Contents

This document describes the verification activities provided by COSMOCERT, concerning EU-ETS.

1. Verification description

1.1 Application and Review of application (pre-contract stage)

The first step is to gather the necessary information from the applicant. This includes the following:

(a) the operator's greenhouse gas emissions permit, if this concerns the verification of an operator's emission report;
(b) the latest version of the operator's monitoring plan as well as any other relevant versions of the monitoring plan approved by the competent authority, including evidence of the approval;
(c) the latest version of the operator's monitoring methodology plan as well as any other relevant versions of the monitoring methodology plan, including, where applicable, evidence of the approval;
(d) a description of the operator's data flow activities;
(e) all the other documents referred in article 10 of Reg (EU) 2018/2067 where applicable

These data are the inputs for the Application Review. Through the application review COSMOCERT:

(a) evaluate the risks involved to undertake the verification of the operator's report in accordance with this process;
(b) undertake a review of the information supplied by the operator to determine the scope of the verification;
(c) assess whether the engagement falls within the scope of its accreditation;
(d) assess whether it has the competence, personnel and resources required to select a verification team capable of dealing with the complexity of the installation operator' s activities and fleet as well as whether it is capable of successfully completing the verification activities within the timeframe required;
(e) assess whether it is capable of ensuring that the potential verification team at its disposal holds all the competence, and persons required to carry out verification activities for that specific operator
(f) determine, for each verification engagement requested, the time allocation needed to properly carry out the verification (time allocation).

After the application review stage, a financial proposal is prepared and send to the client. The time allocation indicated in the financial proposal.

1.2 After contract stage

1.2.1 Contract engagement

If the financial proposal be accepted by the client, the Contract (engagement) is prepared for signature by the applicant. If during the detailed verification the verifier finds that additional time is needed to properly carry out the necessary verification activities, the time allocation will be adjusted accordingly.

1.2.2 Planning

COSMOCERT selects competent personnel and establishes plans to reduce the risk of material misstatement of the statement. The verification team shall be disclosed to the client prior to the verification itself. The client has the possibility to reject one or more verifiers within a certain period of time (5 days from receiving).

Clients must provide sufficient information for COSMOCERT to plan effectively, and a reasonable level of assurance requires more extensive verification activities.

1.2.3 Strategic Analysis / Risk Analysis

After signing the contract and assigning the responsible personnel, a strategic analysis is performed (pre-verification). In this stage, the results of the application review are taken into account (inputs).

The strategic analysis is always followed by a risk analysis (both stages are pre-verification). The risk analysis is evaluated throughout the verification process, particularly in response to evidence gathered and verification findings.

1.3 Verification Plan/ Test Plan/Sampling Plan / Verification activities

The lead verifier drafts a verification plan commensurate with the information obtained and the risks identified during the strategic analysis and the risk analysis, and including:

(a) a verification programme describing the nature and scope of the verification activities as well as the time and manner in which these activities are to be carried out;

(b) a test plan setting out the scope and methods of testing the control activities as well as the procedures for control activities;

(c) a data sampling plan setting out the scope and methods of data sampling related to data points underlying the aggregated emissions in the operator emission report, or the aggregated data relevant for free allocation in the operator's baseline data report or new entrant data report.

The draft verification plan is communicated to the client prior to verification.

The verification activities performed on-site in order to gather sufficient evidence to conclude with reasonable assurance that the operator's emission report is free from material misstatements.

Activities during on site visit include:

1. interviewing staff, reviewing documents and assessing operator's procedures in practice;
2. checking the installation's boundaries, the data flow and assessing the completeness of source streams and emission sources;
3. actual testing of the control activities and assessing the application of procedures mentioned in the approved monitoring plan;
4. obtaining physical evidence through assessment of measurement equipment, monitoring systems and processes.

Upon the arrival of the verification team to the premises, an opening meeting is held where the lead verifier introduces the verification team to the client, clarifies the responsibilities of each verifier and briefly explains the process in a timely manner. The lead verifier shall, clarify the terms of the verification in a clear and transparent manner.

The team, which may be one person, will carry out the activities identified in the plan, which specifies where and how they will be carried out.

At the end of the site visit, the closing meeting is held, where the lead verifier presents to the company the findings of the verification, including any non-conformities, misstatements and suggestions for improvement.

During the on-site verification, the List of participants is completed.

1.3.1 Verification report and verification statement / Misstatements, non-conformities and non-compliances

Based on the findings, the verification team will determine whether there are any misstatements or nonconformities with the statement. These may need to be closed in order for a positive opinion to be issued, particularly if they are found to be material.

Any misstatements identified may require additional activities.

More specifically, when the verification is complete, the verification team arrives at a location provided by the company and after collecting the audit findings, prepares and completes the verification report and reports any misstatements, non-conformities, non-compliances. The verification statement is the summary of the entire verification report and states the verifier's overall opinion of the reported data.

The categorization of the verification findings is as follows:

Major non-compliance: Any act or omission by the operator, which contravenes the greenhouse gas emissions permit and the requirements of the monitoring plan approved by the competent authority and the Regulation 2018/2067/EU, and which, considered individually or in combination with other non-compliances, in the opinion of the verifier (a) may lead to an excess of significance or (b) could affect the treatment of the operator's or operator's report by the CA

Material misstatement: a misstatement that, in the opinion of the verifier, individually or when aggregated with other misstatements, exceeds the materiality level or could affect the treatment of the operator's report by the competent authority

Minor non-compliance: Any act or omission by the operator that is contrary to the emissions permit greenhouse gas emissions permit and the requirements of the monitoring plan approved by the competent authority and Regulation 2018/2067/EU, but which, considered in isolation or in conjunction with other non-compliances, in the opinion of the verifier: (a) cannot lead to an excess of significance; or (b) - would not affect the treatment of the operator's report; or aircraft operator by the CA.

Minor misstatement: a misstatement which, considered in isolation or in combination with other inaccuracies, in the opinion of the verifier: (a) does not exceed the level of significance; or (b) could not affect the treatment of the operator's report by the competent authority.

The verification statement is included (attached to a separate document) in the verification report.

If the verifier identifies any misstatements or nonconformities during the verification, the verifier will notify the company in a timely manner and request appropriate corrections.

When completing the verification and considering the information obtained during the verification, the verifier:

(a) check the final data from the operator, including data that have been adjusted based upon information obtained during the verification;

(b) review the operator's reasons for any differences between the final data and data previously provided;

(c) review the outcome of the assessment to determine whether the monitoring plan approved by the competent authority or monitoring methodology plan, as appropriate, including the procedures described in that plan, has been implemented correctly;

(d) assess whether the verification risk is at an acceptably low level to obtain reasonable assurance;

(e) ensure that sufficient evidence has been gathered to be able to give a verification opinion with reasonable assurance that the report is free from material misstatements;

(f) ensure that the verification process is fully documented in the internal verification documentation and that a final judgment in the verification report can be given.

1. 4 Independent Review

Before COSMOCERT issues a final verification statement, it is independently reviewed to ensure that the risk of issuing the statement is acceptably low.

Independent reviewers shall be selected who are competent and different from the persons who performed the verification and who were not involved in the planning of the verification. The independent review shall be completed before the statement is issued. The independent review may be performed during the verification process to allow significant issues identified by the independent reviewer to be resolved before the final statement is issued.

1.4.1 Issuance and use of Final Verification Statement

After the completion of the independent review, the Verification manager issue a final verification statement to the operator on each emission report, baseline data report, new entrant data report or annual activity level report that was subject to verification.

The Final Verification Statement shall state that the relevant report of the operator is in compliance with the approved monitoring methodology and the requirements of the license emissions and that there are no material inaccuracies in the reported total emissions.

The signed copies of the verification report and final verification statement shall be sent in electronic form to the installation's or the operator's emissions management officer for forwarding to the competent authority no later than 31 March of the year following the reporting year.

1.4.2 Addressing outstanding issues in the verification report

In any case of a request by the Competent Authority to amend/correct the report of the operator, the latter must immediately inform COSMOCERT. The outstanding non-compliances and misstatement shall be dealt with for each of the following cases as follows:

Type of outstanding issues	Actions
The verification report contains no misstatements, non-conformities, non-compliance with the MRR or recommendations of improvement	No action required
The verification report contains non-material misstatements	The CA shall assess those misstatements and make a conservative estimate of the emissions of the operator when it considers that such an estimation is appropriate. The CA shall inform the operator whether and which corrections are required to the operator's report. The operator shall make that information available to the verifier.

The verification report contains non-conformities that do not lead to a non-satisfactory report	The operator has to submit a report by 30 June which must describe how and when the operator has rectified or plans to correct non-conformities identified by the verifier. The CA must approve that improvement report. An improvement report does not have to be submitted if the operator has already resolved all non-conformities and recommendations of improvement and has submitted a related significant modification of the MP for approval to the CA. The verifier shall assess during the next verification whether these non-conformities have been corrected. If these have not been corrected, the verifier must consider whether this increases or may increase the risk of misstatements. This in turn will affect the planning of the verification and the detail of the verification activities (e.g. further testing). During the verification process the verifier will instruct the operator to correct these non-conformities. If the operator still does not correct the non- conformities, this will be one of the factors to take into account when assessing the materiality of misstatements and non-conformities found during the verification. Continued non-correction may lead to minor issues being escalated to material issues in subsequent verification cycles. Installations with low emissions are not required to submit an improvement report if the verification report only contains verifier's recommendations for improvement. Such installations must however submit a report if the verification report lists outstanding non-conformities.
The verification report contains non-compliance issues with the MR	▪ If the non-compliance has led to a non-material misstatement, the CA shall evaluate the misstatement and where appropriate, make a conservative estimation of the emission data. The CA will enter this data in the registry according to Article 31 Registry Regulation. The non- compliance itself has to be corrected in consultation with the CA. ▪ If the non-compliance has led to a material misstatement, the CA shall make a conservative estimation of the emission data according to Article 70(1) MRR, and enter the corrected data in the registry according to Article 31 (6) Registry Regulation. The non-compliance itself has to be corrected in consultation with the CA. If the non-compliance does not lead to a misstatement, the non- compliance has to be corrected in consultation with the CA. The CA may request that the operator changes the MP, or consider taking enforcement action.
The verification report states that the operator's report cannot be verified as satisfactory	▪ The CA shall make a conservative estimation of the emission data according and enter the estimated data in the registry according to Article 31 of the Registry Regulation ▪ The verifier shall not enter nor approve the emission figure in the Registry
The verification report includes recommendations for improvement	Unless it is a low emitter33, the operator has to submit a report by 30 June34 which must describe how and when the operator has rectified or plans to address the recommendations for improvement identified by the verifier.35 An improvement report does not have to be submitted if the operator has already resolved all non-conformities and recommendations of improvement and has submitted a related significant modification of the MP for approval to the CA. Recommendations for improvement can cover a whole range of topics. It not

	only includes suggested improvements to the operator's risk assessment, data flow, control activities and procedures but it could also involve recommendations concerning monitoring and reporting emissions such as: ▪ recommendations to achieve a higher tier ▪ where a verifier considers that it is technically feasible for more accurate emission factors, calorific values, composition data, conversion factors, and oxidation factors to be applied by the installation, enabling them to move to a higher tier ▪ recommendations to improve calibration regimes ▪ recommendations to improve sampling regimes In the following verification year, the verifier shall check whether the operator has implemented those recommendations for improvement and the manner in which this has been done. If those recommendations have not been implemented the verifier must consider whether this increases or may increase the risk of misstatements and non-conformities. This in turn will affect the planning of the verification and the detail of the verification activities (e.g. further testing).

The validity of the verification statement will be made available to third parties upon request to COSMOCERT via email info@cosmocert.gr .

COSMOCERT may also inform other interested parties that reliance on the original statement may now be compromised in light of the new facts or information.

Information about the client obtained from sources other than the client (e.g. complainant, regulatory authority) **is confidential** between the client and the verification body. The provider (source) of this information is confidential to the Verification Body and will not be disclosed to the client unless the source agrees.

1.4.3 Import / Approval of Data in the ETS Registry of Rights

The process of entering verified emissions into the Greek Registry of Greenhouse Gas Emission Allowances shall be determined by the Competent Authority. The latter shall determine whether the entry of the data is carried out by itself, by the operator or by the verifier. In each case, reports that have been approved as satisfactory and by 31 March of the following calendar year, the Verification Manager shall validate the emission data by carrying out a corresponding action in the electronic register.

2. Complaints And Appeals

Written complaints may be submitted to the Verification Body (VB) by the client (e.g. regarding personnel conduct) or by clients of verified clients, other interested parties, etc.

The resolution of complaints shall be made by, or reviewed and approved by, persons not involved in the complaint in question. Where resources do not permit this, any alternative approach shall not compromise impartiality.

A client using the VB's verification services has the right to appeal in writing against decisions taken by the VB (e.g. not to issue a verification statement).

The decision on the appeal shall be made by, or reviewed and approved by, persons who were not involved in the decision that is the subject of the appeal.

In the case of a complaint or appeal, the VB will acknowledge receipt in writing. It will then undertake, in accordance with its internal procedures, to use independent and qualified personnel to reach a decision and provide a response within 30 days of receipt of the complaint or appeal.

3.Impartiality

Decisions are based on objective evidence obtained through the verification process and are not influenced by other interests or parties.

Threats to impartiality can include but are not limited to the following.

a) Self-interest: threats that arise from a person or body acting in their own interest. A concern related to verification, as a threat to impartiality, is financial self-interest.
b) Self-review: threats that arise from a person or body reviewing the work done by themselves.
c) Familiarity (or trust): threats that arise from a person or body being too familiar with or trusting of another person instead of seeking evidence for verification.
d) Intimidation: threats that arise from a person or body having a perception of being coerced openly or secretively, such as a threat to be replaced or reported to a supervisor.

The Verification Body ensures, through a mechanism independent of its operations, that impartiality is being achieved.

4.Confidentiality

The verification body is responsible, through legally enforceable agreements, for the management of all information obtained or created during the performance of verification activities.

The verification body shall inform the client, in advance, of the information it intends to place in the public domain.

Except for information that the client makes publicly available, or when agreed between the verification body and the client, all other information is considered proprietary information and are **regarded as confidential**.

When the verification body is required by law or authorized by contractual arrangements to release confidential information, the client or individual concerned shall, unless prohibited by law, be notified of the information released.

Information about the client obtained from sources other than the client (e.g. complainant, regulatory authority) shall be confidential between the client and the verification body. The provider (source) of this information shall be confidential to the body and shall not be shared with the client, unless agreed by the source.

This confidentially undertaking shall continue for 3 years after termination of the Agreement with client.

5. Information requirements. Policy for communication with the operator and other relevant parties

COSMOCERT shall provide upon request clear, traceable and accurate information about its activities and the sectors in which it operates.

COSMOCERT shall provide upon request the status of a given verification statement.

The verification body shall provide information and update clients on the following:

a) the applicable verification programmes and any changes;
b) the fees for the verification activity;
c) the verification body's requirements for the client to:
  1) comply with the verification programme;
  2) make all necessary arrangements for the conduct of the verification activities;
  3) make provisions, where applicable, to accommodate the presence of observers (e.g. accreditation assessors or trainee verifier);

d) its policy governing any statement that the client is authorized to use when making reference to its verification statement in communication of any kind in line with the requirements in 7, below.

6. Use of Verification Statement

The use of the verification statement issued by COSMOCERT is strictly limited to the verified greenhouse gas emissions data or other environmental information as defined under the scope of the EU Emissions Trading System `(EU-ETS) and in accordance with Regulation (EU) 2018/2067. The statement may only be used by the operator to demonstrate compliance with the applicable legal requirements and shall not be used for promotional or marketing purposes in a manner that may mislead stakeholders. Any reference to the verification shall include the full verification opinion. The operator shall not use the verification statement or any associated mark or symbol on products, packaging, or in ways that imply product certification or endorsement by COSMOCERT. Any misuse or unauthorized use of the verification statement or the COSMOCERT mark shall result in corrective action and may lead to suspension or withdrawal of the verification.

7. Principles of Operation

COSMOCERT will undertake EU-ETS verification according to:

- ISO 14065 – General principles and requirements for bodies validating and verifying environmental information.
- ISO/IEC 17029 Conformity assessment- General principles and requirements for validation and verification bodies.
- ISO 14066 - Environmental information- Competence requirements for teams validating and verifying environmental information.
- EA-6/03 M: 2022: EA document for accreditation of Verification Bodies for the purpose of EU ETS Directive 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
- 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

Principles of verification are as follows:

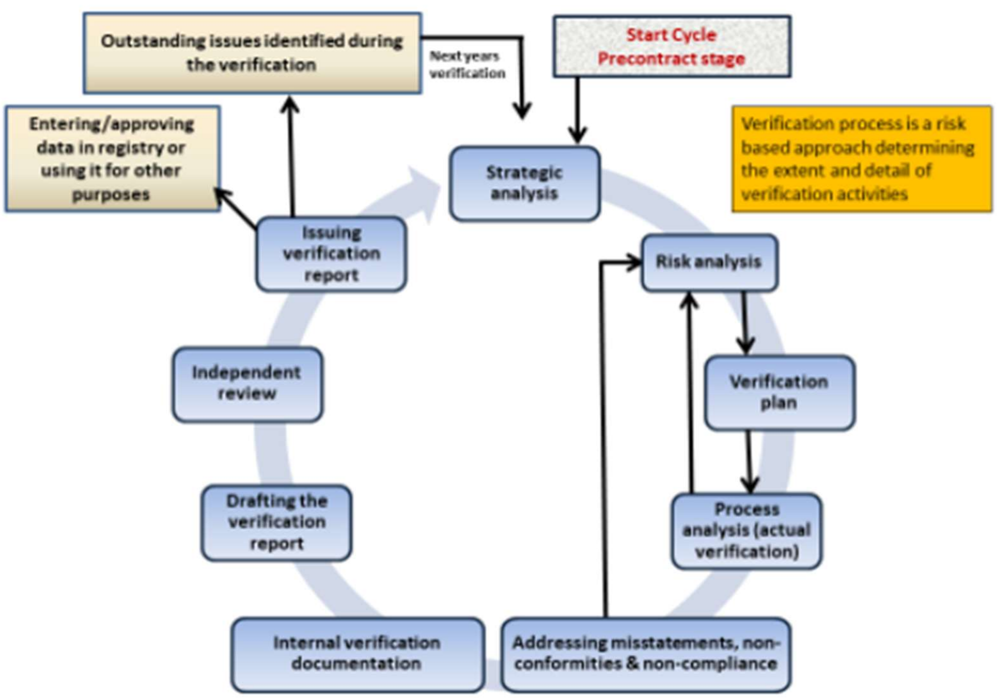
- Impartiality
- Competence
- Confidentiality
- Openness
- Responsibility
- Risk-based approach

The overall process is described below:

Step	Task Description	Verification Body (VB)	Client

Pre-Engagement			
1.	Submission of completed Application		x
2.	Application review and financial offer	x	
3.	Signed financial offer returned by the client and sending agreement for signing (by the VB)	x	x
Verification Process			
4.	Strategic and Risk Analysis	x	
5.	Verification plan for on-site visit	x	
6.	If necessary, clarifications and corrections		x
7.	Verification report	x	
8.	Independent Review	x	
9.	Issue of Verification /Statement	x	

8. ANNEX I: VERIFICATION PROCESS



9. LIST OF AMENDMENTS

Version No	Effective date	Written by	Description of Amendment
1.	27/11/2024	QAM	INITIAL VERSION IN ACCORDANCE WITH ISO 17029, ISO 14065, ISO 14064-3, EU-ETS Directive, AVR Reg (EU) 2018/2067
2.	23/06/2025	QAM	CORRECTION IN PAR. 6" USE OF VERIFICATION STATEMENT", CORRECTION IN PAR.7 "PRINCIPLES OF OPERATION"