

## 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 [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](http://www.carboncreditquality.org)

Sub-criterion:	<a href="#">2.2.1: Avoiding double issuance due to double registration</a>
Carbon crediting program:	<a href="#">VCS</a>
Assessment based on carbon crediting program documents valid as of:	<a href="#">30 June 2021</a>
Date of final assessment:	<a href="#">20 May 2022</a>
Score:	<a href="#">5</a>

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# Assessment

## Indicator 2.2.1.1

### Relevant scoring methodology provisions

“The program has basic provisions in place which manages the transition of projects from one to another program and either avoids registration of the same project under two programs or, if double registration is permitted, has basic provisions in place to ensure that carbon credits for the same emission reductions or removals cannot be issued under the same program or must be cancelled under one program before they can be issued under another.”

### Information sources considered

- 1 VCS Standard v4.1 (April 2021), available at [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf)
- 2 VCS Registration and issuance process v4.0 (September 2019), available at [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf)

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.19.1: “Project proponents shall not seek credit for the same GHG emission reduction or removal under the VCS Program and another GHG program.”
- Provision 2 Source 1, section 3.8.7: “Projects registered under other GHG programs are not eligible for VCU issuance beyond the end of the total project crediting period under those programs. For example, a CDM project with a seven year twice renewable project crediting period is not eligible for VCU issuance beyond the end of those 21 years. Where projects have been registered under more than one other GHG program, they are not eligible for VCU issuance after the date that is the earliest end date of all applicable project crediting periods.”
- Provision 3 Source 1, section 3.19.5: The following applies with respect to projects registered under an approved GHG program which are seeking registration with the VCS Program:
- 1) For projects registered under the CDM, the cover page and sections 1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.12, 1.13, 1.14, **1.15.1**, [*requires project proponents to indicate whether the project has been registered, or is seeking registration under any other GHG programs. Where the project has been registered under any other GHG program, the registration number and details need to be provided.*] 1.16, 1.17 and 3.6 of the *VCS Project Description Template* shall be completed. A validation/verification body shall undertake a validation of same, which shall be accompanied by a validation representation, to provide a gap validation for the project’s compliance with the VCS Program rules.
  - 2) For projects registered under the JI program, a new *VCS Project Description Template* shall be completed (applying a methodology eligible under the VCS Program). A validation/verification body shall undertake a full validation of same

in accordance with the VCS Program rules. The validation report shall be accompanied by a validation representation.

- 3) For projects registered under the Climate Action Reserve, the cover page and sections 1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.12, 1.13, **1.15.1**, 1.16, 1.17, 2.1, 2.2, 2.3, 2.4 and 3.6 of the *VCS Project Description Template* shall be completed. A validation/verification body shall undertake a validation of same, which shall be accompanied by a validation representation, to provide a gap validation for the project's compliance with VCS Program rules."

Provision 3 Source 1, section 3.19.6: "Projects registered under a GHG program that is not an approved GHG program may also register with the VCS Program where a validation or verification report has been issued under such program (by an entity approved under the program to issue such reports). For such projects, the following applies:

- 1) The project start date shall be on or after 19 November 2007.
- 2) A new *VCS Project Description Template* shall be completed (using a methodology eligible under the VCS Program) and a validation/verification body shall undertake a full validation of same in accordance with the VCS Program rules. The validation report shall be accompanied by a validation representation [...]."

Provision 4 Source 2, section 4.2.12: "The VCS Program allows projects registered under an approved GHG program (e.g., CDM) to also register with the VCS Program. In such cases, the documentation required for the project registration process is the same as required for projects registering under the VCS Program only, but noting the following:

The project description from the approved GHG program and a project description using the *VCS Project Description Template* with the relevant sections complete, as set out in the *VCS Standard*, must be submitted.

Where GHG emission reductions or removals from one verification period are split between the VCS Program and an approved GHG program, evidence shall be submitted to the Verra registry that any GHG emission reductions or removals presented for VCU issuance have not been issued as GHG credits under the approved GHG program, or where such GHG credits have been issued under the approved GHG program that they have been cancelled. In the latter of these cases, the project proponent or its authorized representative shall also sign and submit to the Verra registry a VCU conversion representation."

Provision 5 Source 2, section 4.2.15: "The VCS Program allows projects registered under an approved GHG program to cancel GHG credits issued under the approved GHG program and have them issued as VCUs in the Verra registry. Project activities must be eligible under the VCS Program (i.e., included within the scope of the VCS Program, as set out in the *VCS Standard*) in order to be eligible for such conversion. In such cases, the following applies:

An official notification or other evidence of cancellation of the GHG credits under the approved GHG program and a signed VCU conversion representation shall be provided to the Verra registry.

Where the project is registered under the CDM, those documents required for project registration and Certified Emission Reduction (CER) issuance under the CDM shall be provided to the Verra registry. Verra shall create a project record on the Verra registry, noting that such record shall have the status credits transferred from other GHG program. Such projects are not considered to be registered under the VCS Program and are not eligible for verification under the VCS Program without first complying with the procedures for registration with the VCS Program and an approved GHG program set out in Section 4.2.12.

Where the project is registered under the JI program, the project shall also register with the VCS Program before Emission Reduction Units (ERUs) may be converted into VCUs. Following registration with the VCS Program, such projects shall provide those documents required for ERU issuance under the JI program to the Verra registry.

Where the project is registered under the Climate Action Reserve (CAR), those documents required for registration and Climate Reserve Tonne (CRT) issuance shall be provided to the Verra registry. Verra shall create a project record on the Verra registry, noting that such record shall have the status credits transferred from other GHG program. Such projects are not considered to be registered under the VCS Program and are not eligible for verification under the VCS Program without first complying with the procedures for registration with the VCS Program and an approved GHG program set out in Section 4.2.12.

Where the project is an AFOLU project, the project shall also register with the VCS Program before GHG credits issued under an approved GHG program may be converted into VCUs. The buffer withholding percentage for such projects shall be applied to the number of GHG credits being converted.”

Provision 6 Source 2, section 4.2.16: “Where projects have created another form of GHG-related environmental credit, such as renewable energy certificates, evidence shall be provided to the Verra registry demonstrating that the GHG emission reductions or removals presented for VCU issuance have not also been recognized as another GHG-related environmental credit, or that any such credits have not been used and have been cancelled under the relevant program.”

**Assessment outcome**

Yes (2 Points).

**Justification of assessment**

The above documentation specifies that the indicator is fulfilled.

### Indicator 2.2.1.2

#### Relevant scoring methodology provisions

“The program also requires legal attestations from project owners which confirm that they have not and will not request issuance of carbon credits for emission reductions or removals from more than one program.”

#### Information sources considered

- 1 VCS issuance representation template v4.1, available at <https://verra.org/project/vcs-program/rules-and-requirements/>

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section 2.2.4: “I have not submitted, sought, requested or received any recognition of the Reductions generated by the Project during the Verification Period and for which I am requesting VCU issuance from any GHG Program other than under the VCS Program or as any other form of GHG- or renewable energy-related environmental credit (including without limitation as renewable energy certificates), or I have provided evidence to the Verra Registry in accordance with the VCS Program Rules that any such credits have not been used and have been cancelled under the relevant environmental credit program.”

#### Assessment outcome

Yes (1 Point).

#### Justification of assessment

The above documentation specifies that the indicator is fulfilled.

### Indicator 2.2.1.3

#### Relevant scoring methodology provisions

“The program also conducts checks, or requires validation and verification entities to verify, that already registered projects have not, and will not, be issued carbon credits in any other programs for emission reductions or removals for which the program is also issuing carbon credits (unless the credits have been cancelled under other programs prior to reissuance under the current program).”

#### Information sources considered

- 1 VCS Standard v4.1 (April 2021), available at [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf)
- 2 VCS Joint Validation and Verification Report v4.0 (September 2019), available at <https://verra.org/project/vcs-program/rules-and-requirements/>.

- 3 VCS Project Description Template v4.0 (September 2019), available at <https://verra.org/wp-content/uploads/2019/09/VCS-Project-Description-Template-v4.0.docx>

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.19.5: The following applies with respect to projects registered under an approved GHG program which are seeking registration with the VCS Program:

- 1) For projects registered under the CDM, the cover page and sections 1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.12, 1.13, 1.14, **1.15.1**, [*requires project proponents to indicate whether the project has been registered, or is seeking registration under any other GHG programs. Where the project has been registered under any other GHG program, the registration number and details need to be provided.*] 1.16, 1.17 and 3.6 of the *VCS Project Description Template* shall be completed. **A validation/verification body shall undertake a validation of same**, which shall be accompanied by a validation representation, to provide a gap validation for the project's compliance with the VCS Program rules.
- 2) For projects registered under the JI program, a new *VCS Project Description Template* shall be completed (applying a methodology eligible under the VCS Program). **A validation/verification body shall undertake a full validation of same** in accordance with the VCS Program rules. The validation report shall be accompanied by a validation representation.
- 3) For projects registered under the Climate Action Reserve, the cover page and sections 1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.12, 1.13, **1.15.1**, 1.16, 1.17, 2.1, 2.2, 2.3, 2.4 and 3.6 of the *VCS Project Description Template* shall be completed. **A validation/verification body shall undertake a validation of same, which shall be accompanied by a validation representation**, to provide a gap validation for the project's compliance with VCS Program rules."

Provision 2 Source 1, section 3.19.6: "Projects registered under a GHG program that is not an approved GHG program may also register with the VCS Program where a validation or verification report has been issued under such program (by an entity approved under the program to issue such reports). For such projects, the following applies:

- 1) The project start date shall be on or after 19 November 2007.
- 2) A new *VCS Project Description Template* shall be completed (using a methodology eligible under the VCS Program) and a validation/verification body shall undertake a full validation of same in accordance with the VCS Program rules. The validation report shall be accompanied by a validation representation [...]."

Provision 3 Source 2, section 4.2.4: "Where the project is presented for registration and VCU issuance, the relevant documents that shall be provided to the Verra registry are the project description, the validation report, the validation representation, the registration representation, the monitoring report, the verification report, the verification representation, the issuance representation, and any AFOLU specific documentation, communications agreement, proof of right, proof of contracting or evidence and

representation with respect to cancellation of GHG credits under another GHG program”.

### **Assessment outcome**

Yes (1 Point).

### **Justification of assessment**

Provision 1 outlines the procedures for applications by projects which are registered under another approved GHG program. Provision 2 explains the procedure for projects registered under a GHG program that is not an approved GHG program. In both cases, project proponents need to indicate whether the project has been registered or is seeking registration under any other GHG program and, if yes, provide the registration number and details. As provisions 1 and 2 explain, the information provided by projects will be verified. To submit a request for registration and issuance, evidence for cancelling GHG credits under another GHG program needs to be provided if applicable (Provision 3). The indicator is therefore fulfilled.

### **Scoring results**

According to the above assessment, the carbon crediting program fulfills all indicators and thus receives 4 out of 4 achievable points. Applying the scoring approach of the methodology, this results in a score of 5.