

# Application of the Oeko-Institut/WWF-US/ EDF methodology for assessing the quality of carbon credits

This document presents results from the application of version 3.0 of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF-US) and Environmental Defense Fund (EDF), for assessing the quality of carbon credits. The methodology is applied by Oeko-Institut with support by Carbon Limits, Greenhouse Gas Management Institute (GHGMI), INFRAS, Stockholm Environment Institute, and individual carbon market experts. This document evaluates one specific criterion or sub-criterion with respect to a specific carbon crediting program, project type, quantification methodology and/or host country, as specified in the below table. Please note that the CCQI website <u>Site terms and Privacy Policy</u> apply with respect to any use of the information provided in this document. Further information on the project and the methodology can be found here: <u>www.carboncreditquality.org</u>

Sub-criterion:	2.4.2: Carbon crediting program provisions for avoiding double claiming with NDCs
Carbon crediting program:	CAR
Assessment based on carbon crediting program documents valid as of:	30 June 2021
Date of final assessment:	25 May 2022
Score:	1.4

Contact info@oeko.de www.oeko.de

Head Office Freiburg P. O. Box 17 71 79017 Freiburg

**Street address** Merzhauser Straße 173 79100 Freiburg Phone +49 761 45295-0

Office Berlin Borkumstraße 2 13189 Berlin Phone +49 30 405085-0

Office Darmstadt Rheinstraße 95 64295 Darmstadt Phone +49 6151 8191-0

# Assessment

This sub-criterion is only applicable to carbon credits used for purposes for which double claiming with the host country NDC should be avoided (see methodology for further information).

# Indicator 2.4.2.1

# Relevant scoring methodology provisions

"The program either does not allow registering multi-country projects (i.e., projects which implement the mitigation measures in more than one country, such as under a programmatic approach) or, if the carbon crediting program allows registering multi-country projects, it has established provisions to identify for each carbon credit the relevant host country, through an attribute to each issued credit (e.g., in the serial number of the credit or through an identifier in the relevant registry)."

# Information sources considered

- 1 CAR registry, available at <u>https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</u>
- 2 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>

# Relevant carbon crediting program provisions

Provision 1 Source 2, section 2.9: "The registry itself is designed to mitigate the risk of double counting through transparency. Each CRT has a unique serial number, identifying, among other things, the location of the project, the relevant protocol, and the vintage year of the GHG reductions. All issuances and retirements are immediately public. Cancellations for other programs are made public. Any user may review all CRT retirements and view the serial numbers, as well as the reason for retirement. In addition, verification reports are made public, providing an additional source of detailed information regarding the generation of the GHG reductions".

# Assessment outcome

Yes (2 Points)

# Justification of assessment

The program does not explicitly exclude multi-country projects, but the location and country where a project is implemented is provided in the registry: The registry has a "Project Site Location" field as well as a field for the country and state which need to be completed by the project developer (Source 1). The Reserve fulfils this indicator because this information is identifiable "through the project".

# **Relevant scoring methodology provisions**

"The program either does not allow registering projects that are implemented in one country but may (partially) reduce emissions or enhance removals in other countries (e.g., in the case of a multicountry electricity grid) or it has established provisions to identify whether such situations occur and, if yes, to identify in which country each carbon credit's associated emission reductions or removals occurred. For each carbon credit, the country where the carbon credit's associated emission reductions or removals occurred is identifiable, either through an attribute to each issued credit (e.g., in the serial number of the credit) or through an identifier in the relevant registry."

# Information sources considered

- 1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>
- 2 CAR registry, available at <u>https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</u>
- 3 Serial Number Guide, available at <a href="https://www.climateactionreserve.org/how/projects/serial-number-guide/">https://www.climateactionreserve.org/how/projects/serial-number-guide/</a>
- 4 Information provided by CAR

# Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1: "Does the project type create direct or indirect emission reductions? All else equal, **the Reserve will focus on project types that result in direct reductions**. Direct emission reductions are generally easier to verify because the sites where they occur can be directly monitored. When emission reductions occur at sites or sources owned by the project developer, there is also less risk that an entity other than the project developer will claim ownership of the reductions. Thus, these projects are unlikely to be at risk for double counting or ownership issues".
- Provision 2 Source 1, section 2.9: "The registry itself is designed to mitigate the risk of double counting through transparency. Each CRT has a unique serial number, identifying, among other things, the location of the project, the relevant protocol, and the vintage year of the GHG reductions. All issuances and retirements are immediately public. Cancellations for other programs are made public. Any user may review all CRT retirements and view the serial numbers, as well as the reason for retirement. In addition, verification reports are made public, providing an additional source of detailed information regarding the generation of the GHG reductions".

# Assessment outcome

Yes (1 Point)

# Justification of assessment

Although CAR typically focuses on project types that result in direct emission reductions (Provision 1), it does have protocols that credit indirect emission reductions. The Article 5 ODS Protocol in particular credits destruction of ODS sourced from developing countries (listed in Article 5 of the Montreal Protocol). CAR only registered 5 of these projects – all in 2010-2012. Destruction must occur at facilities in the United States, but emissions are avoided in the countries from which the ODS is sourced. For this project type, the fields in the registry are filled in a different way than for other project types: The credits are serialized with the location of where the destruction occurred (as visible in the field "Project Site State"). In the field "Project Site Location" in the registry, project developers are required to enter the source location. This field is represented as a column in all of the Reserve's project public reports: Projects, Project Offset Credits Issued, Retired Offset Credits, and Cancelled Offset Credits reports (source 2). The Reserve fulfils this indicator because it has provisions to identify in which country each carbon credit's associated emission reductions or removals occurred.

# Indicator 2.4.2.3

# **Relevant scoring methodology provisions**

"The program has established provisions that allow project owners to voluntarily identify for each carbon credit the calendar year in which the associated emission reductions or removals occurred, and to assign to each issued carbon credit an attribute indicating the calendar year, ensuring that only one calendar year is assigned to each carbon credit

# OR

The program has established provisions that require project owners to identify, for each carbon credit that is eligible to be used for purposes for which double claiming with the host country NDC should be avoided, the calendar year in which the associated emission reductions or removals occurred, and to assign to each issued carbon credit an attribute indicating the calendar year, ensuring that only one calendar year is assigned to each carbon credit.

In addition, the carbon crediting program has established provisions that require that carbon credits are allocated proportionally to calendar years based on when the project caused emission reductions or removals to occur."

# Information sources considered

- 1 CAR registry, available at <u>https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</u>
- 2 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>
- 3 Serial Number Guide, available at <a href="https://www.climateactionreserve.org/how/projects/serial-number-guide/">https://www.climateactionreserve.org/how/projects/serial-number-guide/</a>
- 4 Monitoring Report templates, available at <u>https://www.climateactionreserve.org/how/program/documents/</u>

5 Forest Project Protocol, version 4.0, June 2017, available at https://www.climateactionreserve.org/how/protocols/forest/

#### Relevant carbon crediting program provisions

- Provision 1 Source 2, section 2.9: "The registry itself is designed to mitigate the risk of double counting through transparency. Each CRT has a unique serial number, identifying, among other things, the location of the project, the relevant protocol, **and the vintage year of the GHG reductions**. All issuances and retirements are immediately public. Cancellations for other programs are made public. Any user may review all CRT retirements and view the serial numbers, as well as the reason for retirement. In addition, verification reports are made public, providing an additional source of detailed information regarding the generation of the GHG reductions".
- Provision 2 Source 3: Serial Number Guide:

Identifier	Description	Range of Values	
Originating Registry	Alphanumeric used to identify the registry originally issuing project credits. If transfer agreements between additional registries are created in the future, they would use other codes.	CAR = Climate Action Reserve	
Unit type	Identifier of the type of offset credit issued	1 = Climate Reserve Tonne (CRT) ROC = Registry Offset Credit	
Project Country	Two-letter ISO country codes	US = United States MX = Mexico	
Project ID	Number assigned by the Reserve to identify the project; unique to the originating registry		
Project Type	Number identifying the project category	<ul> <li>1 = Forest Conservation-Based Management</li> <li>2 = Forest Conservation</li> <li>3 = Reforestation</li> <li>4 = Landfill Gas Capture/Combustion</li> <li>5 = Livestock Gas Capture/Combustion</li> <li>6 = Improved Forest Management</li> <li>7 = Avoided Conversion</li> <li>22 = Urban Forestry – Municipality</li> <li>23 = Urban Forestry – Educational Campus</li> <li>24 = Urban Forestry – Utility</li> <li>27 = Organic Waste Digestion</li> <li>28 = Coal Mine Methane – VAM</li> <li>29 = Coal Mine Methane – Drainage</li> <li>30 = Nitric Acid N2O- Secondary Catalyst</li> <li>31 = Nitric Acid N2O- Tertiary Catalyst</li> </ul>	

		<ul> <li>32 = Ozone Depleting Substances – U.S</li> <li>33 = Ozone Depleting Substances – Article 5</li> <li>Imports</li> <li>34 = Rice Cultivation</li> <li>36 = Nitrogen Management</li> <li>102 = Reforestation – ARB Compliance</li> <li>105 = Livestock – ARB Compliance</li> <li>122 = Municipality – ARB Compliance</li> <li>123 = Educational Campus – ARB Compliance</li> <li>124 = Utility – ARB Compliance</li> <li>125 = Improved Forest Management – ARB</li> <li>Compliance</li> <li>126 = Avoided Conversion – ARB Compliance</li> <li>132 = Ozone Depleting Substances – U.S. – ARB</li> <li>Compliance</li> </ul>
Project Developer ID	Number assigned by the Reserve for the project developer; unique to the originating registry	
Project State Abbreviation	Two-letter state abbreviation	
Vintage	Year the emission reduction/removal occurred	Format = YYYY
Batch Number	Number assigned to each batch of offsets created; unique to the originating reserve	1 – 99,999
Unit Serial Block Start	Numbers assigned by the Reserve	1 – 999,999,999
Unit Serial Block End	Numbers assigned by the Reserve	1 – 999,999,999

Provision 3 Source 4, monitoring templates for landfill projects:

List estimates in units of tCO<sub>2</sub>e. If the reporting period spans multiple vintages, please list the calculated reductions per vintage.

Vintage:	
Baseline Emissions:	
Project Emissions:	

Provision 4 Source 5, section 8.3.3: For forest projects for which there are no such reporting tables included in the monitoring report templates, it is specified that "Vintages are assigned to CRTs based on the proportion of days in each calendar year within a reporting period".

#### Assessment outcome

The second of the two conditions is met (2 Points).

In addition, the program has provisions in place requiring carbon credits to be allocated proportionally to calendar years based on when the project caused emission reductions or removals occurred (1 Point).

# Justification of assessment

The program has established provisions that require project owners to identify for each carbon credit the calendar year in which the associated emission reductions or removals occurred. In the registry, the vintage year is clearly attributed to each carbon credit issued (Provisions 1 and 2 as well as Source 1).

In addition, the program has provisions in place requiring carbon credits to be allocated proportionally to calendar years based on when the project caused emission reductions or removals occurred (Provisions 3 and 4).

# Indicator 2.4.2.4

#### **Relevant scoring methodology provisions**

"The program has established provisions for project owners or the program to obtain and publicly report Article 6 authorizations from host countries (or, where applicable, the country where the project will cause emission reductions or removals), consistent with relevant decisions under the Paris Agreement."

#### Information sources considered

1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.10.4: "The Reserve will adhere to any future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), ICAO, and any relevant emission reduction project's host country to prevent double counting. **Specific procedures have not yet been implemented for obtaining host country attestations as international guidelines and processes regarding this issue have not been established.** Once these guidelines and processes are in place, the Reserve commits to implementing procedures to ensure credits representing emission reductions that have occurred after December 31, 2020 have obtained such host country attestations in order to be recognized under CORSIA. Any credits that have been retired for CORSIA compliance (and therefore subject to a corresponding adjustment to avoid double counting) will be noted publicly in the Reserve registry".

#### Assessment outcome

No (0 points).

# Justification of assessment

The above documentation specifies that the indicator is not fulfilled. However CAR is working towards establishing corresponding procedures. It stated explicitly that the Reserve will modify its current architecture to incorporate new guidance and that a process is already underway for reviewing host country attestations in relation to CORSIA.

# Indicator 2.4.2.5

# Relevant scoring methodology provisions

"The program has established provisions that require its own employees, sub-contractors, as well as project owners to commit to anti-corruption policies and practices with regards to obtaining Article 6 authorization."

#### Information sources considered

- 1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf
- 2 CAR's CORSIA application, available at <u>https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx</u>

# Relevant carbon crediting program provisions

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# Assessment outcome

No (0 points)

# Justification of assessment

CAR's methodologies and documents do not include any provisions on the issue so that the indicator is not fulfilled.

# Indicator 2.4.2.6

#### Relevant scoring methodology provisions

"The program has established provisions for reporting relevant information on authorized carbon credits to the host country, including on the cancellation or use of authorized carbon credits."

### Information sources considered

- 1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>
- 2 CAR's CORSIA application, available at <u>https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx</u>

### Relevant carbon crediting program provisions

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#### Assessment outcome

No (0 Points).

#### Justification of assessment

The program does not have established provisions for reporting relevant information on authorized carbon credits to the host country. The indicator is not fulfilled.

# Indicator 2.4.2.7

### **Relevant scoring methodology provisions**

"The program has established provisions to obtain evidence of the appropriate application of adjustments from the host country (or, where applicable, the country in which the carbon credit's associated emission reduction or removal occurred)."

#### Information sources considered

- 3 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf
- 4 CAR's CORSIA application, available at <u>https://www.icao.int/environmental-</u> protection/CORSIA/Pages/TAB2019.aspx

# Relevant carbon crediting program provisions

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# Assessment outcome

No (0 points)

# Justification of assessment

CAR's methodologies and documents do not include any provisions on the issue so that the indicator is not fulfilled. However, CAR has a process in place to review the provision of evidence of application of adjustments by the Host Country in the context of CORSIA.

# Indicator 2.4.2.8

#### **Relevant scoring methodology provisions**

"The program has established provisions to qualify and earmark carbon credits as eligible for uses for which double claiming with the host country NDC needs to be avoided, once all relevant requirements have been satisfied."

#### Information sources considered

- 1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf
- 2 CAR registry, available at <u>https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</u>

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.10.4: "The Reserve will adhere to any future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), ICAO, and any relevant emission reduction project's host country to prevent double counting. Specific procedures have not yet been implemented for obtaining host country attestations as international guidelines and processes regarding this issue have not been established. Once these guidelines and processes are in place, the Reserve commits to implementing procedures to ensure credits representing emission reductions that have occurred after December 31, 2020 have obtained such host country attestations in order to be recognized under CORSIA. Any credits that have been retired for CORSIA compliance (and therefore subject to a corresponding adjustment to avoid double counting) will be noted publicly in the Reserve registry".

#### Assessment outcome

No (0 points)

# Justification of assessment

Provision 1 as well as the column in CAR's registry "CORSIA eligible" (source 2) show that CAR has already established a label for ear-marking credits as CORSIA eligible. However, no process or label is in place yet for all kinds of purposes for which double claiming with the host country NDC needs to be avoided. The indicator is therefore not fulfilled.

# **Relevant scoring methodology provisions**

"The program has established provisions to cease qualifying and earmarking carbon credits as eligible for uses for which double claiming with the host country NDC needs to be avoided in the event that evidence for the appropriate application of corresponding adjustments cannot be obtained within two years after the country was due to provide information on the appropriate application of corresponding in according to decisions by the CMA."

# Information sources considered

- 1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve\_Offset\_Program\_Manual\_March\_2021.pdf</u>
- 2 CAR registry, available at <u>https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</u>

# Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.10.4: "The Reserve will adhere to any future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), ICAO, and any relevant emission reduction project's host country to prevent double counting. Specific procedures have not yet been implemented for obtaining host country attestations as international guidelines and processes regarding this issue have not been established. Once these guidelines and processes are in place, the Reserve commits to implementing procedures to ensure credits representing emission reductions that have occurred after December 31, 2020 have obtained such host country attestations in order to be recognized under CORSIA. Any credits that have been retired for CORSIA compliance (and therefore subject to a corresponding adjustment to avoid double counting) will be noted publicly in the Reserve registry".

# Assessment outcome

No (0 points)

# Justification of assessment

The above documentation shows that CAR does not have any procedure is in place to cease qualifying and ear-marking credits as eligible in the event that evidence for the appropriate application of corresponding adjustments cannot be obtained. Therefore, the indicator is not fulfilled.

However, the program has explained that corresponding adjustments to its regulations will be made in the future once rules on double claiming with the host country NDC have been decided. It has also stated that the respective updates to its systems would be straightforward and easy to implement.

# **Relevant scoring methodology provisions**

"The program has established robust provisions for replacing carbon credits for which the evidence of the appropriate application of corresponding adjustments cannot be provided within two years after the country was due to report on the application of corresponding adjustments in accordance with decisions by the CMA. The replacement provisions ensure that the relevant credits are only replaced by credits issued for emission reductions or removals that have been qualified by the program as eligible for uses for which double claiming with the host country NDC needs to be avoided."

# Information sources considered

1 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> <u>content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf</u>

# Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.10.4: "The Reserve will adhere to any future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), ICAO, and any relevant emission reduction project's host country to prevent double counting. Specific procedures have not yet been implemented for obtaining host country attestations as international guidelines and processes regarding this issue have not been established. Once these guidelines and processes are in place, the Reserve commits to implementing procedures to ensure credits representing emission reductions that have occurred after December 31, 2020 have obtained such host country attestations in order to be recognized under CORSIA. Any credits that have been retired for CORSIA compliance (and therefore subject to a corresponding adjustment to avoid double counting) will be noted publicly in the Reserve registry".

# Assessment outcome

No (0 points)

# Justification of assessment

CAR does not have any provisions in place for replacing carbon credits if the evidence for the appropriate application of corresponding adjustments cannot be obtained. However, it stated that it plans to update its requirements in the light of future developments under the UNFCCC. Also, a process change is currently in place in relation to CORSIA to replace carbon credits if a risk of double counting has been identified, so in principle, a mechanism to enforce the requirements of the indicator will be in place (provision 1). At the moment, the indicator is not fulfilled though.

# **Relevant scoring methodology provisions**

The program's registry and project database system provides the following information:

- a. The country where each carbon credit's associated emission reductions or removals occurred (which in some instances may be different from the host country);
- b. Whether Article 6 authorization has been obtained from the host country (or, where applicable, the country where the project will cause emission reductions or removals) and documentation of this authorization, consistent with relevant international decisions under the Paris Agreement;
- c. Whether a "first transfer", as defined by the host country in accordance with paragraph 2b of the Article 6.2 guidance, has occurred in relation to the carbon credit;
- d. Whether the country has applied the necessary corresponding adjustment related to the use of the carbon credit;
- e. An attribute indicating whether the carbon credit has been ear-marked by the program as eligible for uses for which double claiming with the host country NDC needs to be avoided.

#### Information sources considered

- 1 CAR registry, available at <a href="https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112">https://thereserve2.apx.com/myModule/rpt/myrpt.asp?r=112</a>
- 2 Reserve Offset Program Manual, March 2021, available at <u>https://www.climateactionreserve.org/wp-</u> content/uploads/2021/03/Reserve Offset Program Manual March 2021.pdf
- 3 Serial Number Guide, available at <a href="https://www.climateactionreserve.org/how/projects/serial-number-guide/">https://www.climateactionreserve.org/how/projects/serial-number-guide/</a>

#### Relevant carbon crediting program provisions

- Provision 1 Source 2, section 2.9: "The registry itself is designed to mitigate the risk of double counting through transparency. Each CRT has a unique serial number, identifying, among other things, the location of the project, the relevant protocol, and the vintage year of the GHG reductions. All issuances and retirements are immediately public. Cancellations for other programs are made public. Any user may review all CRT retirements and view the serial numbers, as well as the reason for retirement. In addition, verification reports are made public, providing an additional source of detailed information regarding the generation of the GHG reductions".
- Provision 2 Source 3: Serial Number Guide:

Identifier	Description	Range of Values
Originating Registry	Alphanumeric used to identify the registry originally issuing project credits. If transfer	CAR = Climate Action Reserve

	agreements between additional registries are created in the future, they would use other codes.	
Unit type	Identifier of the type of offset credit issued	1 = Climate Reserve Tonne (CRT) ROC = Registry Offset Credit
Project Country	Two-letter ISO country codes	US = United States MX = Mexico
Project ID	Number assigned by the Reserve to identify the project; unique to the originating registry	
Project Type	Number identifying the project category	<ul> <li>1 = Forest Conservation-Based Management</li> <li>2 = Forest Conservation</li> <li>3 = Reforestation</li> <li>4 = Landfill Gas Capture/Combustion</li> <li>5 = Livestock Gas Capture/Combustion</li> <li>6 = Improved Forest Management</li> <li>7 = Avoided Conversion</li> <li>22 = Urban Forestry – Municipality</li> <li>23 = Urban Forestry – Educational Campus</li> <li>24 = Urban Forestry – Utility</li> <li>27 = Organic Waste Digestion</li> <li>28 = Coal Mine Methane – VAM</li> <li>29 = Coal Mine Methane – Drainage</li> <li>30 = Nitric Acid N2O- Secondary Catalyst</li> <li>31 = Nitric Acid N2O- Tertiary Catalyst</li> <li>32 = Ozone Depleting Substances – U.S</li> <li>33 = Ozone Depleting Substances – Article 5</li> <li>Imports</li> <li>34 = Rice Cultivation</li> <li>36 = Nitrogen Management</li> <li>102 = Reforestation – ARB Compliance</li> <li>105 = Livestock – ARB Compliance</li> <li>123 = Educational Campus – ARB Compliance</li> <li>124 = Utility – ARB Compliance</li> <li>125 = Improved Forest Management – ARB</li> <li>Compliance</li> <li>126 = Avoided Conversion – ARB Compliance</li> <li>132 = Ozone Depleting Substances – U.S. – ARB</li> </ul>
Project	Number assigned by the	

Number assigned by theDeveloper IDReserve for the project

	developer; unique to the originating registry	
Project State Abbreviation	Two-letter state abbreviation	
Vintage	Year the emission reduction/removal occurred	Format = YYYY
Batch Number	Number assigned to each batch of offsets created; unique to the originating reserve	1 – 99,999
Unit Serial Block Start	Numbers assigned by the Reserve	1 – 999,999,999
Unit Serial Block End	Numbers assigned by the Reserve	1 – 999,999,999

Provision 3 Source 2, section 3.10.4: "The Reserve will adhere to any future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), ICAO, and any relevant emission reduction project's host country to prevent double counting. Specific procedures have not yet been implemented for obtaining host country attestations as international guidelines and processes regarding this issue have not been established. Once these guidelines and processes are in place, the Reserve commits to implementing procedures to ensure credits representing emission reductions that have occurred after December 31, 2020 have obtained such host country attestations in order to be recognized under CORSIA. Any credits that have been retired for CORSIA compliance (and therefore subject to a corresponding adjustment to avoid double counting) will be noted publicly in the Reserve registry".

#### Assessment outcome

- a. Yes (1 Point)
- b. No (0 Points)
- c. No (0 Points)
- d. No (0 Points)
- e. No (0 Points)

### Justification of assessment

The program's registry provides information on the country where each carbon credit's associated emission reductions or removals occurred (source 1, provisions 2 and 3). Requirement a. is therefore fulfilled.

However, the registry does not provide information yet on whether Article 6 authorization has been obtained, whether a "first transfer" has occurred; whether the country has applied the necessary corresponding adjustments or whether the carbon credit has been ear-marked by the program as eligible for uses for which double claiming with the host country NDC needs to be avoided (except for use for CORSIA). The program has stated though that it will revise its procedures once rules under the UNFCCC have been agreed (provision 4). At the moment, requirements b., c., d. and e. are not fulfilled though.

# **Scoring results**

According to the above assessment, the carbon crediting program receives 7 out of 25 achievable points. Applying the scoring approach of the methodology, this results in a score of 1.4.