



The Climate Registry

## General Verification Protocol 2.0 Updates and Clarifications Last Revised: March 19, 2012

The Climate Registry published General Verification Protocol Version 2.0 (GVP v 2.0) in June 2010. While The Registry intends for the GVP v 2.0 to be a complete document, it recognizes that updates and clarifications will be necessary as the program evolves. Therefore, The Registry created this document to track all modifications relating to GVP v 2.0. This document will be updated as new updates and clarifications are identified.

The updates and clarifications identified in this document will be incorporated into the next version of the GVP. Until the next version of the GVP is released, all Members and Verification Bodies should refer to the updates and clarifications listed below for the most current interpretation and explanation of verification policies, processes, and activities.

In order to facilitate identification of policy changes, this document is organized into two sections: "Policy Changes", and "Updates and Clarifications." The policy changes and clarifications are presented in order of the chapters of GVP v 2.0. and not according to the dates issued (although recent updates are highlighted green). In the tables below, "Issued" is the date when the clarification was first issued and "Effective" is the effective date for compliance with the requirement. In most instances, the issued date is the same as the effective date; however, if The Registry issues a major policy change the effective date will allow time for Members and Verification Bodies to plan accordingly.

If you have any questions about the updates or clarifications in this document, or if you wish to request further explanation or clarification of other verification policies, please contact Jackie Zorovich at: [Jackie@theclimateregistry.org](mailto:Jackie@theclimateregistry.org) or 201-238-2572.

### Policy Changes

<b>GVP Section</b>	<b>Scope of Verification – Parent Companies and Subsidiaries</b>	<b>p.20</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
<b>2.7.X</b>	<p>The Registry issued an update to The Registry's General Reporting Protocol Chapter 4.4 that permits subsidiary companies of other Registry Members to join The Registry and report separately provided certain conditions are met.</p> <p>Accordingly, the following text is added to this section:</p> <p>"When providing verification services to a Member that is a parent company of a subsidiary that is also reporting to The Registry, the Verification Body must confirm the following conditions are met:</p>		

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	<ul style="list-style-type: none"> <li>• The parent company reports using the same consolidation methodology as the subsidiary,</li> <li>• The emission totals of the subsidiary are included within the parent company's report,</li> <li>• The subsidiary's entity emission totals by Scope and GHG are identical in the subsidiary's report and the parent company's report."</li> </ul>
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<b>GVP Section 2.7.X</b>	<b>Scope of Verification – Government Agencies</b>	<b>p.20</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The Registry issued an update to The Registry's General Reporting Protocol Chapter 4.5 that permits agencies that are under the authority of other Registry Members to join The Registry and report separately provided certain conditions are met.</p> <p>Accordingly, the following text is added to this section:</p> <p>"When providing verification services to a Member that is a governing agency of another Member that is also reporting to The Registry, the Verification Body must confirm the following conditions are met:</p> <ul style="list-style-type: none"> <li>• The governing agency reports using the same consolidation methodology as the governed agency,</li> <li>• The emission totals of the governed agency are included within governing agency's report,</li> <li>• The governed agency's entity emission totals by Scope and GHG are identical in the governed agency's report and the governing agency's report."</li> </ul>		

<b>GVP Section 2.5</b>	<b>Materiality – Exclusion of Miniscule Sources</b>	<b>p.11</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The Registry issued an update to The Registry's General Reporting Protocol Chapter 5 that permits Members to exclude miniscule sources from their inventory.</p> <p>Accordingly, the following text is added to this section:</p> <p>"The Registry maintains a list of miniscule sources that are eligible for exclusion on the <i>Exclusion of Miniscule Sources Form</i> (available on The Registry's <a href="#">website</a>).</p> <p>If a Member chooses to exclude miniscule sources from their inventory, they must identify the sources on The Registry's <i>Exclusion of Miniscule Sources Form</i>. Excluded sources are not included in the scope of the assertion and therefore not subject to verification. The Verification Body</p>		

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	<p>must confirm that the Member has identified all excluded sources on The Registry's <i>Exclusion of Miniscule Sources Form</i> and uploaded this form as a public entity-level document in CRIS.</p> <p>The verifier is neither required nor expected to confirm that sources listed on The Registry's <i>Exclusion of Miniscule Sources Form</i> are insignificant to the Member's inventory; however, if during the course of verification activities, the verifier becomes aware that a source identified on <i>Exclusion of Miniscule Sources Form</i> is, in fact, significant to the Member's inventory, the verifier must notify The Registry."</p>
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<b>GVP Section 2.7.2</b>	<b>Scope of Verification – Transitional Reporting</b>	<b>p.20</b>	<b>Issued: 5/31/11 Effective: 1/01/12</b>
	<p>The Registry issued clarifications to The Registry's General Reporting Protocol Chapters 8.1 and 8.2 regarding the conditions for transitional reporting.</p> <p>Accordingly, Section 2.7.2 is replaced by the following text:</p> <p>"The General Reporting Protocol provides Members with a time-limited option to report less than complete emissions data during their first five years of participation in The Registry, after which point a Member must apply for a waiver to continue to report on a transitional basis. Members that choose to utilize this option will be called "Transitional Members." Transitional Members can define, disclose and justify their own transitional inventory boundaries in CRIS. Parameters that must be used to define a transitional inventory boundary include:</p> <ul style="list-style-type: none"> <li>• Scopes</li> <li>• Gases</li> <li>• Emissions categories (stationary combustion, etc.)</li> <li>• Geographic/operational boundaries (country, state, business units, facility, etc.)</li> </ul> <p>Transitional reports must be complete within the boundaries defined by the Member. Members may elect to additionally report emissions outside of their self-defined transitional inventory boundary.</p> <p>If a Member chooses to report on a transitional basis, the Verification Body must first confirm that the Member is in fact eligible to submit a transitional report. The Verification Body should then check to make sure that the Member has reported completely within their self-defined transitional boundary.</p> <p>Beyond these eligibility and reporting requirement checks, the verification process for Transitional Members is the same as for other (complete)</p>		

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	Members. The only difference is the scope of the verification which, for Transitional Members, is limited to those scopes, gases, emissions categories, and geographic regions that the Member has chosen to include in the emission report. Please refer to Chapter 8 of the General Reporting Protocol to learn about transitional reporting in greater detail.”
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### Updates and Clarifications

<b>GVP Section 2.2</b>	<b>Verification Process Overview – Step 5</b>	<b>p.8</b>	<b>Issued: 3/19/12 Effective: 3/19/12</b>
	In the interest of providing verifiers with more flexibility in scheduling verification activities, The Registry has reduced the required notification period from 15 to 10 business days in advance of facility visits.		

<b>Chapter 2.2</b>	<b>Verification Process Overview</b>	<b>p.9</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The Registry initially issued the following clarification on 11/02/10:</p> <p style="padding-left: 40px;">Members must update their CRIS report to reflect all corrective actions implemented.</p> <p style="padding-left: 40px;">Step 9 is clarified as follows:</p> <p style="padding-left: 80px;">“Member implements corrective action: The Member corrects all material misstatements in their CRIS report.”</p> <p>The Registry is adding this clarification to Step 11:</p> <p>“Verification Statement is submitted through CRIS: The Verification Body uploads the fully-executed<sup>1</sup> Verification Statement in CRIS.</p> <p><sup>1</sup> The Verification Statement must be signed by both the Member and Verification Body prior to being uploaded as a pdf file in CRIS. The Registry does not accept typed signatures; signatures must be digital signatures or handwritten and scanned.”</p>		

<b>Chapter 2.5</b>	<b>Materiality</b>	<b>p.10</b>	<b>Issued: 11/02/10 Effective: 11/02/10</b>
	<p>The Registry’s materiality threshold applies to the CO<sub>2</sub>-e of the GHGs reported and does not apply to the individual GHGs.</p> <p>The text in this section is clarified as follows:</p> <p>“The Registry sets this materiality threshold at five percent (for both understatements and overstatements), which applies separately to a Member’s Direct (Scope 1, including any reported biogenic emissions) and Indirect (Scope 2) CO<sub>2</sub>-e emissions.”</p>		

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	<p>The Registry requires Verification Bodies to assess materiality separately for each consolidation methodology by which a Member reports.</p> <p>The following text is added to this section:</p> <p>“If a Member reports emissions based on both equity share and control consolidation methodologies, the Verification Body is required to assess materiality separately for each consolidation methodology.”</p>
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<b>Chapter 4.3.3</b>	<b>Performing Risk Assessment Based on Review of Information Systems and Controls</b>	<b>p.41</b>	<b>Issued: 11/02/10 Effective: 11/02/10</b>
	<p>The Registry requires Verification Bodies to assess materiality separately for each consolidation methodology by which a Member reports.</p> <p>The following text is added to this section:</p> <p>“Since the materiality threshold applies separately to Scope 1 and Scope 2 CO<sub>2</sub>-e emissions and also applies separately to control and equity share consolidation methodologies, the Verification Body must separately assess the risk for material misstatement in each of these categories and consolidations of emissions.”</p>		

<b>GVP Section 4.3.4</b>	<b>Selecting a Sample / Developing a Sampling Plan – Notification of Planned Verification Activities</b>	<b>p.51</b>	<b>Issued: 3/19/12 Effective: 3/19/12</b>
	<p>In the interest of providing verifiers with more flexibility in scheduling verification activities, The Registry has reduced the required notification period from 15 to 10 business days in advance of facility visits.</p>		

<b>GVP Glossary of Terms</b>	<b>Definition of Facility</b>	<b>p.60</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The definition of “Facility” is replaced by the following text for consistency with The General Reporting Protocol:</p> <p><b>Facility:</b> Any installation or establishment located on a single site or on contiguous or adjacent sites in actual physical contact or separated solely by a public roadway or other public right-of way that are owned or operated by an entity.</p> <p>A facility includes not only all of the stationary installations and equipment located at the site, but all mobile equipment that is under the control of the reporting entity and operates exclusively on a particular facility’s premises. Examples of such site-specific mobile equipment include forklifts, front-end loaders, off-road trucks, mobile cranes, etc. Mobile sources that beyond the confines of a single facility (e.g., automobiles</p>		

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	and on-road trucks), may also be reported as part of a facility. Pipelines, pipeline systems, and electricity transmission and distribution systems are considered discrete facilities for reporting purposes.
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<b>GVP Glossary of Terms</b>	<b>Glossary of Terms – Miniscule Sources</b>	<b>p.61</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The definition of “Miniscule Sources” is added for consistency with The General Reporting Protocol:</p> <p><b>Miniscule Sources:</b> Emissions sources listed on The Registry’s <i>Exclusion of Miniscule Sources Form</i> which The Registry has deemed may be excluded from an inventory without:</p> <ul style="list-style-type: none"> <li>- Compromising the relevance of the reported inventory;</li> <li>- Significantly reducing the combined quantity of scope 1, scope 2, and biogenic CO<sub>2</sub>-e emissions reported;</li> <li>- Impacting ability to identify the Member’s viable opportunities for emissions reductions projects;</li> <li>- Impacting the ability to ascertain whether the Member has achieved a reduction (of five percent or greater) in total entity emissions from one year to the next;</li> <li>- Impacting ability to assess the Member’s climate change related risk exposure; or impacting the decision-making needs of users.</li> </ul>		

<b>GVP Glossary of Terms</b>	<b>Glossary of Terms – Simplified Estimation Methodologies</b>	<b>p.63</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
	<p>The definition of “Simplified Estimation Methodologies” is added for consistency with The General Reporting Protocol:</p> <p><b>Simplified Estimation Methodologies:</b> Rough, upper-bound methods for estimating emissions. Approved methodologies in the GRP that are not found in Part III, Appendix E or annexes of the GRP or those that meet The Registry’s definition of Industry Best Practices are not Simplified Estimation Methods (SEMs). SEMs may be used to calculate emissions from one or more sources, for one or more gases, that, when aggregated, equal no more than five percent of the sum of an entity’s scope 1, scope 2 and biogenic emissions from stationary combustion, as determined on a CO<sub>2</sub> equivalent basis. Simplified Estimation Methods include Registry-approved calculations where non-accepted activity data is used as an input.</p>		

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<b>GVP Glossary of Terms</b>	<b>Glossary of Terms – Transitional Member</b>	<b>p.63</b>	<b>Issued: 5/31/11 Effective: 5/31/11</b>
<p>The definition of “Transitional Member” is replaced by the following text for consistency with The General Reporting Protocol:</p> <p>“A Registry Member that opts to report less than complete emissions data by self-defining a transitional reporting boundary based on the following parameters:</p> <ul style="list-style-type: none"> <li>• Scopes</li> <li>• Gases</li> <li>• Emissions categories (stationary combustion, etc.)</li> <li>• Geographic/operational boundaries (country, state, business units, facility, etc.)</li> </ul> <p>The transitional reporting option is available only during a Member’s first five emissions years, after which time a waiver is required to continue to report on a transitional basis.</p>			
<b>Appendix A4 &amp; EPS Addendum Attachment 2</b>	<b>Verification Statement &amp; EPS Verification Statement</b>	<b>p.79 &amp; 109</b>	<b>Issued: 11/02/10 Effective: 11/02/10</b>
<p>The first paragraph of the Verification Statement form has been updated to allow for the language to be modified as appropriate to document a negative finding. The updated form is available on The Registry’s website.</p> <p>If the Verification Body is unable to verify the emissions report, then the Verification Body should not enter the quantity of verified emissions.</p> <p>The updated form also requires entry of HFCs and PFCs in units of tonnes of CO<sub>2</sub>-e since individual HFCs and PFCs have different global warming potentials. This change will also ensure consistency with the units of tonnes of CO<sub>2</sub>-e presented in the CRIS report.</p>			