

TIC sector: crucial for the success of the Carbon Border Adjustment Mechanism

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Introduction

The TIC Council, as the voice of international independent third-party testing, inspection, certification and verification organisations, welcomes the Commission's intention to limit carbon leakage.

Independent verification contributes to CBAM's success

We welcome the fact that the total of embedded emissions would be verified by an accredited independent conformity assessment body (Article 8). Independent verification would contribute significantly to the success of CBAM, as it minimises unintentional miscalculations and fraud.

Moreover, independent verification by conformity assessment bodies benefits SMEs who do not have the necessary technical capacity and expertise to conduct such verifications in house.

Thanks to independent verification, SMEs in the EU can continue procuring energy intensive products by trusted providers without risking non-compliance with CBAM.

On the contrary, legislation that is based on self-declaration of conformity is often undermined by the large levels of non-compliance. For example, the European Court of Auditors <u>found</u> that non-compliance undermined the success of Energy Labelling and Ecodesign measures.

Accreditation ensures verifiers' qualification

We welcome that conformity assessment bodies accredited under Regulation 2018/2067 will be regarded as accredited under CBAM too. Through their verification and inspections in the context of the Emissions' Trading System (ETS) our members have gathered the necessary experience and technical capacity to conduct thorough verifications. Developing a new certification scheme for CBAM would be time consuming and unnecessary.

Nevertheless, we are concerned that accreditation bodies may accredit a person as a verifier only by checking the documentation attesting its capacity to apply the verification principles of Annex V. This text should be removed. It would be almost impossible for a person to be accredited for this conformity assessment procedure due to the many requirements to comply with.

We strongly recommend that the accreditation process would be the same for all interested parties that are interested in becoming verifiers under CBAM. Otherwise, sub-optimal verification could undermine the success of CBAM and cause lack of trust in the market.



The role of the TIC sector

Our members play a pivotal role already in the implementation of the ETS in all activities covered by its scope. They also support companies in validating carbon offsetting projects and verifying real emissions reductions throughout projects' lifecycles. In this context, they already prepare for the proper verification of emissions according to CBAM.

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TIC Council is a global association representing over 90 international independent third-party testing, inspection, certification and verification organisations. Testing, Inspection and Certification (TIC) companies cater to a diverse range of industry sectors and a variety of standards and legislation. The industry represents an estimated one million employees across the world with annual sales of approximately USD 200 billion. For further information please see the Report on the TIC sector.