



Forest Carbon Partnership Facility

4i. Verification process and Lessons learned from REDD+ Review Process

Seventeenth Meeting of the Carbon Fund (CF17)

Paris, France

January 29 – February 1, 2018

Process so far and Background

- **CF16** – The FMT delivered a [presentation](#) on (i) the scope of reporting and verification, (ii) verification arrangements (Who?), and (iii) the verification approach for ERs (How?)
- **CF16** – According to the [chair's summary](#) CFPs:
 - Recommended that **verification scope** should cover part of the MF: **carbon accounting** (i.e. ERs, reversals and leakage) and **registries** (i.e. 6.2)
 - Recommended FMT to hire a **verification entity** that should follow an **auditing approach**, while keeping in mind the importance of strengthening **country capacity and systems**
 - Discouraged testing the option of a **verification entity for the technical assessment** of one ERPD, i.e. inconsistencies
 - Requested the FMT to propose a list of possible verification entities at CF17

Issues for discussion at CF17

- A presentation on “*Applying lessons learned from GHG evaluations to the Carbon Fund TAP and ER verification*”, prepared by Till Neeff and Donna Lee was commissioned with the features of verification, and the suite of issues that will need to be considered by the CFs
- “Session 4d. Lessons learned...” also identified issues and made recommendations with regard to the Technical Assessment process and the TAPs (Issues 17 and 18)
- We would appreciate input on follow-up actions (on-going or completed) and questions (?) that will be presented in the next slides

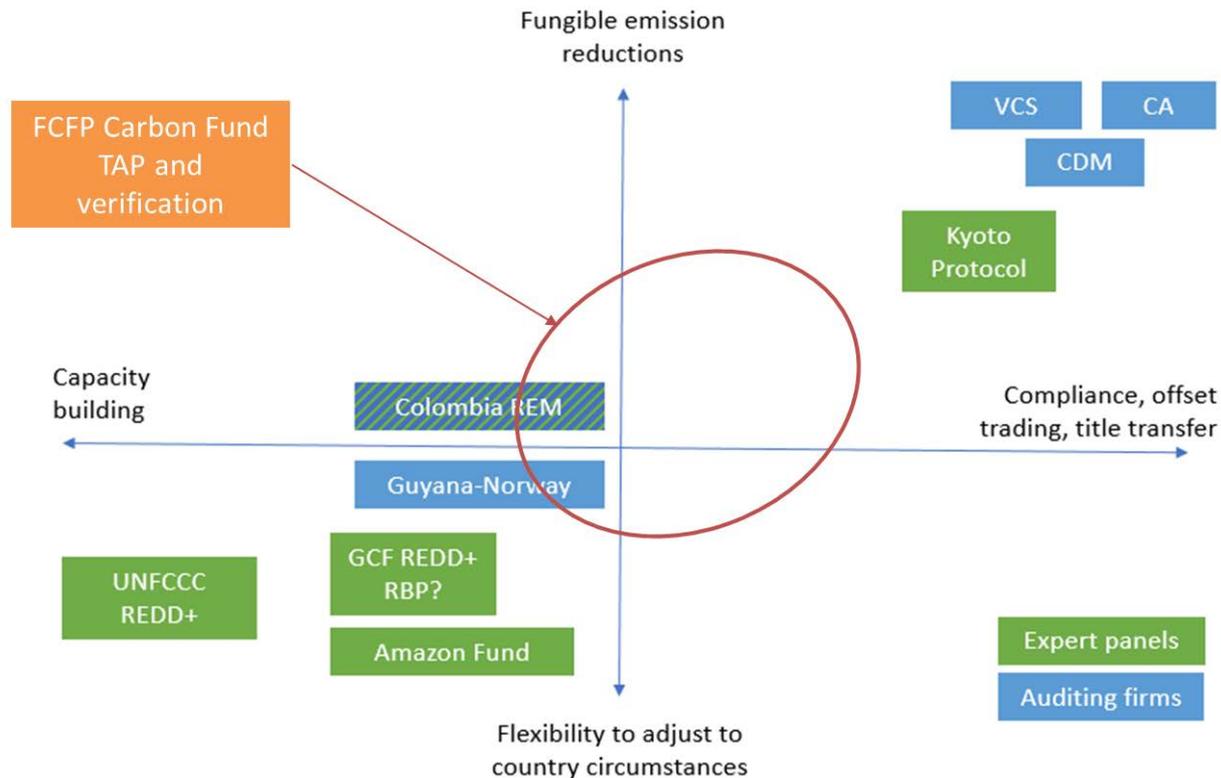
TA and TAPs (I)

Issues

1. **Unclear mandate:** source of inconsistency amongst TAPs and quality of assessments.

? How do CFPs see the TAP (and verifications): **Advisor or validator?**

Key considerations



TA and TAPs (II)

Issues

2/4. Causes of inconsistency - Process + independence: No complete guidance for conducting evaluation, no formal QA/QC procedures within FMT, lack of expertise of TAPs, variation across individuals despite calibration workshops

3. Causes of inconsistency – Criteria + MF interpretation: Low level of methodological guidance

Key considerations

? Process issues + independence. Options:

- a) FMT to strengthen process (stronger guidance for the evaluation, stronger QA/QC procedures, strengthen the selection process, COIs);
- b) Externalize process to auditing company.

? Lack of clear criteria and guidance. Options:

- a) Technical workshop;
- b) Regular Webinars CFP-TAP-FMT;
- c) FMT to prepare guidance for CFPs consideration.

Pillars for a successful verification process (I)

Pillars

Evaluation guidance



Setting criteria/accrediting verification entities



Risk-based auditing and materiality



Verifier mandate and non-conformities

Summary statement and level of assurance



Key considerations

Use of verification entities accredited for LULUCF/AFOLU in CDM/VCS will ensure covering some of these pillars

Pillars for a successful verification process (II)

Pillars

Key considerations

Evaluation guidance



Setting criteria/accrediting verification entities



Risk-based auditing and materiality



Verifier mandate and non-conformities



Summary statement and level of assurance



However, there are still issues to clarify, i.e. evaluation guidance specific to CF, materiality thresholds, mandate/non-conformities and reporting.

Verification process - Options

- ? Preparation for verification.** Options for defining basis of verification:
- a) FMT to prepare TORs and note for non-objection of CFPs
 - b) FMT engages one verification at an early stage and uses lessons learned for further verifications, reporting back to CFPs

List of verification entities

- The FMT submitted a request for expression of interest to **DOEs** (CDM accreditation scope 14) and **VVBs** (accredited for AFOLU under VCS, mostly ANSI accredited) with **extensive experience in the AFOLU sector**
- 12 firms were invited and 7 replied.

Firm	Received proposal?
AENOR Internacional, S.A.U.	YES
Bureau Veritas Certification Holding SAS	NO
Colombian Institute for Technical Standards and Certification (ICONTEC)	NO
RINA Services S.p.A	YES
TÜV Nord Cert GmbH	YES
SCS Global Services	YES
Environmental Services, Inc.	YES
Rainforest Alliance, Inc.	NO
Ecocert S.A.	YES
First Environment, Inc.	NO
S&A Carbon, LLC	NO
DNV	YES

? The FMT is seeking approval from the CFPs to submit this list for approval at the next PC meeting.

Recap of questions

? Where do CFPs see the TAP (and verifications). **Advisor or validator?**

? **Process issues + Independence.** Options:

- a) FMT to strengthen process (stronger guidance for the evaluation, stronger QA/QC procedures, strengthen the selection process);
- b) Externalize process to auditing company.

? **Lack of clear criteria and guidance.** Options:

- a) Technical workshop;
- b) Regular Webinars CFP-TAP-FMT;
- c) FMT to prepare guidance for CFPs consideration.

? **Preparation for verification.** Options for defining basis of verification:

- a) FMT to prepare TORs and notes for non-objection of CFPs
- b) FMT engages one verification at an early stage and uses lessons learned for further verifications, reporting back to CFPs

? The FMT is seeking approval from the CFPs to submit the **list of verification entities** for approval at the next PC meeting.



Thank you!