

VVB & Individual Experts Requirements

REQUIREMENTS FOR VALIDATION AND VERIFICATION BODIES (VVBs)

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Document Purpose

This document establishes guidelines for Validation and Verification Bodies (VVBs) to conduct thorough assessments of greenhouse gas emission avoidance projects under the Inuk Standard framework. This applies also for Independent Experts that might be solicited when relevant.

It applies to :

- **Project Validation Audits**
- **Annual Verification Audits**

This guidance forms an integral component of the broader Inuk Standard ecosystem, encompassing the Inuk Standard Rules and sector-specific methodologies. It supplements the Inuk Procedures Manual which governs project registration and oversight.

The requirements outlined herein become mandatory upon official publication. From this effective date, any VVB meeting the specified criteria may participate in the validation and verification of Inuk Standard Projects.

Previously accredited VVBs must resubmit their applications with the required documentation outlined in this document before continuing validation or verification activities.

VVBs with existing contractual agreements with Project Developers prior to this guidance becoming effective are granted a twelve-month transition period to reapply and comply with updated requirements.

Moving forward, Project Developers may only engage with VVBs officially recognized by Inuk according to the requirements and procedures defined in this document.

ACKNOWLEDGMENT STATEMENT

I hereby confirm that I have reviewed and understood the requirements outlined above.

Organization Name: _____

Representative Name: _____

Signature: _____ **Date:** _____

1. PROJECT VALIDATION

Project validation under the Inuk Standard is a two-tier process ensuring that both internal expert oversight and, when required, external assurance are aligned on the same rigorous criteria. While the **Standard Advisory Board (SAB)** performs the primary validation of the Project Design Document (PDD), an accredited VVB may be mandated to conduct a supplementary assessment of the **exact same scope** to support the SAB's final decision.

Common Validation Scope (SAB & VVB): Any validation assessment (internal or external) must provide a formal determination that:

- **Methodological Integrity:** Employed GHG accounting methodologies are scientifically sound, accurate, and correctly applied to the project context.
- **Data Reliability:** Primary data collection demonstrates consistency and reliability, with input data supported by credible technical documentation.
- **Standard Compliance:** The project adequately addresses all eligibility criteria specified by the Inuk Standard Rules, including additionality and safeguards.
- **Technical Conservativeness:** The assessment confirms the strict application of the '**Lowest Value Rule**' for baselines and ensures the **20% uncertainty threshold** for perimeter inclusion has been respected.

Validation ensures project authenticity and legitimacy, confirming genuine contribution to stated objectives rather than theoretical constructs only.

1.1 Validation Procedures

VVB teams must adhere to procedures outlined in the "Project Validation" section of the Inuk Procedures Manual.

1.2 Validation Scope

Audits must validate the following components:

Consistency Assessment: Responses and supporting evidence for each Inuk Standard criterion demonstrate coherence, conservative approach, and validity

Methodology Review: For projects not covered by established Inuk methodologies, verify that GHG accounting encompasses all necessary lifecycle stages and aligns with current carbon accounting best practices

Data Integrity: Input data incorporates actual measurements and appropriate estimates, supported by technical documentation from credible and recognized sources

Model Application: Project Developers utilize greenhouse gas emission accounting to calculate projected emission avoidance and determine Inuk Carbon Credits (ICCs) for issuance. Baseline scenario selection is justified using accurate data and conservative assumptions when necessary

ICC Projection: Annual projected emission avoidance ICC quantities have been validated based on modeled emission reductions and anticipated project output/production volumes

Monitoring Framework: Documentation and indicators proposed in the Monitoring Plan will enable VVBs to verify project eligibility and ICC issuance in subsequent years

2. VVB ACCREDITATION REQUIREMENTS

2.1 Required Accreditation

VVBs must maintain valid accreditation from one of the following:

- **ISO 14065** or recognized equivalent
- **COFRAC ISO:17029** or recognized equivalent
- **Designated Operational Entity (DOE) approval** under UNFCCC-CDM with applicable sectoral scopes: 1, 4, 5, 6, or 13
- Or, for Individual Experts (IE), demonstrated training in GHG Protocol or Bilan Carbone, as well as demonstrated experience in the relevant field.

2.2 Experience Prerequisites

- VVB organizations must demonstrate **minimum 5 years auditing experience (two years for IE)**.
- VVBs & IEs must comply with Inuk Conflict of Interest Policy and confirm independence from carbon market transactions

2.3 Sectoral Expertise

VVBs & IEs must demonstrate knowledge and experience in **energy decarbonization projects** for which accreditation is sought by providing:

- **Lead Auditor curricula vitae**
- **Evidence of engagement on minimum 2 projects** within the sector during the preceding 24 months

Inuk-covered sectors include:

- Fossil fuel replacement with renewable energy systems
- Industrial energy efficiency improvements
- Renewable electricity & heat generation projects
- Low-carbon technological innovations

- Circularity for intense fossil fuels industries (fashion, concrete etc),

2.4 Financial and Transparency Requirements

During application review and annually thereafter, VVBs must:

- Demonstrate organizational financial stability
 - Report all pending legal/regulatory proceedings
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3. APPLICATION PROCESS

3.1 Application Submission

VVBs & IEs submit their application via email at certification@inuk.co. Inuk team can reach out to specific VVB for specific projects. In this case, they follow the same application process described below.

3.2 Application Review

Upon receiving applications, the Inuk team evaluates submitted information and responds following comprehensive review.

Rejection: Inuk declines applications where applicants lack required competencies as specified.

Approval: Inuk approves applications and provides contractual documentation for execution.

3.3 Document Execution

VVBs & IEs must submit executed copies of the [Inuk Conflict of Interest Policy](#) and this Requirements for VVBs document.

3.4 Training Program

The Inuk Secretariat coordinates training sessions with the Certification team covering the Inuk Standard and IGLU Impact Certification Platform.

Methodology-specific training may be scheduled based on accreditation scope.

3.5 Final Accreditation

Upon completion of all requirements, the Inuk Secretariat issues VVB accreditation. Accredited VVBs may commence work with projects seeking

validation under the Inuk program.

4. VVB AUDIT TEAM STRUCTURE AND COMPETENCIES

4.1 Minimum Team Composition

Each VVB must maintain at least two auditors:

- **Lead Auditor**
- **Internal Review Specialist**

Plus additional audit team members as needed. This ensures every project audit team includes minimum two qualified auditors. This criteria does not apply for IEs.

4.2 Lead Auditor Requirements

Lead Auditors must demonstrate:

- Comprehensive knowledge of Inuk Standard and supporting documentation
- Knowledge and experience with emission avoidance project frameworks
- Competency in leading audit engagements and coordinating team members
- When needed, knowledge and experience in blockchain technology

4.3 Collective Team Competencies

Audit teams must demonstrate combined knowledge and expertise in:

- **Inuk Standard Rules, methodologies, and relevant procedures**, plus specific expertise in project type/activity
- **GHG emission avoidance accounting methodology(ies)** applied by projects, including activity data and emission factors
- **Data sampling methodologies**, including risk weighting and statistical significance determination
- **Baseline scenarios and emission avoidance quantification**
- **Core concepts including additionality, leakage, and permanence**
- **Risk evaluation techniques**

- **Data monitoring, auditing, and assurance practices**
- **Document-based reviews of records, data, and documentation**
- **Validation and verification methodologies** to assess evidence accuracy and appropriateness
- **Validation and verification report preparation**

4.4 Field Audit Competencies

On-site audit teams must demonstrate knowledge and expertise in:

- **Country-specific knowledge and language capabilities**
- **Interviewing, active listening, and observation skills**
- **Sensitivity to socio-economic considerations and environmental/social safeguards**

4.5 Quality Control Measures

Appropriate oversight must be implemented through:

- **Internal Review Specialist**, approved by Inuk as lead auditor, conducting final quality assurance/quality control review confirming data accuracy. Internal Reviewers remain independent from direct validation/verification activities
- **Conflict of Interest (COI) declaration** submitted to Inuk's Certification team upon audit team engagement for validation or verification

4.6 VVB Responsibilities

VVBs are responsible for assembling competent and qualified Audit Teams to undertake validation/verification activities prior to engagement commencement.

Lead Auditor curricula vitae and COI declarations must be submitted to the Certification team for approval before providing validation/verification services.

5. VVBs & IEs ROTATION REQUIREMENTS

To preserve impartiality and credibility while reducing complacency and potential bias, **individual VVBs/IEs may conduct maximum three (3) consecutive verifications for any specific project.**

Upon reaching this threshold, Project Developers must engage different VVBs/IEs for subsequent verifications. A six (6) month transition period is provided to secure alternative VVB/IEs services.

Project Developers must maintain comprehensive verification records demonstrating compliance with this requirement.

6. VVB PERFORMANCE MONITORING

6.1 Monitoring Objectives

Regular performance monitoring ensures VVBs consistently deliver accurate, impartial, and timely validation and verification services.

6.2 Performance Metrics

The following criteria will be used to evaluate VVB performance:

- **Timeliness:** Compliance with established timelines for project validation and verification
- **Accuracy:** Correctness of validation and verification processes, calculations, and determinations
- **Consistency:** Uniform application of requirements and methodologies across projects
- **Communication:** Effectiveness and clarity in stakeholder communication
- **Professional Integrity:** Adherence to ethical standards including conflict of interest declarations

6.3 Annual Performance Reporting

Each VVB must submit an **Annual Performance Report** detailing activities, challenges, and improvement opportunities related to Inuk certification process engagement.

6.4 Project Developer Feedback

Project Developers provide feedback on VVB performance following each validation and verification process through a dedicated satisfaction survey.

6.5 Annual Review Process

The Standard Secretariat conducts annual reviews of Performance Reports and assesses VVBs based on established performance metrics.

7. PROJECT VERIFICATION

Following successful validation, the **VVB shall conduct an annual verification audit on the IGLU platform** to assess the correct application of the validated PDD. This includes **verifying primary data accuracy** collected via IoT/APIs and **confirming the annual volume of ICCs** issued during the previous production year based on actual physical performance, as described in the Traceability Guide.

7.1 Verification Process

Comprehensive verification includes:

- **Validity assessment of indicators** presented on IGLU : Conversion Factor, Data relevance etc
- **Evaluation of major reported project changes** such as operational modifications or production output variations (if any)
- **Confirmation of continued eligibility criteria compliance** (if any)
- **Validation of updated GHG accounting calculations** and corresponding ICC issuance quantities (if any)

7.2 Verification Procedures

VVB teams must follow procedures outlined in the "Annual Monitoring & Verification" section of the Inuk Procedures Manual.

7.3 Verification Audit Outcomes

Following comprehensive audit work, expected outcomes include:

Consistency Confirmation: Responses and evidence provided for Monitoring Plan criteria have been verified as consistent and valid

Model Validation: CO2 calculation model remains consistent with validation process or represents latest version of applicable framework

Data Authenticity: Input data incorporates actual measurements and appropriate estimates supported by technical documentation from reliable sources

Project/Process Change Assessment: All significant project/process modifications are properly reported and documented

GHG Accounting Update: GHG calculations have been accurately updated to reflect Monitoring Plan indicators and any significant project/process changes

ICC Verification: Annual emission avoidance ICC quantities based on actual ex-post carbon reductions have been verified

8. IGLU TRACEABILITY TECHNOLOGY

8.1 IGLU Platform Integration

VVBs must familiarize themselves with the **IGLU traceability platform** which enables:

- Real-time monitoring of project production data
- Automated data conversion to ICCs using Conversion Factors (CF)
- Blockchain-based ACO₂ token generation
- Systematic verification of all recorded data points

8.2 IGLU Training Requirements

As part of accreditation, VVBs will receive specific training on:

- IGLU platform utilization
 - Blockchain data verification procedures
 - Conversion factor validation processes
 - ACO₂ token certification protocols
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9. INUK-SPECIFIC REQUIREMENTS - AVOIDANCE PROJECTS

9.1 Emission Avoidance Focus

Unlike other standards, **Inuk exclusively focuses on CO₂ emission avoidance projects** within the energy decarbonization sector. VVBs must possess specific expertise in:

- **Baseline scenario calculations** based on minimum 3-year historical data

- **Financial additionality assessment** (primary criterion)
- **Daily production data validation** (kWh, renewable heat)
- **Personalized conversion factor verification**

9.2 Inuk-Specific Methodologies

VVBs must master Inuk methodologies for:

- Fossil fuel installation replacement with renewable alternatives
- Energy efficiency improvements
- Renewable electricity & heat generation
- Low-carbon technological innovations
- Circularity

9.3 European Geographic Scope

All Inuk projects are located in **Europe (EU + United Kingdom + Switzerland)**.

VVBs must possess knowledge of:

- European energy regulations and policies
 - National electricity grids (Grid Emission Factors)
 - National decarbonization strategies and targets
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