



Guidance Note 1: Review Procedures

Background, guides and examples

Useful information for reviewers and applicants

Version 3

16th November 2012

AIB Working Group Internal Affairs



Foreword

AIB is determined to ensure the reliable operation of international energy certificate systems.

One crucial element in this reliability is the quality of the information processed in such a system.

That fact is recognised by all members of the AIB, and consequently it has been decided to impose a quality system on the operations of energy certificate systems.



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In the event of conflict between the text of the EECS Rules (or subsidiary documents) and the text of this document, the EECS Rules (or subsidiary document) shall always take precedence.

Introduction

Several paragraphs of the EECS Rules deal with the task of verifying that Issuing Bodies operate according to the rules. Two kinds of verification are mentioned in the EECS Rules:

- 1) Audit, where section B of the EECS Rules defines "Production Audit" as an examination of relevant information, and in particular an inspection of a Production Device. Further, section C2 of the EECS Rules obliges an AIB member to ensure that the information system for issuing, holding and transferring certificates supports audit of all transactions.

Audit, as defined in the EECS Rules, is understood as traditional financial audit; and is therefore not dealt with in this document.

- 2) Review (peer review), is mentioned in the Preface to the EECS Rules as a measure of the principles of operation, but is not described in any detail. Peer review is a systematic, independent and documented process for obtaining evidence of the performance of an Issuing Body against the requirements in the EECS Rules and Subsidiary Documents.

The terms used for different elements in the process of verifying operations need to be more cogent. Verification is a task undertaken by Assessment Panels; and in this document "review" is the first phase in the work of Assessments Panels. This document gives an overview of the entire work process of Assessment Panels. It describes in detail how to conduct a peer review, and how to report in a standardised way.

Selected parts of the ISO 9001 quality management system and the "*Guidelines for quality and/or environmental management systems auditing*" serve as an inspiration for these peer review guidelines. The parallel is strongest in the processes of reviewing (ISO: auditing) regarding approach and documentation, where the assessments of findings and resulting actions are based on needs within the AIB and are not part of the reviewing standard.

Background

From the very beginning of its operations, trust and confidence has been a central topic for AIB. Peer review of the Domain Protocols was chosen as the way of ensuring that all Issuing Bodies operate in accordance with the EECS Rules. This means that within the organisation there is an existing culture of reviewing, assessing and helping colleagues to improve their Domain Protocols, but the methodology chosen by each member differs, depending on background and local tradition.

It was decided to extend the peer review to the actual performance of Issuing Bodies and this has been incorporated into the EECS Rules. The terms "Assessment" and "Assessment Panel" were introduced, and the idea of using a peer review has been extended from the process of verifying the content of a Domain Protocol and the performance of an Issuing Body, to the situation where a dispute must be solved.

The idea of implementing an internationally-recognised quality management standard like ISO 9001 was considered. The clear advantage would be the external recognition which would be gained almost automatically, but the costs would be high in comparison with the activities - particularly for the smaller Issuing Bodies. Consequently ISO 9001 was rejected.

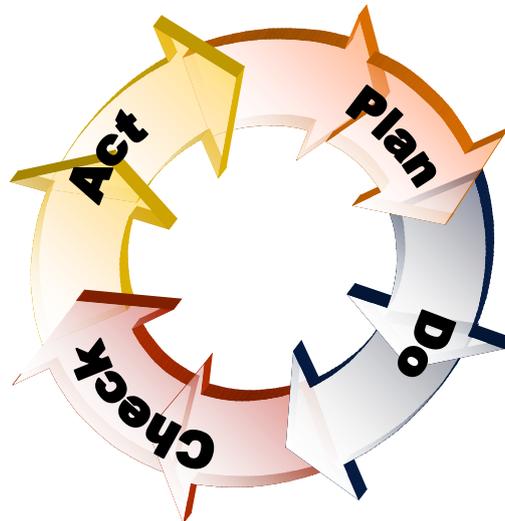
It was clear, however, that lessons could be learned from standard quality management systems, and that the AIB would obtain external recognition by demonstrating a reliable procedure with a clear similarity to other known systems.

Thus not only were the EECS Rules inspired by ISO 9001, but the EECS Rules themselves have been a major inspiration for the recent drafting of a CEN / CENELEC standard for guarantees of origin.

Drivers

To understand why AIB copied its review system from ISO 9001 without adopting the full quality management system, we should consider the parallels and differences between a company and the AIB in the perspective of management and quality assurance.

The management of a company which chooses to implement ISO 9001 takes a decision which address all aspects of management, from top management to every corner of the company; included in the scope of the quality management system. Audit is only one instrument used to enable this: the main tool is sometimes called “the quality circle”.



Plan	Establish the objectives and processes necessary to deliver results in accordance with customer requirements and the policies of the organisation
Do	Implement the processes
Check	Monitor and measure processes and products against policies, objectives and requirements for the product and report the results
Act	Take actions to continually improve process performance

This means that all processes are subject to systematic measurements of the output against a set target. The degree to which the output meets the target is the quality of the output. Traditionally tolerance on industrial products can serve as the criterion for the quality, but other items can/must be made subject to quality assessment. Customer satisfaction is a clear example (“on a scale from 1 to 5 how satisfied are you byetc”) of this.

By applying the thinking of the quality circle to every corner of the operation, the people involved and their management will be provided with documentation on the actual quality; and by taking a look at the records produced, they will also have an indication of the ongoing improvement of quality.

Another important tool is the “**nonconformity report**”. All episodes or cases of processes not following the expected course are registered in a systematic way. Immediate correction, ideas of how to avoid the same situation and consequences of errors and corrections are recorded; and all records are fed back to management, to provide input to the next step in improving the operation. Even good ideas or inventions can be formulated in such reports, which automatically lead to a systematic evaluation of ideas.

Such thinking can only be implemented and used as management tool internally: if implemented wholeheartedly, it will confer value to the company. Externally, it can be used to demonstrate to the outside world the existence and quality of such a system; further enhancing such claims by subjecting the system to external audit undertaken by an accredited body.

To make such a system work, the company must establish a company culture which supports openness about errors, new ideas, feed back and encourages the staff to take responsibility. The implementation of an ISO 9001 system is an investment, not only in direct cost reduction, but also in drawing management attention to the importance of company culture.

Realising that the AIB is not a company, but an Association of companies having energy certificates only as a (small) part of their activities, it is clear that the AIB may not give directions about company culture – this is an internal matter for the members.

Members of the Association clearly wish to improve the system, and demonstrate to the outside world that EECS meets the requirements of stakeholders; and that AIB can therefore copy the idea of audit by reviewing and assessing its own operations, establishing a culture of openness about performance within the Association as well as among its members.

AIB Verification Procedure

Organisation of Assessment Panels

Product Rules Assessment Panel

Product Rules Assessment Panels assess initial applications, applications for changes to Domains and Domain Protocols, approval of Member's Agents and Measurement Bodies, and periodic reviews of performance. They comprise no less than two reviewers; and membership of the Panel is determined by a Product Rules Assessment Panel Matrix.

Topics described in the EECS Rules Subsidiary Document "Assessment Panels" include the composition of panels, the Product Rules Assessment Panel Matrix, convening panels, resource requirements, conduct of assessments, responsibilities of panels, and closing down panels.

Compliance Assessment Panel

Compliance Assessment Panels conduct investigations of alleged non-compliance, and comprise not less than three reviewers; membership of the Panel being determined by the AIB Board.

Change Assessment Panels

Change Assessment Panels consider change proposals to the EECS Rules, EECS Rules chapters, and EECS Rules subsidiary documents.

The Assessment Panel is based on the members of the AIB Working Group Operational Rules (however, if the changes are to the subsidiary document "EECS Registration Databases", then the Panel is based on the members of the AIB Working Group Systems).

Responsibility of Assessment Panel Members

- Must follow guidelines for the assessment
- Must use check-lists and standard forms
- Must use the template for the report
- Can approve but not decide (except for alterations to Domains)
- Must recommend a decision to the AIB General Meeting
- It is the duty of the reviewer to inform about any discrepancies found during the review
- It is the duty of the reviewer to include the opinion of the reviewed part in case of disagreement.

It is important to discuss with a colleague how things are done. The other reviewer might point out a problem that can be fixed right away; and this should be stated in the report forwarded to the General Meeting in order to learn from it.

AIB Verification Phases

The AIB will conduct assessments in several situations and, although these situations seem very different, they are quite alike from a systematic process-oriented perspective. Four types of situations are identified in the EECS Rules (regarding Product Rules Assessment and Compliance Assessment):

- 1) Initial verification of Domain Protocols before an IB can start issuing (EECS Rules section F)
- 2) Periodic verification to assess the performance of an IB (EECS Rules section I)
- 3) Targeted verification in case of a dispute (EECS Rules section J)
- 4) Verification of alterations to existing Domains or amendments to Domain Protocols (EECS Rules Section L)

In all four situations, the work of an Assessment Panel can be split into four phases (see figure 1 below):

- 1) A plan for conducting the review and the assessment
- 2) A systematic process of recording a set of registrations (objective facts)
- 3) A methodical process of evaluating the registrations leading to a conclusion
- 4) A decision based on written documentation in a standard form.

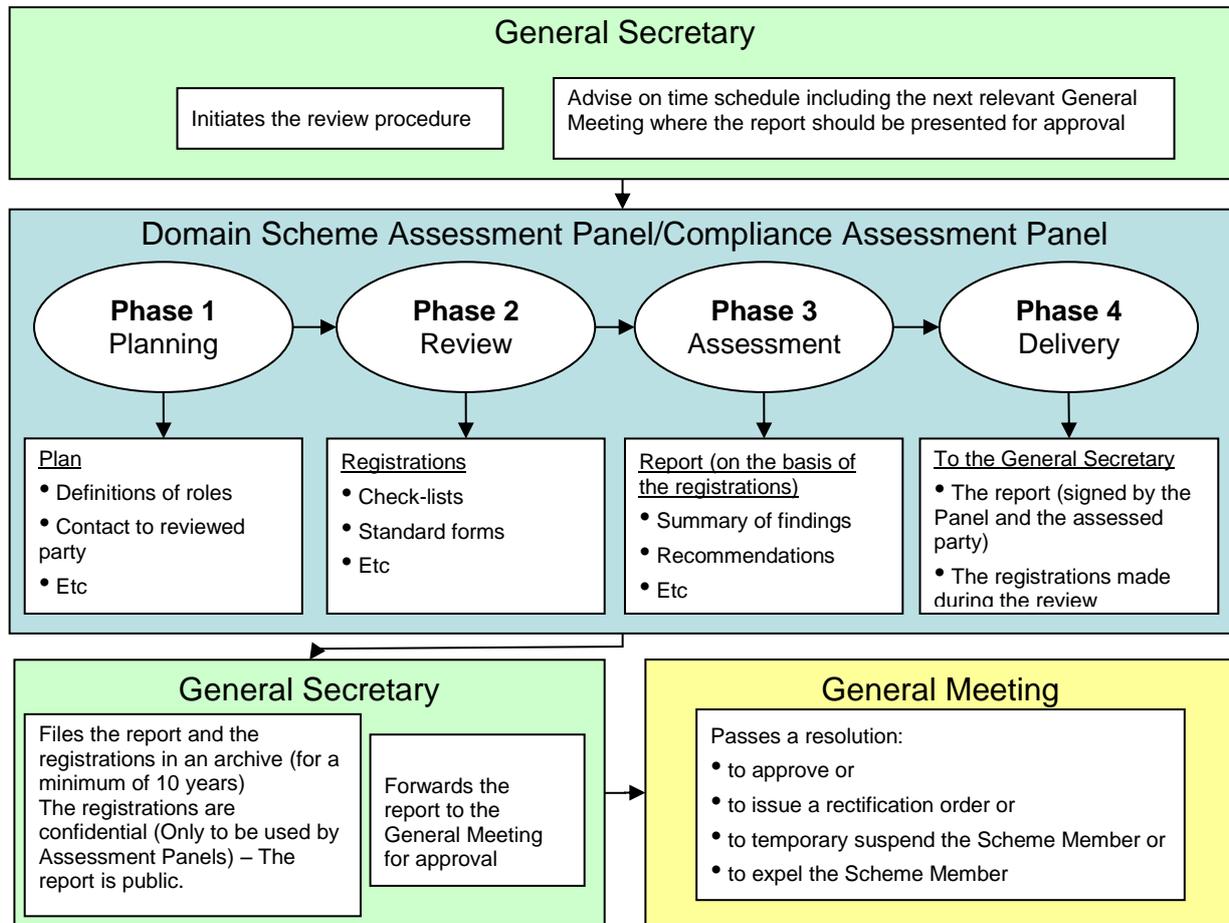


Figure 1: AIB Verification Procedure

Initiation of the Review Procedure

The General Secretary initiates the review procedure.

This is done:

- Upon receipt of an application for Scheme Membership
- Upon receipt of an application for an amendment or an alteration
- One year after the initial assessment
- Every three years thereafter
- Upon receipt of a Non-Compliance case.

As soon as possible after receiving an application, or about same the time as the 1- or 3- year review, the General Secretary should contact the Members that are to form the Product Rules Assessment Panel. The Members of this Panel are according to the Product Rules Assessment Panel Matrix.

In case of Non-Compliance, the General Secretary must first determine whether the alleged Non-Compliance is material, in which case the General Secretary should ask Members to nominate reviewers. The AIB Board then appoints the 3 members that are to form the Compliance Assessment Panel. The Panel shall convene within 14 calendar days of the General Secretary deciding that the alleged Non-Compliance is material.

Phase 1 - the planning

The first thing an Assessment Panel must do when it has been convened is to make a plan.

This plan should be prepared according to the Subsidiary Document "*Member's Agents and Measurement Bodies*", and should cover:

- **Definition of roles** (assigning tasks and responsibility to the Panel Members)
- **Definition of review objectives, scope and criteria** (depending on type of review)
- **Documents needed for the review** (depending on type of review)
- **Time schedule for the review and assessment** (depending on type of review)
- **How and when to establish communication with the reviewed party**
- **Practical circumstances in connection with on-site review** (not relevant when reviewing initial applications or amendments/ alterations)
- **How to investigate applications for approval of Member's Agents and Measurement Bodies** (if any) (only in connection with initial application)

Communication with the reviewed party

When the Panel has established contact to the reviewed party, the Panel should

- **Confirm authority to conduct the review**
- **Provide information on the proposed timing**
- **Make arrangements for the review** (this is especially the case for periodic review where on site review is necessary)
- **Discuss mutual expectations to make sure that they are harmonized.** To obtain a successful result it is essential that the two parties expect the same
- **Ask the reviewed party if they need the Panel to sign a non-disclosure agreement** - this is solely decided by the reviewed party
- **Make sure to have a positive dialogue.**

Phase 2 - the review

During phase 2, the Assessment Panel collects the relevant information, which is needed to conduct the assessment. To make sure that the collection of data will be the same for similar cases a systematic process of how to record the facts has been defined.

The Assessment Panel will have access to a guide, check-lists and standard forms to make sure they collect the right information.

When the review is finished, the Assessment Panel has a set of registrations, which will be helpful in the following assessment. At this point in the AIB verification procedure, only the structured registration of information has taken place. No conclusions have yet been reached.

Phase 3 - the assessment

During phase 3, the Assessment Panel uses the collected registrations to conduct their assessment. It will have access to a guide on how to perform the assessment, as it is important that similar assessments are conducted in similar ways. The assessment shall result in a report. A report template can be found in appendix 4.

The content of the report should include:

- General information such as:

- Reviewer's name and the Member represented
 - The date of completing the assessment
 - Information concerning the assessed Member
- A summary of the findings
 - Any discrepancies observed and corrected
 - Any discrepancies observed and outstanding
 - Any useful solutions that might be of relevance to other AIB Members
 - The recommendation of the Assessment Panel

When writing the report, the Assessment Panel should remember that all findings are input to improving the system.

In cases where the Assessment Panel has signed a non-disclosure agreement, the report could (as a result of the agreement) include conclusions which the Panel is unable to justify. If this has influence on the General Meeting's ability to pass a resolution, then the reviewed party must decide on a solution.

Phase 4 - the delivery

When the review and the assessment have been concluded both the registrations and the report are sent to the AIB General Secretary.

It is important that the report has been signed by the Assessment Panel but also by the assessed Member/ Applicant. The Member/ Applicant might not agree with the Panel on the findings and recommendation. In that case a note of this can be enclosed in the report. The purpose of the signature is to declare that the review and the assessment have taken place - not to sign off on the result. The signatures are important if problems should arise later.

If the timing is so that it is impossible to obtain the signature from the assessed party in time for the report to be sent to a General Meeting (via the General Secretary) - it is acceptable for the Panel to forward the report to the General Secretary with the signatures of the Panel Members only. However, the assessed party must sign the report no later than at the General Meeting.

Responsibility of the AIB General Secretary

When the AIB General Secretary receives the registrations and the report from the Assessment Panel he files the entire material in a physical archive for at least ten years. That period has been chosen so that it is possible for Assessment Panels to look at old registrations, if needed in later reviews of the same Member.

It is important that the report filed in the archive is the signed version.

All registrations, check-lists etc. are confidential information - only to be used by Assessment Panels. The report, however, is public.

The AIB General Secretary prepares a paper containing the assessment report for approval at the next AIB General Meeting.

Responsibility of the AIB General Meeting

The General Meeting considers the report and passes a resolution. Under normal circumstances, the General Meeting will follow the recommendation of the Assessment Panel.

Other types of verification

Follow-up on the verification process

The AIB verification process is not only about review of Members and potential Members; it is also necessary to monitor the process itself.

On a regular basis, an Assessment Panel will review the process and prepare an overall report to the AIB about experiences from the review process.

This includes:

- A list of the reviews/ assessments that have been conducted
- Feedback from Assessment Panel Members and reviewed Members
- Investigating if the guidelines and check-lists have been used properly
- Ascertaining the presence of archives
- Evaluating the value of the reviews/ assessments.

This follow-up shall be conducted in the same way as all other reviews – meaning: planning, reviewing, assessing and finally delivering (a report to the General Secretary).

Review of the EECS Rules and Registries

See chapter E of the EECS Rules Subsidiary Document “*Assessment Panels*” - “*Change Assessment Panels*”.

Assessment Panel Guides

Guide for the Product Rules Assessment Panel - initial application for Scheme Membership

When a party wishes to become Member – they forward an application for approval of a new Domain to the AIB General Secretary. (EECS Rules F3).

This application shall be accompanied by applications for (EECS Rules F4):

- Approval of Product Rules
- Approval of Domain Protocol
- Approval of Standard Terms and Conditions
- Approval of database
- Approval of Transfer Link
- If any - approval of Member's Agents and Measurement Bodies

and a:

- Cross Reference Matrix (AIB-EECS Rules-SD07 Review Procedures)

(See appendix 1)

When the General Secretary has received this material, he forwards it to the relevant Product Rules Assessment Panel, which is then formally convened. The General Secretary shall convene the Product Rules Assessment Panel as soon as possible due to the time schedule: From the date where the General Secretary receives the application the Panel has 45 calendar days to complete its work (given normal circumstances).

Assessment of an initial application is solely an assessment of written material - there will be no on-site review at this point.

Phase 1 - the planning

When the Product Rules Assessment Panel has convened it makes a plan. First, it is important to establish that the right members have been chosen for the review. This can be established by looking at the Product Rules Assessment Panel Matrix.

Next the plan must define the formalities concerning the review and assessment.

- **Which documents are necessary?** (in this case a list can be found in appendix 1)
- **Objectives, scope and criteria**
- **What are the roles of the members?**
- **Who is the contact person for the applicant?** (E-mail address/ telephone number etc.)
- **How should the Panel and the applicant communicate?**
(E.g.: response time concerning asked questions/ response format/ one response with collected answers or ongoing communications?)
- **Time Schedule for the review and assessment**
- **Planning of physical or telephone meetings if necessary.**

Phase 2 - the review

The next step is for the Panel to check that all relevant material has been forwarded to it. This is done by crossing off on the available check-list (see appendix 1).

Should the Panel discover that some material is missing, it contacts the applicant and - through positive dialogue the Panel - solve the problem (according to the plan). The applicant sends the missing material directly to the Panel.

When the Panel has received the necessary material, it carries out the review - meaning making registrations on the basis of the available check-list (The Member's cross reference matrix: see appendix 2). The review of an application is a 100 % review. All items on the check-list have to be reviewed. It is necessary to check if the applicant has taken all EECS Rules obligations into account at this point. The Panel reviews how the applicant proposes to fulfil the obligations.

During the review, the Panel might realise (even though they are not assessing at this point) that some descriptions in the applications are not consistent with the EECS Rules; or that some requirements have not been dealt with. The Panel can then have a positive dialogue with the applicant, who at this point can amend its application. The Panel shall make sure to make notes of this dialogue (see appendix 3).

The Panel might also wish to finish the review and carry out the assessment before taking contact to the applicant - this is up to the Panel to decide. However, it might be more efficient to get changes done before the actual assessment.

When the review has been conducted the Panel must have the following registrations to carry out the assessment:

- Updated versions of all the documents that have been reviewed
- A 100 % completed check-list (appendix 2)
- Notes from dialogue with the applicant if any (e.g. appendix 3)

Phase 3 - the assessment

Next step in the process is the actual assessment. It is important that the assessment is carried out in good spirit.

At this point, the Product Rules Assessment Panel evaluates whether the applicant's written procedures and statements are in line with the obligations stated in the EECS Rules. The check-list is an important tool in this assessment.

If the Panel discovers any discrepancies, it should contact the applicant and have a positive dialogue concerning the problem. If the applicant agrees with the Panel, the documents should be amended accordingly. The Panel must note the discrepancy and the solution in the final report. Should the applicant disagree with the Panel, they may note this in the final report.

Where the applicant wishes to rectify the observed discrepancy but is unable to do so within the time limit of the Assessment, the Product Rules Assessment Panel can - as a rare exception - decide to deliver the report, including information on the discrepancy, the solution and a recommendation to approve when this has been rectified by the applicant.

If the Panel is satisfied that the requirements are met by the applicant, then the Panel shall approve the application. (See EECS Rules D4)

Finally, the Product Rules Assessment Panel writes a report for the General Meeting. A template for this report can be found in appendix 4. It is important that all Panels use the same report structure to obtain a consistent level of quality.

The report will, in addition to general information, include a summary of the Panel's findings and recommendations.

Phase 4 - the delivery

The report is signed by both the Panel and the applicant before it is sent to the General Secretary. In case of a tight time schedule with regard to delivering the report in time for the General Meeting, the applicant can postpone his signature until the General Meeting.

Together with the report, the Product Rules Assessment Panel also forwards all registrations made during the review.

Responsibility of the General Secretary

The General Secretary files the received material in an archive (the report must be the version signed by both the Panel and the applicant). The General Secretary then prepares a paper containing the report for the General Meeting.

Responsibility of the General Meeting

Finally the General Meeting passes a resolution. If the Panel has approved the application, then the applicant will become a Scheme Member when the General meeting has passed the resolution to that effect.

If the Panel has concluded that there are still some outstanding discrepancies, the General Meeting may withhold approval until the problem has been solved. In this case, the applicant has no right of appeal - appeal is for Members only.

See figure 2 outlining the procedure.

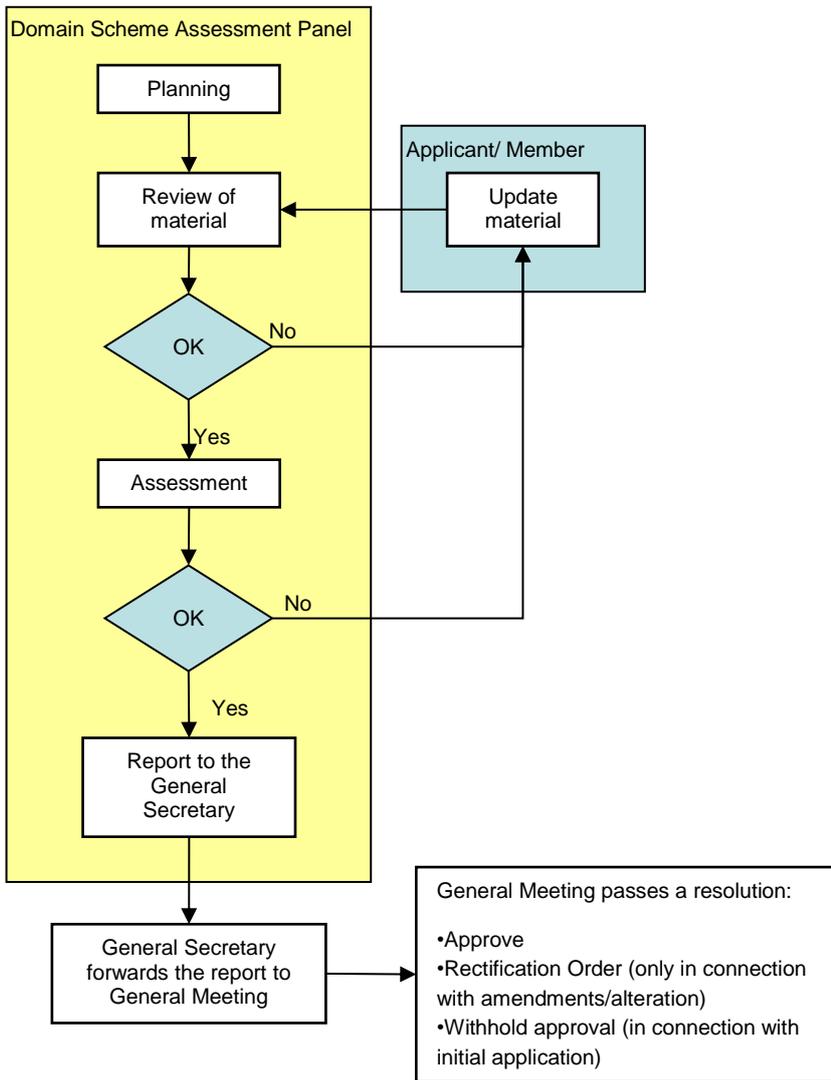


Figure 2: Review of initial application for Scheme Membership and amendments/ alterations

Example - Review/ Assessment of application for a new Domain

The following example describes how a Product Rules Assessment Panel carries out an assessment of an application for Scheme Membership. However, as the entire process of reviewing and assessing all items mentioned in the EECS Rules and listed in the check-list in appendix 2 is too extensive, one item has been selected for the purpose of this example.

Imagine that the General Secretary has received an application for a new Domain from an organisation called CountryIB, located in a small country in Europe. The General Secretary looks at the Product Rules Assessment Panel Matrix, where he finds the two members that are to form the Product Rules Assessment Panel. He then contacts the two Members, who (as soon as possible) notify the General Secretary which two representatives are to form the Panel. The General Secretary then forwards all relevant material to the Panel, which convenes to start the review.

Phase 1- The planning

The two members of the Panel start by looking at the Product Rules Assessment Panel Matrix to establish that they are the right persons for this particular review. They establish that this is the case.

Next the Panel defines the plan for the review and the assessment:

<p><u>Necessary documents are:</u></p> <ul style="list-style-type: none"> - Description of new Domain - Description of Product Rules - Domain Protocol - Standard Terms and Conditions - Database - Test report - Transfer Link - Test report - List of Member's Agents and Measurement Bodies (if any) - Cross Reference Matrix
<p><u>Objectives, scope and criteria:</u></p> <p>Since the review is of an initial application, all items on the check-list (appendix 2) must be checked. The review is of written material only - no onsite inspections are to be conducted. The criterion for an approval is for CountryIB to have described how to deal with all the requirements in the EECS Rules, and that the proposed way of doing it is in line with the EECS Rules.</p>
<p><u>Roles of the Panel Members:</u></p> <p>The Panel decides to split the check list (appendix 2) between them, meaning that they each check half of the list. They also agree to discuss items if there is the slightest doubt about the registration.</p>
<p><u>Contact person for CountryIB:</u></p> <p>The Panel inquires about contact person and gets the name and contact information for that person.</p>
<p><u>Communication:</u></p> <p>The Panel defines in the plan how they will conduct the communication with CountryIB.</p> <ul style="list-style-type: none"> - Contact will be with the contact person via e-mail and telephone - All e-mails between the contact person and the Panel members must be sent to all three individuals - Under normal circumstance the contact person has one day to respond to a question. - Communication will be on going when the review has started.

Time Schedule:

In 6 weeks, there is a scheduled General Meeting. Therefore the Panel decides that the review and the assessment shall be conducted within 4 weeks in time for the final report to be sent the General Meeting two weeks in advance (deadline for documents to be approved).

Planning of meetings:

The Panel plans to have two telephone meetings with CountryIB within the 4 weeks of work.

When the Panel has defined the plan, it contacts the contact person of CountryIB.

First the two members confirm their authority to conduct the review.

Then the Panel provides information concerning the planned time schedule and lets CountryIB's contact person know what is expected of him. At this point the Panel asks the contact person about his expectations with regard to the review.

The Panel realises that the expectations are different, since the contact person expects the Panel to conduct an on site review. The Panel explains the objectives of the review and at that point the contact person agrees that an on site review is not necessary. The expectations are now harmonized.

Finally they agree on how to communicate during the review (according to the plan) and agree on two dates for telephone meetings.

Phase 2 - the review

The members of the Panel first check that all the relevant material has been received (using the check-list for received documents in appendix 1). If any of the documents are missing the Panel will take contact to CountryIB and ask for the missing documents.

In this example the Panel has received the entire documentation and can start the review by using the check-list for obligations stated in the EECS Rules (see appendix 2).

Normally the Panel would go through all the items on the check-list but in this example we only review one item.

The following obligation is EECS Rules D4.1.2:

The PD Registration Criteria are as follows:

- (a) *a Production Device may only be registered in an EECS Registration Database for the purposes of the Product by:*
 - (i) *the owner of the Production Device; or*
 - (ii) *an Account Holder duly authorised by the owner, which has provided adequate evidence:*
 - 1 *of such authorisation; and*
 - 2 *that it can comply with the requirements of the Product Rules with respect to the imposition of duties on the owner and/or operator of the Production Device;*

First, the Panel member (defined according to the plan) finds the relevant item on CountryIB's Cross Reference Matrix (appendix 2: text cut and pasted from Fact Sheet 10 and other relevant references added). Here CountryIB has given references to where the company describes how to fulfil the obligations stated in the EECS Rules. In the case of EECS Rules E2.1.2 CountryIB has written:

Extract from the Cross Reference Matrix for CountryIB:

List of reference documents			
Reference	Document title	English version (✓/–)	English summary (✓/–)
A	Domain Protocol	✓	
B	Standard Terms and Conditions	✓	
C	National Regulation	–	

EECS Rules Section	A	B	C	D	E	F	G	H	I	Reference Location	Assessment Panel Comments
	D4.1.2a(i)	X		X							
D4.1.2a(ii)	X		X							D2.2 Page x (c)	<i>Reference ok</i> <i>Note: nat.reg.</i>

At this point the Panel member does not check if the reference is correct - but makes a registration of whether or not CountryIB can point out a reference.

The Panel member notes that CountryIB has made a reference to a national regulation. This is done to show that this particular obligation is put on CountryIB not only by the EECS Rules but also by national legislation. This is relevant when assessing how CountryIB meets the requirements.

Phase 3 - the assessment

After having done all relevant registrations the Panel can start the assessment. Assessment of an initial application is basically an assessment of whether or not CountryIB has described how to meet the requirements set out in the EECS Rules and that this is in line with the EECS Rules.

CountryIB has described how to meet the requirement in the Domain Protocol in section D2.1 and D2.2. Apart from stating the requirements CountryIB has given further details.

Due to a national regulation, all production devices are registered in a Data Register. In this register, all relevant information concerning a production device has been recorded. The grid companies report on the devices to the Data Register and they measure the production. The information in the register has been validated and CountryIB is ISO9001 certified.

A production device applying to be registered in the EECS Registration Database forwards a standard form to CountryIB. All the information on the standard form can be checked against the national Data Register including information on whether or not the signatory is mandated to sign the form. A copy of this standard form has been enclosed in the Domain Protocol.

In this example the Panel concludes that CountryIB has described how to fulfil the requirement of EECS Rules D4.1.2(a); and that this way of doing it is fully in line with the requirements of the EECS Rules.

Assuming that all other obligations have also been met the Product Rules Assessment Panel will recommend that the General Meeting approve CountryIB as new Scheme Member.

The Panel writes a report on the basis of the template in appendix 4. When the report has been finalised the report is sent to CountryIB for signature. In this case CountryIB has no objections to the report.

Phase 4 - the delivery

When the Panel has signed the report it is sent to the General Secretary together with all registrations made during the review.

The General Secretary

When the General Secretary receives the material from the Product Rules Assessment Panel he files it in his archive so that the material can be used whenever a new review is to be conducted of CountryIB.

The General Secretary then prepares a paper stating the action to be taken at the General Meeting and includes the final report from the Panel. This document is then forwarded to the General Meeting.

The General Meeting

The General Meeting passes a resolution - in this case they approve CountryIB and from then on the Company is a new Scheme Member.

Guide for the Product Rules Assessment Panel - Alterations and amendments

If a Scheme Member has alterations to an existing Domain (EECS Rules L4) or amendments to a Domain Protocol (EECS Rules L5) it must apply for prior approval. In both cases, a Product Rules Assessment Panel assesses the application.

As is the case for the initial application, the Member (applicant) forwards the request to the AIB General Secretary, who requests the relevant Panel to convene and carry out the assessment.

Phase 1 - the planning

When the Product Rules Assessment Panel has convened, it makes a plan. First of all, it is important to establish that the right members have been chosen for the review. This can be established by looking at the Product Rules Assessment Panel Matrix. (In this case the Panel members should if possible be the same Panel members as the ones who conducted the initial assessment).

Next the plan must define the formalities concerning the review and assessment.

- **What documents are necessary?** (It is very important that the Panel receives all the documents, which have been affected by the amendment or alteration)
- **Objectives, scope and criteria** (It is important that it is clear what it is that has to be reviewed - all consequences of the change)
- **What are the roles of the members?**
- **Who is the contact person for the applicant?** (E-mail address/ telephone number etc.) (In this case the General Secretary is also important as he has the registrations made at the last review of the applicant)
- **How should the Panel and the applicant communicate?** (E.g.: response time concerning asked questions/ response format/ one response with collected answers or ongoing communications?)

- **Time Schedule for the review and assessment**
- **Planning of physical or telephone meetings if necessary**

Phase 2 - the review

In phase 2, the Panel checks that it has received all relevant material. In this case there is no specific check-list as the relevant material will vary with regard to the application. Should the Panel require more material, then they will contact the applicant and, through positive dialogue, make sure that they get the relevant material.

Next the Panel carries out the review. Recording the registrations is identical to the review procedure concerning the initial application. However, there is no need to make a 100 % check of the check-list (the Member's Cross Reference Matrix made on the basis of appendix 2). The Panel will in this case select the relevant items and check them.

As for the review of the initial application, this review is also a review of written material - no on-site check is necessary since the assessment is of how you say you do a specific thing - not how you do it

When the review has been conducted, the Panel must have the following registrations to carry out the assessment:

- Updated versions of all the documents that have been reviewed
- A partially completed check-list (appendix 2 - only the relevant items on the list have to be checked)
- Notes from dialogue with the applicant if any (e.g. appendix 3)

Phase 3 - the assessment

This phase is almost identical to the initial application process. The Panel carries out the assessment on the basis of the registrations made in the review phase. The assessment results in a report on the basis of a template (see Appendix 4).

Phase 4 - the delivery

When the final report has been signed by both the Panel and the applicant it is sent to the General Secretary together with all registrations made during the review.

Responsibility of the General Secretary

If the Panel has concluded that an alteration to a Domain can be approved, the General Secretary amends the EECS Rules Fact Sheets. At this point, the alteration takes affect - a resolution by the General Meeting is not needed.

If, however, the alteration includes any other Domain, then the General Meeting must pass a resolution in favour of the alteration before it can take affect. In this case, the General Secretary forwards the assessment report to the General Meeting.

All amendments to the Domain Protocol can be approved by the Panel if they find that the obligations are met. The change can not, however, take place before a General Meeting has passed a resolution to that effect; in which case the General Secretary forwards the assessment report to the General Meeting.

Responsibility of the General Meeting

The General Meeting considers the report and files a resolution. Under normal circumstances they will follow the recommendation of the Product Rules Assessment Panel, which would be to approve or to issue a rectification order.

See figure 2, which outlines the review procedure.

Guide for the Product Rules Assessment Panel - Periodic Review

A Product Rules Assessment Panel that is to carry out a periodic review is convened by the AIB General Secretary. This is done 1 year after the initial assessment and from then on every three years. Whereas the application and update assessments are primarily confined to documentation, the purpose of the Periodic Review is to ensure that operational systems and procedures securely carry out the processes described in that documentation, specifically the Domain Protocol and the principles required by the EECS Rules.

The Periodic Review is the main quality assurance check for compliance with EECS Rules C4.1.

Phase 1 - the planning

When the Product Rules Assessment Panel has convened it makes a plan. First, it is important to establish that the right members have been chosen for the review. This can be established by looking at the Product Rules Assessment Panel Matrix.

Next the plan must define the formalities concerning the review and assessment.

- **Objectives, scope and criteria**
- **What are the roles of the members?**
- **Who is the contact person for the applicant?** (E-mail address/ telephone number etc.)
- **Time Schedule for the review and assessment which will be a physical meeting at the reviewed Member's offices. The review should take 1-2 days.**

Phase 2 - the review

The next step is for the Panel to check that all relevant material has been forwarded to it. The relevant material should include, but is not limited to:

- Current Domain Protocol
- A copy of the most recent Product Rules Assessment including the observation register (provided by the General Secretary)
- A description of how the service is provided (e.g. contracted out to CMO service provider)
- Local working instructions (informal English translation)
- EECS Registration Database statistics to include:
 - The number of Production Devices currently registered,
 - The number of Production Devices whose registration has expired,
 - For the last 12 month period, the number of Certificates of each type which have been issued, cancelled, exported, imported, expired.
 - The number of Certificates Withdrawn.

Should the Panel discover that some material is missing, then it should contact the applicant and - through positive dialogue the Panel - solve the problem (according to the plan). The applicant sends the missing material directly to the Panel.

The Panel might wish to convene prior to commencing the review at the Member's offices.

The Panel should establish that it has an appropriate understanding of the organisation and operation of EECS by the Member. This may need to include non-EECS arrangements as a context.

The review should be on the basis of a sample. Ideally, the Member should demonstrate processes using actual live data: however, where this is not possible, then a stepwise 'walk-through' should be performed.



The objective is to establish that the lifecycle management of EECS Certificates in practice fulfils the description and obligations of the regulating documentation.

The Panel could select a sample Certificate and follow its life through from the data collection and issuing process to its eventual cancellation/expiry.

The Panel could also select specific processes to review or request exception reports to follow how errors have been identified and managed.

The Periodic Review should consider the correct appointment of agents in accordance with EECS Rules section H.

Phase 3 - the assessment

Next step in the process is the actual assessment. It is important that the assessment is carried out in good spirit.

If the Panel discovers any discrepancies, it should enter them in the observation register (see Appendix 3) and have a positive dialogue with the assessed Member concerning the issue. The Panel must note the discrepancy and the solution in the final report. Should the applicant disagree with the Panel, they may note this in the final report.

Where the applicant wishes to rectify the observed discrepancy but is unable to do so within the time limit of the Assessment, the Product Rules Assessment Panel can - as a rare exception - decide to deliver the report, including information on the discrepancy, the solution and a recommendation to approve when this has been rectified by the applicant.

The Panel may identify areas for improving the existing documentation, including the EECS Rules and may make recommendations accordingly. Also, aspects of good practice should be identified and recorded in the assessment report.

Finally, the Product Rules Assessment Panel writes a report for the General Meeting. A template for this report can be found in appendix 4. It is important that all Panels use the same report structure to obtain a consistent level of quality.

The report will, in addition to general information, include a summary of the Panel's findings and recommendations.

Phase 4 - the delivery

The report is signed by both the Panel and the applicant before it is sent to the General Secretary.

Together with the report, the Product Rules Assessment Panel also forwards all observations made during the review.

Responsibility of the General Secretary

The General Secretary files the received material in an archive (the report must be the version signed by both the Panel and the applicant). The General Secretary then prepares a paper containing the report for the General Meeting.

Example - Periodic review

A periodic review is initiated by the General Secretary. Normally the Assessment Panel comprises two people and the review is conducted at the offices of the assessed member or his CMO service provider as appropriate. The focus of the assessment is on the operational systems and procedures and how they

securely link the production activity to the lifecycle management of the relevant EECS Certificates. The Assessment Panel should satisfy itself that the principles of uniqueness and system security are met throughout.

The starting position will be the documentation from the last assessment, noting any observations and recommendations made. Any queries arising from the statistical data should be raised and cleared. The data should also be used as a guide for sampling.

A demonstration of operation (e.g. registering a Production Device or using metering data to issue Certificates) using live data and following a local working instruction manual is ideal, but a walk-through of the processes covering the whole lifecycle of a Certificate would be sufficient for audit.

Particular attention should be paid to EECS system entry and exit points to ensure the integrity of EECS is maintained. Where multiple products exist in the Domain, the handling of the relationship between them should be examined, especially where the products are mutually exclusive or more than one certificate system issuer is active.

Unlike the assessment of new applicants, where 100% coverage is required, the Periodic Review should adopt a risk-based approach. Therefore, some variation according to local requirements is acceptable providing it is not likely to compromise the EECS system. EECS Rules E3.3.10 requires that the procedures are 'robust, effective, efficient and adequate'. In this context, the Assessment Panel should focus on 'adequate'.

The review should aim to complete within a single working day.

The report format at Appendix 4 should be completed and signed with the original being sent to the General Secretary.

Guide for the Compliance Assessment Panel - Non-Compliance

A Non-Compliance case arises when a Member (EECS Rules J1.1.1) or a Product Rules Participant (EECS Rules J1.1.2) finds and has supporting evidence of Non-Compliance. If the dispute cannot be solved between the parties then the Member or the Participant may notify the General Secretary.

A Compliance Assessment Panel is only convened where the General Secretary determines that the alleged Non-Compliance is material. If this is the case, then the General Secretary asks eligible Scheme Members to deliver information on suitably skilled reviewers. (See the Subsidiary Document "*Assessment Panels*").

Membership of the Compliance Assessment Panel is decided by the AIB Board. The Panel is to convene within 14 calendar days of the General Secretary deciding the Non-Compliance is material.

As soon as the members of the Panel have been appointed the General Secretary forwards all material (evidence) received; along with all relevant material from the archive concerning earlier reviews of the alleged Non-Complying party.

Phase 1 - the planning

When the Compliance Assessment Panel is convened, the members must first make a plan for the assessment. In the case of Non-Compliance, this is especially important as there are no standard check-lists - no prior case that is exactly the same. The Panel will have to make their own check-list on the basis of the Member's cross reference matrix (template: appendix 2) and they will only know which parts to extract after a plan has been defined.

Defining objectives, scope and criteria is very important. The Panel has to understand the problem, its extent and consequences.

This involves the Panel deciding on what should be accomplished by the review, what is the extent of the assessment (which procedures are to be reviewed? What are the boundaries of the review? Is on-site review

necessary?). Which criteria are used as reference meaning which criteria should be complied with in this specific case (specific sections of the EECS Rules, subsidiary documents etc?)

When this has been defined it is easier for the Panel to decide on relevant documents for the assessment.

Other relevant items which the plan must cover are:

- **Time Schedule** (the final report should be submitted within 60 calendar days of the Panel being convened)
- **Definition of roles of the Panel members** (who does what?)
- **How to communicate with the alleged non-complying party/ finding a contact person**
- **Practical circumstances if an on-site review is necessary** (e.g.: date, determining safety rules if necessary, security and access to facilities, agreeing on an observer or guide if needed)
- **Planning meetings (dates and participants)**
- **Need for secrecy agreement?**

When the plan is ready, the Compliance Assessment Panel must contact the alleged Non-Complying party to confirm their authority to conduct the review; to provide information on the decided plan; to make arrangements for the review (meetings and possibly on-site review); and to discuss mutual expectations. In a Non-Compliance case, it is especially important to harmonise the expectations to the review.

Phase 2 - the review

First the Panel makes sure that it has received all relevant material according to the plan. If not, the Panel contacts either the alleged non-complying party and - through positive dialogue - asks for the relevant material or the complainant for explanation in greater detail on the evidence.

The Panel then makes registrations on the basis of the check-list. This also involves comparing the registrations to earlier registrations made by the Product Rules Assessment Panels. At this point, it is relevant to establish whether the Domain Protocol has been amended or changed (with or without the knowledge of the AIB) and if the change has had any effect on the problem.

The Panel must read and understand all relevant material (defined in their plan), to establish how the alleged Non-Complying party (or perhaps an Agent or Measurement Body) has defined how to perform the specific obligation from the EECS Rules.

Before looking at the specific Non-Compliance case, the Panel must see how the alleged Non-Complying party carries out the task in general. This can be done by reading copies of relevant material, by performing telephone interviews, by gaining access to the registry or by carrying out on-site review.

When the Panel has registered how the task is carried out in general, they must look specifically on the complaint. How was the task carried out with regard to the specific case mentioned in the complaint? (In some cases the general way of carrying out a task is the problem).

Phase 3 - the assessment

When assessing the complaint, the Panel has to evaluate if the alleged Non-Complying party is doing as written in the Domain Protocol and if this is in accordance with the obligations stated in the EECS Rules.

The Panel must decide if the registrations, which were made during the review, illustrate the relevant problems raised by the complaint and if it is possible to make a conclusion on the basis of the review. If this is the case, the Panel can finalise their report. If not the review has to be expanded and the Panel has to go back to phase 2.

If the Panel finds that the complaint is valid and that the alleged Non-Complying party is in fact Non-Complying, then the party should be given the opportunity to rectify the problem before the report is sent to the General Secretary.

The assessment has the following possible outcomes:

- No Non-Compliance has occurred - the case is rejected
- Non-Compliance
 - The Non-Complying party agrees to rectify
 - The Non-complying party does not agree with the outcome of the assessment

When the assessment is finished the Panel writes a report on the basis of appendix 4.

Phase 4 - the delivery

The final report is sent to the assessed party for signature. The signature is not an acceptance of the result but a statement of the fact that the assessment has been carried out.

Should the assessed party not agree with the result it can ask for its comments to be attached to the report.

In case of a tight time schedule with regard to delivering the report in time for the General Meeting, the assessed party can postpone the signature until the General Meeting.

The final report and all registrations made during the review are forwarded to the General Secretary.

Responsibility of the General Secretary

The General Secretary files all received material in an archive.

The General Secretary prepares a paper containing the report and forwards it to the General Meeting for approval.

Responsibility of the General Meeting

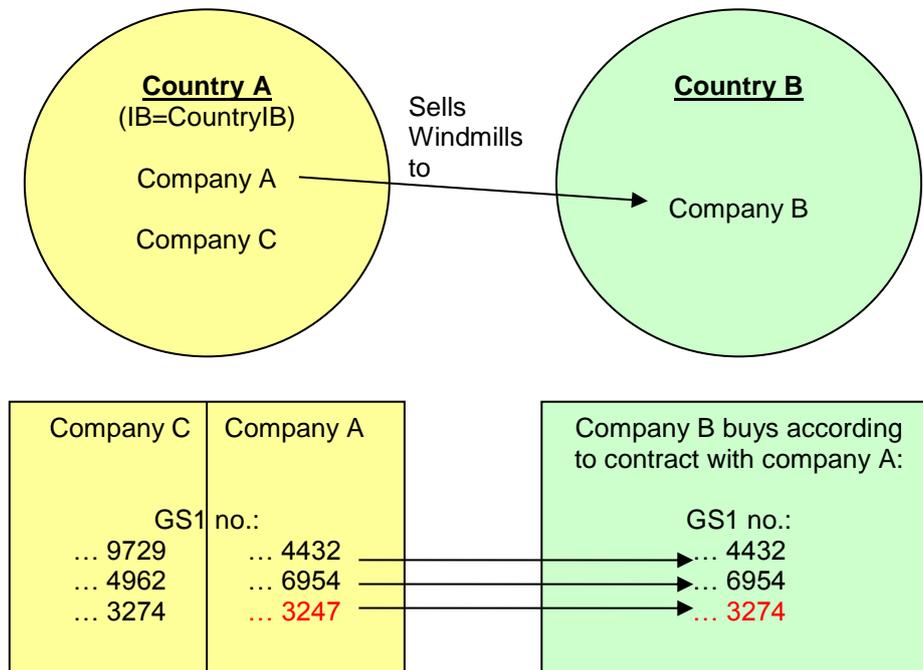
The General Meeting passes a resolution on the basis of the recommendation of the Compliance Assessment Panel.

The possibilities are:

- **Rejecting the Complaint**
- **Issuing a rectification order** (the Compliance Assessment Panel will then have to carry out the review and assessment again around the date specified in the order - to assess if the Non-Complying party has rectified the problem)
- **Temporary suspension**
- **Expulsion**

Should the assessed party not agree with the result he can appeal the decision. If the AIB Board finds that the appeal is valid the Compliance Assessment Panel must re-conduct the review and assessment and file a revised report to the General Secretary.

Example - A Non-Compliance case



In this imaginary example a company (B) buys some windmills from another company (A) in another country.

At some point Company B decides to buy certificates from Company C. Some of these certificates state that production has occurred at a production device with GS1 no.: ... 3274. Company B realises that it is the owner of that production device and should therefore not be able to buy certificates from that device from another company.

Company B complains to the AIB General Secretary that CountryIB has made a mistake in issuing certificates to a wrong production device.

The General Secretary first asks Company B if they have contacted CountryIB to resolve the issue. Company B explains that it has contacted CountryIB but that the Issuing Body only replied that it had made no mistakes in issuing certificates.

The General Secretary decides that the Non-Compliance is valid and asks several members to nominate eligible Panel Members. On that basis the AIB Board decides on the three members of the Compliance Assessment Panel.

The General Secretary forwards all registrations made during the review of the initial application of CountryIB and the evidence received from Company B (a copy of the contract made with Company A, information concerning the certificates) to the Panel Members.

Phase 1 - the planning

After the Panel has convened the members start by making a plan for the review. The Panel decides that in order to discuss the matter they have to look at the procedures in connection with Production Device Registration in Country A.

The Panel has to decide on boundaries for the review. In this case they decide to look only at Production Device Registration and not on e.g. Issuing and transfer of certificates. This is decided after having



discussed the complaint in detail to understand the extent of the problem. The problem is not in connection with issuing the certificates. The problem is how a wrong production device could receive certificates.

The Panel goes through the check-list (the Member's cross reference matrix delivered by the Member when applying for AIB membership) to extract the parts that are relevant to the case and create their own check-list. To avoid a too extensive example one item from the check-list has been chosen for the purpose of this example: EECS Rules D4.1.2.

EECS Rules Section	A	B	C	D	E	F	G	H	I	Reference Location	Assessment Panel Comments
	D4.1.2a(i)	X		X							
D4.1.2a(ii)	X		X							D2.2 Page x (c)	<i>Reference ok</i> <i>Note: nat.reg.</i>

The Panel decides that relevant material is:

- All registrations made during the last review of CountryIB
- The report filed by the Product Rules Assessment Panel
- The newest version of the Domain Protocol of CountryIB
- Material from Company B: proof of ownership of production device, list of relevant transferred certificates to the account of Company B.
- Information from the registry used by CountryIB
- Information from the national data register in Country A

In this case, the Panel decides that no on-site review is necessary. The review should be carried out by reading the material, by telephone interview and by access to the registry used by CountryIB.

The Panel decides that the report should be ready for the next General Meeting which is in 8 weeks.

When defining roles the Panel decides to appoint one of the members to be co-ordinator to make sure that the plan is followed by all.

When the plan is ready the Panel contacts CountryIB and provides information on the time schedule and plans the first telephone meeting.

Both the Panel and CountryIB agree that a solution should be found and that the plan made by the Panel is fine.

Phase 2 - the review

The Panel decides that it already has all the necessary material to conduct the review.

The Panel makes registrations on its own check-list:

EECS Rules Section	A	B	C	D	E	F	G	H	I	Reference Location	Assessment Panel Comments (from assessment of initial application)	Compliance Assessment Panel Comment



The General Secretary files all the material in his archive. Then the General Secretary prepares a paper for the General Meeting including the report from the Panel.

Responsibility of the General Meeting

The General Meeting passes a resolution stating that the Non-Compliance case is rejected.

Guide for the Assessment Panel - Follow-up on the AIB verification procedure

This text will follow in version 3 of this document.



Appendix 1 - Documentation Check-list

(Relevant documents when applying for Scheme Membership)

To be completed and extended as necessary by the Assessment Panel.

Applicant/Member

EECS Scheme

Documents	Received (✓)	Date Received
Description of Domain		
Description of Product Rules		
Domain Protocol		
Standard Terms and Conditions		
Database - Test report		
Transfer Link - Test report		
List of Member's Agents and Measurement Bodies (if any)		
Cross Reference Matrix		

Other documents (if any)	Received (✓)	Date

Review Date	Reviewed by

Appendix 2 - Cross-reference matrix

Applicant/Member

EECS Scheme

These tables are to be completed by the applicant/Scheme Member (except for the comments column) adding additional rows/columns to each table as required. The documents identified in the reference documents table should include: the Domain Protocol, the Member's Standard Terms and Conditions for service provision to Domain Participants, national legislative and regulatory documents, and any other relevant documentation.

List of reference documents			
Reference	Document title	English version (✓/–)	English summary (✓/–)
A	Domain Protocol		
B	Standard Terms and Conditions		
C			
D			

The following matrix must include all the required EECS Rules section references copied and pasted from the current version of EECS Rules Fact Sheet AIB-EECS Rules-FS10 – ‘Guidelines and Framework for Domain Protocols’. The cross-referenced document(s) should be marked with ‘x’ in the appropriate column(s). The reference location is the statement identifier in the Member’s Product Rules document(s). The comments section is to be completed by the Assessment Panel.

EECS Rules Section	A	B	C	D	E	F	G	H	I	Reference Location	Assessment Panel Comments
A2.1.1											
A2.1.2											
A2.1.3											
A4											
A5.1.3											
A11.1.1											
C2.1.1											
C2.1.2											
C2.2.1											
C2.2.2											
C2.2.3											
C2.2.4											
C2.2.5											



Appendix 3 - Observation Register

To be completed and extended as necessary by the Assessment Panel.

Applicant/Member

EECS Scheme

Date of Assessment

Observation #	1
EECS Rules Section	
Observation	
Response from Member	
Assessment	

Observation #	2
EECS Rules Section	
Observation	
Response from Member	
Assessment	



Appendix 4 - Report Format

To be completed by the Assessment Panel:

Reviewed Member:	Date (completion):
EECS Scheme:	Domain:
Type of Assessment Panel: (delete as appropriate) Product Rules Assessment Panel / Compliance Assessment Panel	
Type of review: (delete as appropriate) Scheme member application / domain scheme amendment / periodic review / compliance	
Assessment Panel members:	
Name:	Member represented:

Visited sites (if any):
Documents reviewed (including version numbers): 1.
Discrepancies observed and corrected (if any) 1.
Discrepancies observed and outstanding (if any) 1.



Recommendation(s) to the General Meeting:

Reviewer:	Date:	Signature:

On behalf of the reviewed Member:

Name:	Date:	Signature:
Comments:		