

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>

Criterion:	7.2 Stringency and coverage of the host country's current NDC
Host country:	Nepal
Date of final assessment:	20 May 2022
Score:	Efficient cookstoves: N/A Establishment of natural forest: N/A Landfill gas utilization: N/A

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

Relevant scoring methodology provisions

The scoring approach assesses the stringency and coverage of the host country's current NDC. The scoring consists of several steps. First, it is determined whether the emission reductions or removals of the project or project type are covered by the host country's NDC. If this is the case, the second step is to assess the extent to which the NDC target deviates from the level of emissions that would most likely occur in the target year or period with current policies. The third step is optional and includes an evaluation of the likelihood that the emission reductions from the project or project activity are visible in the GHG emissions reported by the country to track progress towards its NDC. Finally, it is assessed if any reversals are likely to be accounted and compensated for by the host country. See more details on the scoring approach in the methodology.

Information sources considered

- Nepal's second NDC which has been communicated to the UNFCCC secretariat on 8 December 2020 (<u>https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Nepal%20Second/Second%20</u> <u>Nationally%20Determined%20Contribution%20(NDC)%20-%202020.pdf</u>)
- 2. Climate Action Tracker assessment for the NDC of Nepal

https://climateactiontracker.org/countries/nepal/

Assessment outcome

The host country is assigned the following scores for the respective project types:

- Efficient cookstoves: N/A
- Establishment of natural forest: N/A
- · Landfill gas utilization: N/A

Justification of assessment

The second NDC of Nepal (Source 1) does not include a GHG emissions target. It includes a series of targets for specific technologies or sectors, but these are not expressed as GHG emissions targets. For these reasons, the methodology cannot be applied in the context of Nepal.