

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

This document presents results from the application of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF) 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 [Site terms and Privacy Policy](#) 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: www.carboncreditquality.org

Sub-criterion:	1.1.2 Consideration of carbon credits before project implementation and restrictions on the eligibility of existing projects
Carbon crediting program:	ACR
Assessment based on carbon crediting program documents valid as of:	15 May 2022
Date of final assessment:	08 November 2022
Score:	2

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Assessment

Indicator 1.1.2.1

Relevant scoring methodology provisions

The methodology assesses whether a carbon crediting program requires project owners to publicly document their intent to register a project the time that can lapse after the investment decision before any form of public documentation of the intent of using carbon credits must be made. The scores are applied as follows:

The program requires public documentation of intent of registering a project:	Score
Before the decision to proceed with the project is made	5
Within six months after the decision to proceed with the project is made	2
No such requirement, or more than six months are allowed to pass after the decision to proceed with the project is made	1

Information sources considered

- 1 The American Carbon Registry Standard – Requirement and Specifications for the Quantification, Monitoring, Reporting, Verification, and Registration of Project-Based GHG Emissions Reductions and Removals – Version 7.0, December 2020.

https://americancarbonregistry.org/carbon-accounting/standards-methodologies/american-carbon-registry-standard/acr-standard-v7-0_final_dec2020.pdf

- 2 American Carbon Registry Operating Procedures, April 2022

https://americancarbonregistry.org/how-it-works/membership/acr-operating-procedures/acr-operating-procedures_april-2022.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Chapter 6A “Project Development Trajectory”, page 35: “A Project Proponent using an ACR-approved methodology shall proceed per the following sequence of steps:

1. Project Proponent submits a GHG Project Listing Form using the template found at www.americancarbonregistry.org.
2. ACR reviews the GHG Project Listing Form for completeness, and a compatibility check with the ACR Standard, at fees per the currently published ACR fee schedule.

This screening results in (a) Project Listing with approval to proceed to Validation/Verification Body (VVB) selection, (b) requests for clarifications or corrections, or (c) rejection because the project is ineligible or does not meet requirements of the ACR Standard. If the ACR screening includes requests for clarifications or corrections, the Project Proponent may re-submit the GHG Project Listing Form for further review. ACR reserves the right to accept or reject a GHG

Project Listing at any time and for any reason during the review. A project is considered to be listed once the GHG Project Listing Form is approved. The project listing information and form will then be made public on ACR.”

Provision 2 Source 1, “Definitions” – “Start Date”, page 72: “For non-AFOLU projects, the date on which the project began to reduce GHG emissions against its baseline. For AFOLU projects, the date on which the Project Proponent began the activity on project lands, with more specific guidance in the relevant ACR sector-specific requirements

Assessment outcome

The carbon crediting program is assigned a score of 1.

Justification of assessment

The carbon crediting program does not have specific requirements for public documentation of intent of registering a project. The project has a requirement for projects to list with the carbon crediting program before validation can commence. However there are no restrictions for the time that can lapse between the decision of the project proponent to proceed with the project and submission for listing.

Indicator 1.1.2.2

Relevant scoring methodology provisions

The methodology assesses whether carbon crediting programs place a limit on the time that can lapse after a mitigation activity starts reducing or removing emissions for a project to be eligible under the program. If the program has any restrictions in place, it receives an upgrade of 1 score point to the score received under indicator 1.1.2.1 otherwise this score is retained.

The program has time restrictions until when validation or registration needs to be completed for projects that already started the mitigation activity	Upgrade to score received under indicator 1
Yes	+1 score point
No	No change

Information sources considered

1 The American Carbon Registry Standard – Requirement and Specifications for the Quantification, Monitoring, Reporting, Verification, and Registration of Project-Based GHG Emissions Reductions and Removals – Version 7.0, December 2020.

https://americancarbonregistry.org/carbon-accounting/standards-methodologies/american-carbon-registry-standard/acr-standard-v7-0_final_dec2020.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Chapter 3 “Project Eligibility Requirements”, Table 2 “Eligibility Requirements for Offset Projects, page 20: “

Table 2: Eligibility Requirements for Offset Projects

CRITERION	DEFINITION	ACR REQUIREMENT
Start Date ^{8,9}	<p>ACR defines the Start Date for all projects other than AFOLU as the date on which the project began to reduce GHG emissions against its baseline.</p> <p>ACR defines the eligible Start Date(s) for AFOLU project types in Annex A, "ACR Requirements for AFOLU-Based Carbon Projects."</p>	<p>Non-AFOLU Projects must be validated within 2 years of the project Start Date. AFOLU Projects must be validated within 3 years of the project Start Date.</p> <p>One exception applies to these timeframes: Projects using a newly approved methodology¹⁰ or a newly approved modification that expands the eligibility of a previously published methodology¹¹ may submit it for listing with ACR within 10 years of the project Start Date. However, the date of listing submittal must be within 6 months of the methodology publication date, and the project must then be validated within 2 years of the listing.</p>

Provision 2 Source 1, Annex A.3.3 "Eligibility Criteria", Table 4 "Eligibility Criteria for AFOLU-Based Carbon Offset Projects"

Table 4: Eligibility Criteria for AFOLU-Based Carbon Offset Projects

CRITERION	DEFINITION	REQUIREMENT
Start Date	<p>For AR or Wetland restoration/re-vegetation projects, the Start Date is when the Project Proponent began planting or site preparation.</p> <p>For IFM, the Start Date may be denoted by one of the following:</p> <ol style="list-style-type: none"> 1. The date that the Project Proponent began to apply the land management regime to increase carbon stocks and/or reduce emissions relative to the baseline. 2. The date that the Project Proponent initiated a forest carbon inventory. 3. The date that the Project Proponent entered into a contractual relationship to implement a carbon project. 	<p>AFOLU Projects must be validated within 3 years of the project Start Date.</p> <p>One exception applies to these timeframes: Projects using a newly approved methodology⁹ or a newly approved modification that expands the eligibility of a previously published methodology¹⁰ may submit it for listing with ACR within 10 years of the project Start Date. However, the date of listing submittal must be within 6 months of the methodology publication date, and the project must then be validated within 2 years of the listing.</p>

Assessment outcome

The carbon crediting program receives an upgrade of 1 score point to the score received under indicator 1.1.2.1

Justification of assessment

The above documentation specifies that the carbon crediting program has time restrictions until when validation or registration needs to be completed for projects that already started the mitigation activity. The program therefore receives an upgrade of 1 score point to the score of 1 received under indicator 1.1.2.1 resulting in a combined score of 2 for this sub-criterion.