

EU Emission Trading Scheme Verification for the Aviation Sector

Verification of annual aircraft emissions and payload tonne-kilometre reports

The EU ETS is the cornerstone of the EU's strategy for cutting greenhouse gas (GHG) emissions cost-effectively and is the world's largest scheme for trading CO₂ emissions. Aviation is now included into the EU ETS and concern aircraft operators from all countries operating flights to, from and within the EU. Annual aircraft emissions and payload tonne-kilometre reports must be verified by an accredited verifier and submitted to the Competent Authority by March 31 of each year beginning in 2011.

VerifAvia is a verification body of GHG emissions for the aviation sector under the EU ETS Directive. VerifAvia has applied for ISO 14065 and BS EN 45011 accreditations according to EA-6/03 which is the European guidance for recognition of verifiers. These accreditations will allow VerifAvia to verify EU ETS reports of aircraft operators administered by most EU Member States. Our vision is to become the leader offering world class aviation EU ETS verification services of aircraft GHG emissions and payload tonne-kilometre data to airlines and business operators worldwide.

For more information...

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What is verification?

The aim of the verification is to reach a verification opinion with reasonable assurance that:

- The data submitted in the annual emissions or tonne-kilometre reports are fairly stated, i.e. free from material misstatements
- The existing procedures conform with the approved monitoring plans, the MRG and the national legislation of the administering Member State

Why choose VerifAvia?

Because we provide **smart**, **efficient** and **cost-effective** verification services of EU ETS annual aircraft emissions and tonne-kilometre reports for airlines and business operators:

- **Smart:** we use an electronic EU ETS data analysis system (SkyBreathe) to ensure a more accurate verification process
- **Efficient:** we are aviation experts with strong EU ETS experience so we can focus on the key areas and not waste clients' time and resources
- **Cost-effective:** we don't have the high overhead costs of a large company so we can offer lower rates

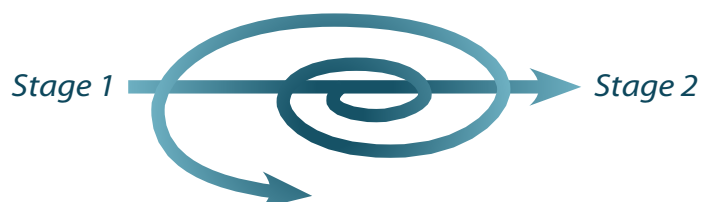
Services

VerifAvia offers two services:

1. **Pre-verification gap analysis**, a "readiness for legal verification" which aims to highlight any weakness in the aircraft operator's EU ETS management and control systems, and to identify any areas where there is non-compliance with the rules and requirements.
2. **Verification**, the formal legal process required under the EU ETS regulations.

Our approach

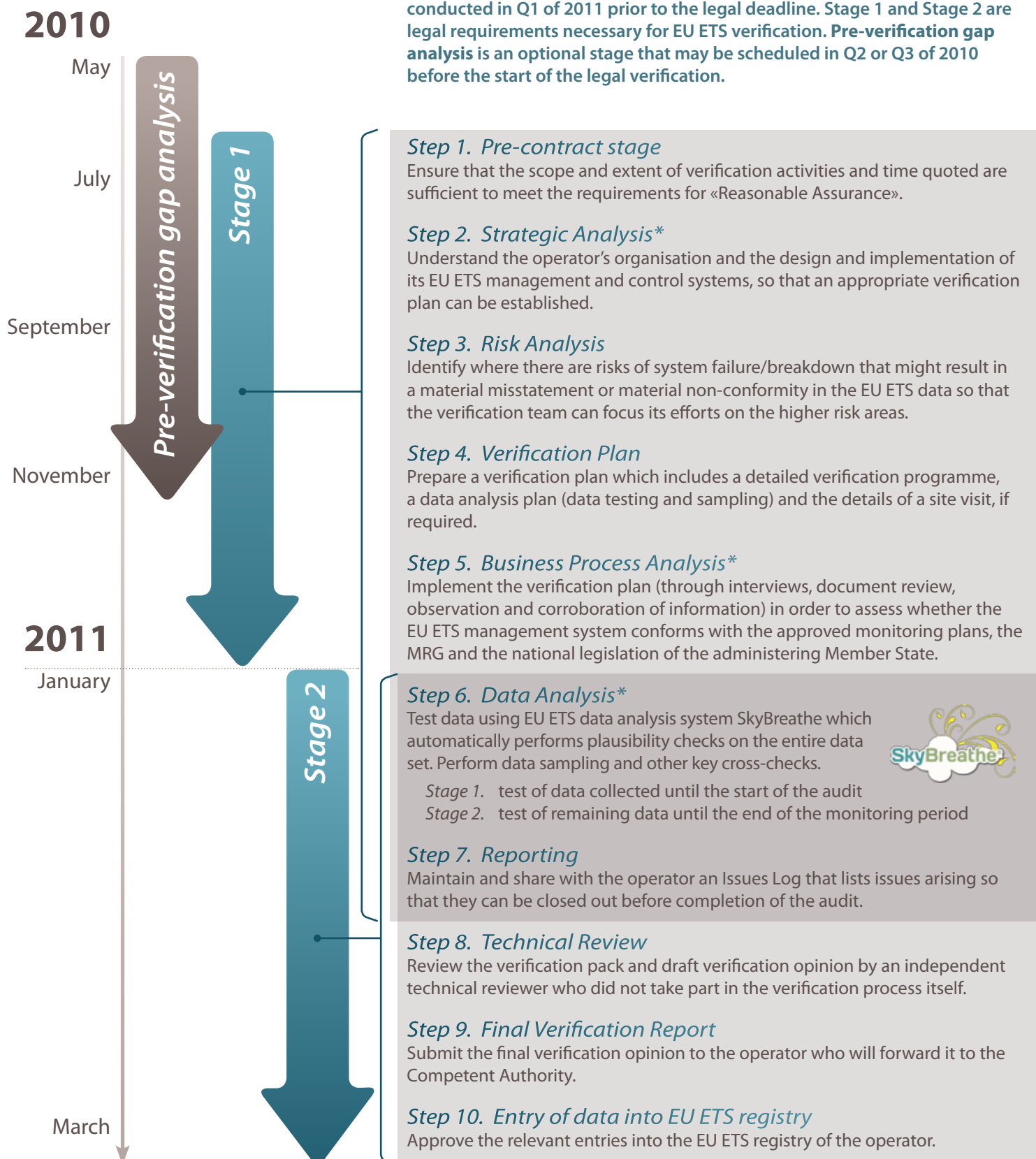
Verification is an iterative process aiming at continuous improvement of the operator's EU ETS management and control systems. For efficiency and to allow time for corrective actions, we suggest a two-stage approach.



Verification is an iterative process aiming at continuous improvement

What's the timeline?

Operators are strongly advised to start the verification process as early as possible in 2010 in order to spread the verification work over the year and avoid pressure by conducting all of the verification work at the last minute. Stage 1 may be conducted in Q3 or Q4 of 2010 and Stage 2 may be conducted in Q1 of 2011 prior to the legal deadline. Stage 1 and Stage 2 are legal requirements necessary for EU ETS verification. **Pre-verification gap analysis** is an optional stage that may be scheduled in Q2 or Q3 of 2010 before the start of the legal verification.



* Steps to be performed by VerifAvia on site if required

For a complete description of each step, check www.verifavia.com



VerifAvia is an associate member of the European Business Aviation Association (EBA) and an affiliate member of the European Regions Airlines Association (ERA)