

Procedure name	TUVR-AccredSt07-09-Safeguarding_Impartiality
Version and date	00, 01/12/2022
Active from	01/01/2023
Responsible person	Head, DOE
CDM Standard	CDM Accreditation Standard - Version 7.0, EB98, Annex 4
Relevant paragraphs	25-50
Other relevant procedures	TUVR-AccredSt07-07-Liability and finance TUVR-AccredSt07-08-Entitys management TUVR-AccredSt07-10-Human Resources and Competence TUVR-AccredSt07-12-Val Ver Cert Process
Documents required and associated	09-01-Steering Committee Statute and Members list 09-02-Impartiality Committee Proceedings (date) 09-03-Conflict of Interest Analysis 09-04-Annual Impartiality Synthesis Report 09-05-Annual CDM Report to the Board 010-03-Application for Appointment as Validator/Verifier 010-04-External Employment Contract 010-05-DOE Employment Contract 011-01-Code of Conduct for TUV Rheinland 012-02-Questionnaire 012-03-Contract Review 012-04-CDM Contract (section ‘Declaration of Impartiality’ by client) 013-01-Management Review Document 013-03-QHSE Policy TÜV Rheinland 012-04-CDM contract Annex 09-01-Analysis of Risks Annex 09-02- Analysis of threats to impartiality from DOE activities. Annex 09-03 – Mitigation actions of relationships of DOE personnel that create threats to impartiality. Databases – TUV Rheinland (China) Beijing Network drive’ (‘Beijing Drive’)

- 1 **General**
The DOE shall ensure its integrity at all times in its validation and verification/certification activities, and shall work in a credible, independent, non-discriminatory and transparent manner. The current procedure described how this should be implemented. §25
- 2 The DOE shall act impartially and avoid any conflict of interest that may compromise its ability to make impartial decisions. §26
- 3 The DOE shall ensure that there are no constraints that might influence its judgment or endanger its independence of judgment in relation to its validation and/or verification/certification activities, inter alia, by having sufficient human resources, either through internal or external resources, and financial resources and stability. §27;

Regarding sufficiency of human resources refer to procedure ‘**TUVR-AccredSt07-10-Human Resources and Competence**’.

Regarding sufficiency of financial resources and stability refer to procedure ‘**TUVR-AccredSt07-07-Liability and finance**’.

- 4 The DOE is part of the TUV Rheinland (China) Ltd which is a distinct legal entity under the §28; §29; TUV Rheinland Group.

The DOE has no related bodies (as these defined in the Standard).

The DOE shall ensure that no conflict of interest exists between its validation and / or verification/certification functions and the functions of other parts of the organization. This is ensured by two independent ways:

1. **Internal review at Contract Review Stage** – When a new project is being considered by the DOE, a detailed review is conducted at the Contract Review stage (see also ‘**TUVR-AccredSt07-12-Val and Ver Cert Process**’ procedure). While completing the ‘**012-03-Contract Review**’ sheet, the DOE examines if the project participant had any other links with companies of the TUV Rheinland Group. In case that there is previous cooperation with companies of the TUV Rheinland Group, good practice requires to accept cases where the services offered by TUV Rheinland Group company are not related ie are independent of the emission reduction function of the project under consideration.

For example, there could be a case where a project proponent is investing in a solar energy project using equipment purchased by a third party and the equipment is certified by a TUV Rheinland company in previous periods. In this case, there is no indication that the equipment certification was linked with the carbon function of the project. Therefore, such a link would be acceptable because it does not create any conflict of interest (the two services offered by the TUV Rheinland Group companies are not depended on each other).

2. **Declaration by the client** – As part of the ‘**012-02-Questionnaire**’ the client is asked to identify if there was a previous cooperation with TUV Rheinland Group company and this is further stated by the client in the ‘**012-04-CDM Contract**’ (section ‘Declaration of Impartiality’).

- 5 The personnel of the DOE (internal and external) shall have no relationship that creates threats to §30 impartiality. Such relationships, threats and mitigation action are summarized in Annex 09-01.

Safeguarding Impartiality at the Policy Level

- 6 The current document constitutes the DOE’s approach to establish, document and implement a §31 policy on safeguarding impartiality, demonstrating its understanding of the possible influence that can be exerted on it as an organization and/or on its personnel when performing its validation and/or verification/certification functions, and stressing its commitment to fully address that issue.

- 7 The DOE shall ensure that its policy on safeguarding Impartiality is understood and implemented §32 at all levels of the organizations.

Understanding of the impartiality policy is achieved by training at the qualification stage as per ‘**TUVR-AccredSt07-10-Human Resources and Competence**’ procedure and implementation by signing of the ‘Declarations of Impartiality’ at the ‘**012-03-Contract Review**’ sheet for every project by all members of the audit team at the Contract Review Stage.

- 8 **Impartiality at Policy Level** is ensured by: §33

- (a) Top management commitment to safeguarding impartiality as demonstrated by the **‘013-03-QHSE Policy TÜV Rheinland’**.
- (b) The **‘011-01-Code of Conduct for TUV Rheinland’** which describes the necessity of impartiality in validation and/or verification/certification functions, how it manages conflict of interest and how it ensures the objectivity of validation and/or verification/certification functions;
- (c) Threats to impartiality from external to the DOE organisations are treated as in Table 09-01.

Table 09-01. Mitigation actions of impartiality threats from external to the DOE organisations.

Type of organization	Example of organization	Mitigation action
Other parts of the Organization	Other parts of TUV Rheinland (China) Ltd.	As described in paragraph 4 of this document.
Persons outside the organization	Clients	Threats to impartiality are analysed at Contract Review stage for each project, see ‘012-03-Contract Review’
Outsourced entities	Not applicable.	DOE policies do not allow the use of outsourcing entities or individuals, see ‘TUVR-AccredSt07-08-Entity management’
Related bodies	Not applicable.	DOE has no related bodies
Other bodies and organizations	Industry associations	Threats to impartiality are analyzed at Contract Review stage for each project, see ‘012-03-Contract Review’

- (d) Maintaining a professional environment and culture in the organization that supports behaviour of all personnel that is consistent with impartiality.

The professional culture of TUV Rheinland is epitomized in the **‘011-01-Code of Conduct for TUV Rheinland’**.

- 9 The current document should become available to the UNFCCC CDM Secretariat and to the public through TUV Rheinland’s website: §34
<https://www.tuv.com/greater-china/en/about-us/document-download/>

Safeguarding Impartiality at the organization level

- 10 The DOE has formed an impartiality committee as shown in the **‘TUVR-AccredSt07-08-Entity management’** and described in the **‘09-01-Steering Committee Statute and Members list’**. §35-36
 The aim of the Impartiality Committee is to ensure that the policy on safeguarding impartiality and related procedures and other systems are effectively implemented.

- 11 The impartiality committee, as described in the **‘09-01-Steering Committee Statute and Members list’** is characterized by the following:
- (a) *Be independent from all validation and verification/certification operations of the DOE, and shall report directly to the DOE’s top management;*
- (b) *Have in its composition the participation of key interested parties with a balanced representation of each of them;*
Both (a) and (b) are described in **‘09-01-Steering Committee Statute and Members list’**.
- (c) *Have a chairman who shall be a person independent from and external to the DOE;*
The Chairman of the Impartiality Committee is described in **‘09-01-Steering Committee Statute and Members list’** and is independent and external to the DOE and TÜV Rheinland China Ltd.
- (d) *Have documented terms of reference. This committee shall meet regularly, at least once a year, and a complete record of its proceedings shall be maintained;*
The terms of reference of the Impartiality committee are described in ‘09-01’. The committee will meet annually and records of its proceedings (**‘09-02-Impartiality Committee Proceedings (date)’**) will be maintained and stored at **‘Beijing Drive’**.
- (e) *Approve **the conflict of interest analysis** and the mitigation measures described in section 9.4 below as well as monitor and review the implementation of the systems to safeguard the DOE’s impartiality (conflict of interest analysis, procedures and mitigation strategies and actions);*
The Committee approves the **‘09-03-Conflict of Interest Analysis’** prepared by the DOE management, as described below.
- (f) *Have access to all validation and/or verification/certification files or records and be able to review them, if needed. This committee need not intervene in or review each validation or verification/certification activity, but may need to review them in order to fulfil its mandate;*
The committee has the rights to review all validation and/or verification/certification files or records under DOE’s management.
- (g) *Prepare an annual synthesis report of its activities, which shall be included in the DOE’s annual report to the Board to be submitted in accordance with the CDM accreditation procedure.*
At the organization and policy level, the Impartiality/Steering Committee shall conduct an annual review of its activities regarding impartiality. This review will be titled **‘09-04-Annual Impartiality Synthesis Report’** and shall communicated as part of the DOE’s **‘09-05-Annual CDM Report’** to the Board.
- 12 As described in the **‘09-01-Steering Committee Statute and Members list’**, in cases where the impartiality committee identifies issues through the monitoring or review of the implementation of the DOE’s systems to safeguard impartiality, it shall report the instance to the Head of the DOE. The Head of DOE shall be responsible to examine the issue and report back to the Impartiality Committee within a reasonable timeframe. If feedback and potential subsequent actions from the Head of DOE are considered not sufficient by the Impartiality Committee, this committee shall have the right to report the instance to the Board through the UNFCCC secretariat. §38
- 13 As described in the **‘09-01-Steering Committee Statute and Members list’**, the DOE shall enable a CDM assessment team, upon request, to observe meetings of the impartiality committee, as part of the DOE’s accreditation process. §39

Safeguarding Impartiality at the operational level

- 14 **Analysis of threats against impartiality**
The procedure for the analysing potential threats against impartiality is summarized below. §40
- 15 The DOE shall carry out, under the responsibility of the Head of DOE, a **‘09-03-Conflict of Interest Analysis’** at least once a year and whenever a significant change occurs in the DOE activities such as changes in the organizational structure or of the legal status and mergers with or acquisitions of other organizations. §41
- 16 The **‘09-03-Conflict of Interest Analysis’** should include: §42;43;44
- i) **Analysis of Risks** as summarized in **‘Annex 09-01’**.
 - ii) **Analysis of threats** to impartiality from DOE activities as summarized in **‘Annex 09-02’**.

Mitigation of threats against impartiality

- 17 The procedure for the mitigation of threats against impartiality is summarized below. §45
- 18 The mitigation strategies and actions to be taken and how they will be implemented is presented in **‘Annex 09-03’**. The mitigation actions are categorized as: §46
- (a) **Prohibitions** - certain defined activities shall not be carried out;
 - (b) **Restrictions** - certain defined activities may be carried out, but in a restricted manner with clearly defined control points to ensure mitigation;
 - (c) **Disclosures**.

Mitigation strategies are included in **‘Annex 09-03’**.

- 19 *The DOE shall not conduct the validation and the verification / certification of a CDM project activity or PoA, except in the situations allowed by the Validation and Verification standard.* §47(a)
- This shall be checked by the DOE at the Contract Review Stage and the **‘012-03-Contract Review Sheet’**.
- 20 *The DOE shall not conduct the validation and/or verification/certification of a CDM project activity or PoA if the DOE, a parent organization, an outsourced entity or a related body has been engaged in any function that has been identified as a threat to impartiality, such as those listed in paragraph 43 of the Standard, relating to the CDM project activity or PoA;* §47(b)
- This shall be checked by the DOE at the Contract Review Stage and the **‘012-03-Contract Review Sheet’**.
- 21 *The DOE and the outsourced entities to which the DOE has outsourced one or more functions shall not have any direct relationship with the DOE’s clients and the project participants of the CDM project activities or PoAs under validation and/or verification/certification other than validation and/or verification/certification activities and third party conformity assessments;* §47 (c)
- This shall be checked by the DOE at the Contract Review Stage and the **‘012-03-Contract Review Sheet’**.

- 22 *The DOE shall not outsource any function to an outsourced entity that is engaged in the development, consultancy or financing of any CDM project activity or PoA.* §47 (d)

The DOE does not outsource any functions. In case the DOE decides to outsource any functions, the Head of DOE would have the responsibility to do a proper due diligence to the candidate entities such that any entities that are engaged in the development, consultancy or financing of any CDM project activity or PoA are excluded.

- 23 *The DOE shall not use for the verification/certification of a CDM project activity or PoA personnel who was involved in the validation team of such CDM project activity or PoA, except in the cases in which a DOE is allowed to conduct both the validation and verification/certification in accordance with item para 47(a) of the Standard.* §47 (e)

This shall be checked by the DOE at the Contract Review Stage in the **‘012-03-Contract Review Sheet’**.

- 24 *The DOE shall not use validation or verification/certification personnel, internal or external, in the validation or verification/certification of a CDM project activity or PoA if:* §47 (f)

- (i) *They, or the organization that employs them, have been involved in the development, consultancy or financing of this CDM project activity or PoA; or*
- (ii) *They have had any professional relationships, other than a third party conformity assessment, with the project participants of this CDM project activity or PoA within the last two years;*

The assessment of conflict of interest and maintenance of impartiality for the staff, or the organization that employs them, assigned to each project is carried out at the stage of ‘Contract Review’ and is documented in the **‘012-03-Contract Review Sheet’**.

In order to for this assessment to be carried out, it is requested from prospective clients to declare in the **‘012-02-Questionnaire’** the organisations involved in the proposed project and have contractual relationship under the prospective client and/or Project Participant. These organizations could be involved in:

- Identification / development
- Financing
- Consultancy (technical, design, engineering)
- Consultancy (carbon, PDD, monitoring)

It must be clearly noted that the DOE is required to assess impartiality risks only regarding to Project participants and *not* the entities with contractual relationships under them.

For example, the Project Participant might use some other companies as subcontractors or technology providers).

The DOE will restrict the assessment of impartiality to the Project Participant *and* any entity under the Project Participant that the auditors come into substantial exchange of information during the audit process, but not all of them.

For example, if a project needs to justify its additionality based on ‘first of it’s kind’ because an innovative technology is being applied, then the auditor shall have substantial information exchange with the technology provider, and as a result the assessment of impartiality shall be extended to the technology provider.

- 25 *The DOE's activities shall not be marketed or offered as linked with the activities of an organization that provides services in respect of development, financial assistance and consultancy for CDM project activities or PoAs. The DOE shall not state or imply that the validation and/or verification/certification of a CDM project activity or PoA would be simpler, easier, faster or less expensive if a specified consultancy/financing organization is used.* §47 (g)

Under the responsibility of the Head of the DOE, marketing schemes as described above are not allowed.

- 26 *The DOE shall require its personnel, internal and external, to reveal any potential conflict of interest known to them. The DOE shall use this information as input to identifying threats to impartiality raised by the activities of such personnel or by the organizations that employ them, and shall not use such personnel, internal or external, unless any potential conflict of interests has been addressed and the measures taken to address these potential conflicts have been documented and implemented. If during the course of a validation and/or verification/certification, such instances become known, the personnel concerned shall be removed from the validation and/or verification/certification immediately.* §47 (h)

As in paragraph 24.

- 27 *The DOE shall require its personnel, internal and external, to report any situation of influence or pressure from project participants that may threaten their independence in the course of the validation and/or verification/certification of CDM project activities or PoAs. Based on such report, the DOE shall take appropriate actions to ensure its independence in its validation and/or verification/certification activities;* §47 (g)

This is demonstrated in the **'011-01-Code of conduct for TUV Rheinland'**.

- 28 *The conditions in the DOE's contracts with project participants shall not link the DOE's payments to the final outcome of the validation or verification/certification activities.*

This is demonstrated at the Terms and Conditions of the **'012-04-CDM contract'**.

- 29 *The DOE's personnel involved in validation and/or verification/certification activities shall be bound by the DOE's impartiality policy and act impartially in their work through contractual or employment conditions and assignment conditions for each validation and/or verification/certification.*

This is demonstrated by the **'10-03-Application for Appointment as Validator/Verifier form'**, **'10-04-External Employment Contract'** and **'10-05-DOE Employment Contract'**.

- 30 *The DOE's personnel involved in validation and/or verification/certification activities shall not provide, while conducting the validation or verification/certification of a CDM project activity or PoA, any advice, consultancy or recommendation to the project participants on how to address any deficiencies that may be identified in the validation or verification/certification.*

This is demonstrated by the **'10-04-External Employment Contract'** and **'10-05-DOE Employment Contract'** where the auditors are requested to sign that they comply with the above requirement.

Review of effectiveness

- 31 The DOE shall analyse and review, at least once a year, all data and information relevant to impartiality, more specifically: §48
1. Information from the annual **‘09-03-Conflict of interest analysis’**
 2. Information from the implementation of **‘Annex 09-03’** especially regarding mitigation strategies and actions undertaken
 3. Information from any non-conformity raised with regard to impartiality and the corrective actions implemented to correct the non-conformities

Based on the data/information referred above, the DOE shall carry out, under the responsibility of the Head of DOE, once a year, an analysis of the process to safeguard impartiality and a review of its effectiveness, including, if applicable, recommendations for improvement. This analysis should be presented in **‘013-01-Management Review Document’** as part of the annual **‘Management Review’**. §49
§50

The recommendations of actions resulting from the review of the process of safeguarding impartiality shall be reported to the DOE’s top management as part of the **‘013-01-Management Review Document’**.

The DOE shall keep a record of this review (electronic version preferred) at the **‘Beijing Drive’**.

-END-

Revision History:

SL No	VERSION	REASON FOR CHANGE	APPROVAL
1	00	Initial version of the Procedure to comply with Accreditation Standard 07.	Ms. Jessie Wang Dated 01/12/2022

The initial version is considered as “00” and further changes to this version will continue to be in order of “01 ...”

Annex 09-01-Analysis of Risks

Risk		Risks Analysis	Risk Management
Source of revenue	Project	<i>payments beyond remuneration</i>	<p>Prohibition: Described in the ‘011-01-Code of Conduct for TÜV Rheinland’</p> <p>Restriction: Personnel will be subject to legal suit and also shall be dismissed from the project</p> <p>Disclosure: -</p>
	Organization	<i>numerous contracts with same Client</i>	<p>Prohibition: No prohibition. Checked at contract review stage – ‘012-03-Contract Review Sheet’</p> <p>Restriction: Review situation if one client more than 20% of the contracted projects.</p> <p>Disclosure: -</p>
	Related Body	<i>contracts with same Client</i>	<p>Prohibition: The DOE does not have any related bodies. In case a related body is established then the provisions of 47 (c) and 47 (f) of the Standard shall apply.</p> <p>Restriction: no prior relations</p> <p>Disclosure: If the DOE has established related bodies these are disclosed to EB</p>
Self-interest	Project	<i>accepting work orders beyond qualification or capacity</i>	<p>Prohibition: According to the ‘011-01-Code of Conduct for TÜV Rheinland’ the DOE shall not accept work orders beyond qualification.</p> <p>Restriction: Capacity and impartiality checked at contract review stage – ‘012-03-Contract Review Sheet’</p> <p>Disclosure: -</p>
	Organization	<i>could be involved in activities such as CDM consultancy, CDM financing, laboratory testing, calibration, CDM training and PDD development / could aim to maximize revenue and profits, disregarding balanced objectives</i>	<p>Prohibition: The DOE is not allowed to be involved in activities such as CDM consultancy, CDM financing, laboratory testing, calibration, CDM training and PDD development.</p> <p>Restriction: Under the responsibility of DOE management, the highest objective of the DOE would be to maintain its standards of quality and impartiality.</p> <p>Disclosure: -</p>
	Related Body	As in Organization	As in Organization
Self-review	Project	<i>reviewing own work</i>	<p>Restriction: process ensures independent reviewer <i>Identification, development and/or financing of CDM PA, consultancy, training, engagement with CDM PP within 2 years (b)</i></p> <p>Disclosure: Declaration of Impartiality</p> <p>Restriction: no assignment</p>
	Organization	same as project	same as project
	Related	same as project	same as project

	Body		
Familiarity (or trust)	Project	<i>Not seeking evidence during the audit because of a feeling of familiarity with the project</i>	<p>Prohibition: The DOE shall not conduct both the validation and verification/certification of a CDM project activity or PoA, except in the situations allowed by the Validation and Verification Standard</p> <p>Restriction:</p> <p>i) The DOE shall not use for the verification/certification of a CDM project activity or PoA personnel who was involved in the validation team of such CDM project activity or PoA, except in the cases in which a DOE is allowed to conduct both the validation and verification/certification.</p> <p>ii) In case the DOE perform the 1st validation for a large scale project activity/PoA, the DOE can perform the the renewal of crediting period for the same project activity or PoA. However, in case the DOE perform the renewal of crediting period for a large scale project activity/PoA (considered as a validation function), the DOE cannot perform the verification function for the same project activity or PoA for the renewed crediting period</p> <p>iii) the DOE shall assign a different person in the third verification or even as applicable, if required send different auditors for validation and verification in case of small scale projects.</p> <p>iv) This is exempted for TR and External Technical / local expert as they are not directly involved in full process of the audit, but only under the declaration that they don't have any kind of relationship with the CDM PP apart from validation/verification on which they are engaged for.</p> <p>Disclosure: auditor declares not been involved in, or have had no relationships with the CDM PPs within past two years.</p>
	Organization	same as project	same as project
	Related Body	same as project	same as project
Intimidation	Project	<i>being or feeling coerced / coercive contracts or business practice / being threatened/ influenced/pressurized that restrict their independence in engaging validation/verification activity</i>	<p>Prohibition: Engaging to work without 'declaration of impartiality. Also or providing consultation / advice / recommendation to clients. If cases of intimidation are verified, then cancel the CDM contact.</p> <p>Restriction: no assignment, corporate legal functions, Code of Conduct</p> <p>Disclosure: The DOE shall require its personnel, internal and external, to report any situation of influence or pressure from project participants that may threaten their independence in the course of the validation and/or verification/certification of CDM project activities or PoAs. Based on such report, the DOE shall take appropriate actions to ensure its independence.</p>
	Organization	same as project	same as project
	Related Body	same as project	same as project

Annex 09-02- Analysis of threats to impartiality from DOE activities.

Activity	Threat	
Identification, development and/or financing of CDM project activities and PoAs;	Analysis:	The DOE being directly involved with the identification, development and/or financing of CDM project activities and PoAs and at the same time offering auditing services for the same projects.
	Management:	Not permitted.
Consultancy related to CDM project activities and PoAs;	Analysis:	The DOE offering consultancy services for the same projects where auditing services are provided. The DOE engages to work with a client without declaration of impartiality
	Management:	Consultancy services related to CDM and PoAs are not permitted. The DOE's personnel involved in validation and/or verification/certification activities shall not provide, while conducting the validation or verification/certification of a CDM project activity or PoA, any advice, consultancy or recommendation to the project participants on how to address any deficiencies that may be identified in the validation or verification/certification. Assessment and Declaration of impartiality at the '012-03-Contract Review sheet'
Providing training on CDM project activities and PoAs and other related topics	Analysis:	The DOE providing CDM-related training to a client where the DOE also provides auditing services.
	Management:	Not permitted.
Marketing and tie-up promotion with CDM consultancy/financing organizations	Analysis:	Providing statements or imply that the CDM PA is simpler, easier, faster or less expensive if any consultancy/ financing organizations are used; DOE/AIE marketing or activities offered as linked with the activities of an organization (consultancy or relative bodies) that provide services in respect of development, financial assistance and consultancy for CDM PA;
	Management:	Not permitted.
Offering/payment of commissions or other inducements for promotion or new business	Analysis:	Offering/payment of commissions or other inducements for promotion or new business is against '011-01-Code of conduct for TUV Rheinland' and absolutely not permitted.
	Management:	Not permitted.
Laboratory testing and calibration for CDM project activities and PoAs	Analysis:	Other part so TUV Rheinland Group might be requested to provide laboratory and calibration services to equipment used in the CDM projects, for example metering equipment. Considered limited risk to impartiality because equipment is installed anyway, irrespectively is TUV Rheinland DOE would perform the audit or not.
	Management:	Acceptable.
Use of personnel for the validation and/or verification/certification of a CDM project activity or PoA who were previously associated with the CDM project participants in their personal capacity or otherwise for any activity such as development, consultancy, training, etc.	Analysis:	If the involvement of the personnel under consideration was more than two years, then it is considered sufficient to assure that any previous relationship would not affect the impartiality of the personnel.
	Management:	Team composition is checked at the 'Contract Review Stage' If more than two years ago, then accept and continue the process as normal, including '012-05-Declaration of Impartiality and Independence'. If less than two years ago, then change the team composition.

Other organizational considerations such as performance targets in financial terms or in terms of a specific number of CDM project activities and PoAs to be validated and/or verified/certified during a period of time	Analysis:	<p>The DOE shall not use validation or verification/certification personnel, internal or external, in the validation or verification/certification of a CDM project activity or PoA if:</p> <p>(i) They, or the organization that employs them, have been involved in the development, consultancy or financing of this CDM project activity or PoA; or</p> <p>(ii) They have had any professional relationships, other than a third party conformity assessment, with the project participants of this CDM project activity or PoA within the last two years;</p>
	Management:	Not permitted.

Annex 09-03 – Mitigation actions of relationships of DOE personnel that create threats to impartiality.

Common Ownership

Relationship	Risks	Mitigation	Balances
Stockholder of our Client or having kinship with its owners	Potential conflict of interest: Could be seen as affecting impartiality	Auditor/expert contract requires disclosure of such relationship	Auditor/Expert may not be assigned on this project
Internal business unit providing training courses and seminars	Potential conflict of interest: Seen as consultation, especially Client-on-site training	Trainings and seminars are open to public. Trainers are appointed auditors with a contract precluding consultation	Training functions kept advised of the accreditation standard requirements

Management

Relationship	Risks	Mitigation	Balances
Financial self-interest	Recognized potential threat to impartiality per ISO/IEC 17021, 4.2.2 and 4.2.4 a)	Personnel engaged in technical decisions is not paid by number or positive outcome of audited projects	Management has balanced set of objectives and emphasizes impartiality

Personnel

Relationship	Risks	Mitigation	Balances
Doing internal audits or consulting for Client	Seen as consultation, e.g. in ISO/IEC 17021, 5.2.6, 5.2.7, 5.2.8, 5.2.10	Prohibited within ± 2 years of audit, also for related organizations	Do not provide any recommendation of consultants if asked by client
Experts and translators working with other business units within the company	This is viewed as risk to impartiality, objectivity and confidentiality	Engagement with a signed contract precluding consultation	Work under supervision and guidance of appointed auditors
Performance based remuneration	Can be perceived to reduce impartiality in order to achieve a target. Financial self-interest is a recognized potential threat, e.g. in ISO/IEC 17021, 4.2.2 and 4.2.4 a), ISO/IEC 17025, 4.1.4	Open performance criteria which relate to quality of work. DOE does not use quantitative targets linked to financial remuneration on its staff. Confidential advice or reporting to Compliance Officer or Compliance Hotline.	Remuneration for performance is intended to foster collaboration as a team
Immediate family members of the auditor working for Client	This is viewed as risk to confidentiality and independent audit	Declaration of no conflict of interest and compliance to company code of conduct	If possible, assign different personnel to the project.

Shared resources

Relationship	Risks	Mitigation	Balances
Personnel contracted in sister companies	Threats to impartiality arising from 1. being involved in design or consultation unaware a sister company performs approval or certification-related services 2. working on commission for bringing orders or clients.	Four-eyes principle of not reviewing own work implemented in the processes of Technical review during validation and verification	Technical review procedure centralized in DOE with independent reviewers.
Sub-contractors, e.g. external auditors, professionals	might accept customer engagement as consultant or work for sales commission	Engage only auditors who signed the contract precluding consultation	We do not assign to audit companies they consulted, within 2 years before
Committees, e.g. Steering Committee	Undue influence on certification decision	Scope of influence defined in '09-01 Steering Committee Statute'	Involved in policies, appeals and claim escalation

Relationship	Risks	Mitigation	Balances
Advisory Board Member with personal relations to a Client, supplier or employee of ours, or other certification body	Can be seen as potential conflict of interest, ISO/IEC 17021, clause 4.2.	Annual declaration of relations. Do not participate in appeals, claim escalation etc. if there are relations	Involve the members only in policies or in review of our impartiality but not specific project work

Finances

Relationship	Risks	Mitigation	Balances
Client is paying for certification	Recognized potential threat to impartiality per ISO/IEC 17021, 4.2.2 and 4.2.4 a)	Personnel/operation engaged in technical decisions is not paid by number or outcome	Management has balanced set of objectives and respects impartiality of services

Contracts

Relationship	Risks	Mitigation	Balances
Outsource audits to a management system consultancy organization	Seen as marketing of certification together with consultancy	Activity is prohibited, ISO/IEC 17021, 5.2.8	Outsource audits to independent external personae, although outsourcing is not permitted currently.

Marketing

Relationship	Risks	Mitigation	Balances
Independent consultants familiar with our services, e.g. from working as auditor	Marketing consultation together with certification ISO/IEC 17021, clause 5.2.9	Do not provide any recommendation of consultants if asked by client	Training through experience exchange keeps consultants updated of requirements
Inappropriate claims by any consultancy organization	Discredit our reputation and independence as a certification body	Use of our brand name and trademark requires prior permission	Reputation monitoring.

Payment of a sales commission

Relationship	Risks	Mitigation	Balances
Paying employees for referring Clients	Could be seen as affecting impartiality.	Such financial incentives are not permitted.	QM statement: <i>"Remuneration of the personnel employed for the purpose of inspections does not depend on the number of inspections carried out, nor on the results of such inspections."</i>
Paying sub-contractors for referring Clients	Seen as affecting impartiality. May cause conflict of interest with referrer	Sub-contracts are not permitted.	If subcontractors are permitted, then they should choose either commission or payment for subcontracted work, but not both

Other inducement for the referral of new clients

Relationship	Risks	Mitigation	Balances
Recommending specified consultancy organization	Discredit our reputation and independence as a certification body	Do not provide any endorsement of consultants if asked by client	Do not provide any recommendation of consultants if asked by client

Etc.

Relationship	Risks	Mitigation	Balances
Other Business relationship with Client	Potential accusation of preferential treatment	Publicly available policy on Impartiality, Independence and Integrity, quoted in management manual	Publication of all certifications on UNFCCC website
Employees being customers of our Client	Potential conflict of interest: Could be seen as affecting neutrality	Self-declaration, if in doubt, do not work with this Client (refusal)	Being a customer gives an additional viewpoint on quality