



# Cooperative audit on CO<sub>2</sub> emissions trading

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## Background

- The cooperative audit was initiated and agreed by the Nordic-Baltic-Polish auditor generals at their meeting in Oslo in August 2011



# Background

## Three types of flexible mechanisms

- Emissions trading (ETS)
  - The EU has established an ETS for trading between installations in EU+ that links EU's climate policy with the national climate policies and the Kyoto Protocol
- Clean Development Mechanism (CDM)
  - Developing countries
- Joint Implementation (JI)
  - Developed countries



# Nordic Baltic Polish SAI audit experience on emission trading

	Den-mark	Est-onia	Fin-land	Latvia	Lith-uani a	Nor-way	Po-land	Swe-den
<b>Effectiveness</b>								
National targets/Kyoto Protocol		2009				2010	2009	2009
Emissions trading		2009			2008	2010	2009	
<b>Efficiency</b>								
Organisation of CDM programmes			2009			2010		2011
Emission reporting and verification, and registries	2011 (O)	2009		2011 (O)	2008		2009	



## Conclusions from completed audits

- Solid audit experience from the majority of the Nordic-Baltic-Polish countries
- Many aspects of the emissions trading systems are functioning very well
- The audits have demonstrated important weaknesses in the effectiveness and efficiency of the ETS



## Sub-topics for the cooperative audit

1. The effectiveness of the ETS in reducing national emissions/fostering technology development
2. Registry systems for emissions trading – operation, measurement and reporting
3. Efficiency of CDM and JI programmes – organisation, criteria for purchase, progress



## Method: How to contribute?

The audit will be performed as a parallel audit

The cooperation will be two-fold:

- SAls may contribute with results and experiences from recent audits addressing aspects of emissions trading
- SAls may initiate and contribute with results from audits to be performed in 2011/summer 2012



# Time table

Activity	Deadline	Responsible
Discussions at the Nordic-Baltic-Polish SAIs meeting	28-30 August 2011	SAIs of Norway and Denmark
Information at the annual EUROSAI WGEA meeting	13 October 2011	Denmark
<b>Expression of interest</b>	<b>20 October 2011</b>	<b>SAIs of Norway and Denmark</b>
<b>Kick off meeting</b>	<b>22-23 November 2011</b>	<b>Denmark</b>
Data collection and analysis at the national level	December 2011–June 2012	SAIs
<b>Preparation of the joint report</b>	<b>July–September 2012</b>	<b>Norway, with assistance from other SAIs (tbd)</b>
Optional: Reporting of results to the Nordic-Baltic-Polish SAIs meeting	September 2012	Norway or Denmark (tbd)
Reporting of results to the annual EUROSAI WGEA meeting	October 2012	Norway or Denmark (tbd)
<b>Distribution of printed report</b>	<b>October 2012</b>	<b>Norway (printing) and Denmark (distribution and dissemination)</b>





## Contact information

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