20) The verification body must keep records on the verification process for a minimum of ten years, including—

(8) “CORSIA Approved Sustainability Certification Schemes” is available from the ICAO website at www.icao.int. For a hard copy contact the ICAO E-Commerce and Publications Sales Unit at International Civil Aviation Organisation (ICAO), 999 Robert-Bourassa Boulevard, Montreal, Quebec H3C 5H7, Canada (telephone +1 514-954-8219 and e-mail sales@icao.int).

(9) ISO 14065:2013 section 6.3.4.

(10) ISO 14065:2013 section 6.4.

(11) ISO 14065:2013 section 6.6.

(12) ISO 14065:2013 section 7.3.

(13) ISO 14065:2013 section 7.5.

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- (a) client's Emissions Monitoring Plan and Emissions Report,
- (b) Verification Report and related internal documentation,
- (c) identification of team members and criteria for selection of team, and
- (d) working papers with data and information reviewed by the team in order to allow for an independent party to assess the quality of the verification activities and conformance with verification requirements.

Agreement(14)

(21) The contract between a verification body and an aeroplane operator must specify the conditions for verification by stating—

- (a) scope of verification, verification objectives, level of assurance, materiality threshold and relevant verification standards; namely ISO 14065:2013, ISO 14064-3:2006, this Order and the Environmental Technical Manual, Volume IV,
- (b) amount of time allocated for verification,
- (c) flexibility to change time allocation if this proves necessary because of findings during the verification,
- (d) conditions which must be fulfilled to conduct the verification such as access to all relevant documentation, personnel and premises,
- (e) requirement of the aeroplane operator to accept the audit as a potential witness audit by the national accreditation body's assessors,
- (f) requirement of the aeroplane operator to authorise the release of the Emissions Report, and the Verification Report by the verification body to the Regulator, and
- (g) liability coverage.

Verification of Emissions Report

3.—(1) This paragraph sets out the procedures required of verification bodies for the verification of Emissions Reports.

ISO standard

(2) The verification team must conduct the verification according to ISO 14064-3:2006, and the following additional requirements.

Level of assurance(15)

(3) A reasonable level of assurance must be required for all verifications under this Order.

Objectives(16)

(4) When conducting the verification of an Emissions Report, the verification body must perform sufficient procedures to conclude whether—

- (a) the greenhouse gas assertion is materially fair and an accurate representation of emissions over the period of the Emissions Report and is supported by sufficient and appropriate evidence,

(14) ISO 14065:2013 section 8.2.3.

(15) ISO 14064-3:2006 section 4.3.1.

(16) ISO 14064-3:2006 section 4.3.2.

- (b) the aeroplane operator has monitored, quantified and reported its emissions over the period of the Emissions Report in accordance with this Order and the approved Emissions Monitoring Plan,
- (c) the aeroplane operator has correctly applied the method of flight attribution documented in the approved Emissions Monitoring Plan and in accordance with articles 8 and 9 to ensure a correct attribution of leased aeroplane and international flights, operated by other aeroplane operators under the same corporate structure,
- (d) the stated amount of emissions reductions from the use of CORSIA eligible fuels is materially fair and an accurate representation of emissions reductions over the reporting period, and is supported by sufficient and appropriate internal and external evidence,
- (e) the claimed batches of CORSIA eligible fuels have not also been claimed by the aeroplane operator under any other voluntary or mandatory schemes it has participated in, where the emissions reductions from CORSIA eligible fuels may be claimed, during the current compliance period, as well as the compliance period immediately preceding it, and
- (f) the aeroplane operator has monitored, calculated and reported its emissions reductions associated with the use of CORSIA eligible fuels over the reporting period in accordance with this Order.

Scope(17)

(5) When conducting the verification of an Emissions Report, the scope of the verification must reflect the period of time and information covered by the report and the CORSIA eligible fuels claims, where applicable.

(6) This must include—

- (a) CO₂ emissions from aeroplane fuel monitoring methods, calculated in accordance with articles 22, 23, 26(1) to (4), 28 and 29, and
- (b) emissions reductions from the use of CORSIA eligible fuels.

(7) The scope of the verification of the CORSIA eligible fuel claims in the Emissions Report must include the following—

- (a) any internal aeroplane operator procedures for CORSIA eligible fuels, including aeroplane operator controls to ensure the claimed CORSIA eligible fuels satisfy the CORSIA Sustainability Criteria,
- (b) checks for double claiming are limited to the specific aeroplane operator. Any findings outside this scope are not relevant for the verification statement, but they must still be included in the Verification Report for further consideration by the Regulator,
- (c) assessment of verification risk with appropriate changes to the verification plan, and
- (d) assessment of whether there is sufficient access to relevant internal and external information to obtain sufficient confidence in each CORSIA eligible fuel claim. Where evidence of the sustainability or the size of the CORSIA eligible fuel claim is considered either inappropriate or insufficient, further information must be sought directly from the fuel producer with direct access facilitated through the aeroplane operator.

Materiality(18)

(8) When conducting the verification of an Emissions Report, the verification body must apply the following materiality thresholds—

(17) ISO 14064-3:2006 section 4.3.4.

(18) ISO 14064-3:2006 section 4.3.5.

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- (a) of 2 per cent for aeroplane operators with annual emissions on international flights above 500,000 tonnes, and
- (b) of 5 per cent for aeroplane operators with annual emissions on international flights equal to or less than 500,000 tonnes of CO₂.

(9) When conducting the verification of an Emissions Report, the over and understatements in sub-paragraph (8) must be allowed to balance out in both cases.

General(19)

(10) Prior to the development of the verification approach, the verification body must assess the risk of misstatements and non-conformities and their likelihood of a material effect on the basis of a strategic analysis of the aeroplane operator's greenhouse gas emissions information(20).

(11) Depending on the information obtained during the verification, the verification body must revise the risk assessment and modify or repeat the verification activities to be performed.

Validation of verification plan(21)

(12) The verification team must prepare the verification plan on the basis of the strategic analysis and assessment of risks. The verification plan must include a description of the verification activities for each variable that has a potential impact on the reported emissions. The verification team must consider the assessment of risk, and the requirement to deliver a verification opinion with reasonable assurance, when determining sample size.

(13) The verification plan must also include the following—

- (a) verification team members, roles, responsibilities and qualifications,
- (b) any external resources required,
- (c) schedule of verification activities, and
- (d) sampling plan, including the processes, controls and information to be verified and details of the risk assessment conducted to identify these.

Sampling plan(22)

(14) The Emissions Report sampling plan must include the following—

- (a) number and type of records and evidence to be examined,
- (b) methodology used to determine a representative sample, and
- (c) justification for the selected methodology.

Assessment of GHG data and information(23)

(15) The verification team must confirm that the Emissions Report data has been collected in accordance with the approved Emissions Monitoring Plan and monitoring requirements specified in this Order.

(16) In accordance with the Emissions Report sampling plan, the verification body must carry out substantive data testing consisting of analytical procedures and data verification to assess the plausibility and completeness of data.

(19) ISO 14064-3:2006 section 4.4.1.

(20) Strategic analysis and the assessment of risks are contained in the IAF Mandatory Document for the Application of ISO 14065:2013, Issue 2 (IAF MD 6:2014).

(21) ISO 14064-3:2006 section 4.4.2.

(22) ISO 14064-3:2006 section 4.4.3.

(23) ISO 14064-3:2006 section 4.6.

(17) The verification team must, as a minimum, assess the plausibility of fluctuations and trends over time or between comparable data items as well as identify and assess immediate outliers, unexpected data, anomalies, and data gaps.

(18) Depending on the outcome of Emissions Report data testing and assessment, the assessment of risk, verification and sampling plan must be amended, where necessary.

Evaluation of the GHG assertion(24)

(19) The verification body must use an independent reviewer not involved in the verification activities to assess the internal verification documentation, and the Verification Report, prior to its submission to the aeroplane operator and Regulator.

(20) The independent review, whose scope must include the complete verification process, must be recorded in the internal verification documentation.

(21) The independent review must be performed to ensure that the verification process has been conducted in accordance with ISO 14065:2013, ISO 14064-3:2006 and this Order, and that the evidence gathered is appropriate and sufficient to enable the verification body to issue a Verification Report with reasonable assurance.

Validation and verification statement(25)

(22) The verification body must submit a copy of the Verification Report to the aeroplane operator. Upon authorisation by the aeroplane operator, the verification body must forward a copy of the Verification Report together with the Emissions Report to the Regulator. The Verification Report must include—

- (a) names of the verification body and verification team members,
- (b) time allocation, including any revisions and dates,
- (c) scope of the verification,
- (d) main results of impartiality and avoidance of conflict of interest assessment,
- (e) criteria against which the Emissions Report was verified,
- (f) aeroplane operator information and data used by the verification body to cross-check data and carry out other verification activities,
- (g) main results of the strategic analysis and assessment of risk,
- (h) description of verification activities undertaken, where each was undertaken, including whether on-site or off-site, and results of checks made on the CO₂ emissions information system and controls,
- (i) description of data sampling and testing conducted, including records or evidence sampled, sample size, and sampling method used,
- (j) the results of all data sampling and testing, including cross-checks,
- (k) compliance with the Emissions Monitoring Plan,
- (l) any non-compliances of the Emissions Monitoring Plan with this Order,
- (m) non-conformities and misstatements identified (including a description of how these have been resolved),
- (n) conclusions on data quality and materiality,
- (o) conclusions on the verification of the Emissions Report,
- (p) justifications for the verification opinion made by the verification body,

(24) ISO 14064-3:2006 section 4.8.

(25) ISO 14064-3:2006 section 4.9.

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- (q) results of the independent review and the name of the independent reviewer, and
- (r) concluding verification statement.

(23) The verification body must provide a conclusion on each of the verification objectives listed in sub-paragraphs (5) to (7) in the concluding verification statement.

(24) When conducting the verification of an Emissions Report, the verification body must choose between two types of verification opinion statements; either 'verified as satisfactory' or 'verified as not satisfactory'.

(25) If the report includes non-material misstatements or any non-material non-conformities, the report must be 'verified as satisfactory with comments', specifying the misstatements and non-conformities.

(26) If the report contains material misstatements or any material non-conformities, or if the scope of the verification is too limited or the verification body is not able to obtain sufficient confidence in the data, the report must be 'verified as not satisfactory'.

Validation of verification records(26)

(27) At the request of the Regulator, the verification body must disclose the internal verification documentation on a confidential basis to the Regulator.

(28) Where issues that may render a previously issued verification statement invalid or inaccurate are brought to the attention of the verification body, it must notify the Regulator.