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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

Sub-criterion:	2.4.2: Carbon crediting program provisions for avoiding double claiming with NDCs
Carbon crediting program:	Gold Standard
Assessment based on carbon crediting program documents valid as of:	30 June 2021
Date of final assessment:	25 May 2022
Score:	1

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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 The Gold Standard Foundation – Registry Terms of Use (last updated November 2013) and Gold Standard Terms & Conditions (last updated May 2014), available at https://www.goldstandard.org/sites/default/files/gold-standard-registry_tou_tcs.pdf

2 Gold Standard Registry, available at https://registry.goldstandard.org

3 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

4 Personal communication, March 2022

Relevant carbon crediting program provisions

Provision 1 Source 1, section 6.4: "Where The Gold Standard lists Units in accordance with this clause 6, such Units will be listed with a unique serial number in The Gold Standard Registry recorded against the listing in the Account Holder's account, unless the Unit has already been listed with a serial number by any governing body, association, board or other entity pursuant to any Standard, in which case if required by such entity, The Gold Standard will record this serial number (or a part thereof) against the listing in the Account Holder's account".

Provision 2 Source 3, section 2.1.2: "Bundled projects[1]: Where Projects are submitted together for certification within a bundle, each Project within the bundle shall individually conform to all GS4GG Requirements. Eligibility criteria with regards to the scale of the Project shall apply to the bundle as a whole and not to the individual Projects".

[1] Several project activities which form a single project activity or portfolio without the loss of distinctive characteristics of each component.

Assessment outcome

Yes (2 Points)

Justification of assessment

The program does not exclude multi-country projects. As explained by Gold Standard in personal communication (Source 4), if a project spans different countries, it has to set these up as sub-projects that are individually monitored. These fall within the scope of 'bundled projects' (Provision 2). Each issuance of credits is then specific to one country. The host country is provided in the registry for each credit and is also identified through two letters in the serial number of each credit batch (Source 2 and Provision 1). The program therefore fulfils this indicator.

Indicator 2.4.2.2

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 multi-country 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 The Gold Standard Foundation – Registry Terms of Use (last updated November 2013) and Gold Standard Terms & Conditions (last updated May 2014), available at https://www.goldstandard.org/sites/default/files/gold-standard-registry_tou_tcs.pdf

2 Gold Standard Registry, available at https://registry.goldstandard.org

Relevant carbon crediting program provisions

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Assessment outcome

No (0 points).

Justification of assessment

The GS allows for the registration of project types where the emission reduction could occur in another country (e.g. a renewable electricity generation project implemented in one country but displacing electricity in other countries). The indicator is not fulfilled as no provisions are in place for identifying whether such situations occur and for identifying the relevant countries.

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 Gold Standard Registry, available at https://registry.goldstandard.org

2 Monitoring Report Template, version 1.1 (October 2020), available at https://globalgoals.goldstandard.org/t-perfcert-monitoring-report/

Relevant carbon crediting program provisions

Provision 1 Source 2, Table 2: “Product vintages”

Provision 2 Source 2, page 6: “Guidance: "Referring to the monitoring period start and end dates in the KPI table, divide the monitoring period into calendar years **and** calculate the amount of Product generated in each calendar year”.

Assessment outcome

The second of the two options is fulfilled (2 points).

In addition, the program has established provisions that require that carbon credits are allocated proportionally to calendar years (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 indicating when the emission reductions or removals occurred (source 1).

Additionally, 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 1 and 2).

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 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

2 Gold Standard's CORSIA application

3 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Annex A, introduction: "NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed".

Provision 2 Source 2, section 4.7: "Annex A to the GHG Emissions Reductions & Sequestration Product Requirements covers this topic comprehensively. Scenario 2 under Section 4 of the Annex A ensures that no double claiming can occur from issuance of units in countries with cap on emissions. If units are issued in such countries, then an equivalent amount of AAUs shall be cancelled or another eligible unit like CER (from Gold Standard eligible projects) shall be cancelled. **Gold Standard acknowledge that these guidelines are valid in the Kyoto regime only. For addressing this issue under Paris Agreement, Gold Standard is willing to develop procedures and include them as Annex to our GHG Emissions Reductions & Sequestration Product Requirements** in line with 'Guidelines on Avoiding Double Counting for CORSIA'".

Provision 3 Source 3, sections 2.3 and 2.4: "Project Developers **will likely be required** to provide the following information:

- Whether their project's associated emission reductions are covered by a GHG/non-GHG target communicated in the project host country's NDC

- If a corresponding adjustment is needed to avoid double counting

- Where the targets are expressed in non-GHG metrics as communicated in a country's NDC, how the project's implementation affects progress towards achieving the relevant target

- A completed checklist from Annex A

If it is determined that a corresponding adjustment is needed, the Project Developers shall provide a letter of assurance and authorization (LOAA) from the country or countries where the project's emission reductions or removals have occurred. The LOAA should:

- Include the project/PoA/VPAs unique identification details - GS ID and Title

- Acknowledge that the project/PoA/VPAs may reduce emissions (or enhance removals) in the host country

- Acknowledge that the offset program/standard to which the letter is provided has issued, or intends to issue, offset credits for the emission reductions or removals that occur within the country

- Authorize the use of the emission reductions or removals, issued as offset credits to project/PoA/VPAs, by airline operators in order to meet offsetting requirements under CORSIA or by other entities under relevant bilateral/multilateral agreements

- Declare that the host country will not use the project/PoA/VPA's emission reductions or removals to track progress towards, or for demonstrating achievement of, its NDC and will account for their use in offsetting schemes (like CORSIA) by applying relevant adjustments in the structured summary of country's biennial transparency reports, as referred to in paragraph 77, sub-paragraph (d), of the Annex to decision 18/CMA.1, and consistent with relevant future decisions by the CMA

- Include signature and contact details of the authorised signatory of the designated focal point of the host country.

An LoAA or other official document from the host country can be submitted any time before the retirement of credits on the Gold Standard Registry. However, the project developer shall take the following steps:

- At the time of performance certification, the project/PoA/VPAs should submit the checklist and LoAA, if obtained, as part of the project documentation for verification audit by the VVB. In all cases the LoAA for the project/PoA/VPA shall be submitted to SustainCERT before the issued credits can be flagged as eligible, for example 'CORSIA eligible' on the registry. The checklist and LOAA will be made public via the Gold Standard registry.

- New projects/PoAs/VPAs submitted after 31st December 2020 are suggested to inform SustainCert early in the GS certification cycle of their interest in seeking eligibility approval for GS-VERs for CORSIA, by submitting the checklist with project documents at the time of preliminary review.

- VERs issued under GS PoAs can obtain the LOAA at PoA level, as confirmed by the authorised entity. However, the checklist shall be provided for individual VPAs.

Project developers should submit any updated information pertaining to host country attestation as soon as available to avoid double claiming. After review, this information will be published via the Gold Standard Registry immediately" .

Assessment outcome

No (0 points)

Justification of assessment

The above documentation shows that the indicator is not fulfilled at the time of this assessment, but that Gold Standard is working towards establishing corresponding procedures.

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 Safeguarding principles & requirements, Version 1.2 (October 2019), available at https://globalgoals.goldstandard.org/standards/103_V1.2_PAR_Safeguarding-Principles-Requirements.pdf

2 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

3 Gold Standard's CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.5.1: „The project shall not involve, be complicit in or inadvertently contribute to or reinforce corruption or corrupt projects".

Assessment outcome

No (0 points)

Justification of assessment

The Gold Standard requires project owners to commit to anti-corruption policies. However, these are not linked to obtaining Article 6 authorisation so that the indicator is not fulfilled. Moreover, no provisions could be found with regard to respective obligations to own employees.

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 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

2 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

3 Gold Standard's CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

Relevant carbon crediting program provisions

Provision 1 Source 2, Annex A, introduction: " "NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed".

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, including on the cancellation or use of authorized carbon credits. The indicator is therefore 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

1 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

2 Gold Standard’s CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

3 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Annex A, introduction: “NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed”.

Provision 2 Source 3, section 2.1: “The Gold Standard Registry’s functionality will be enhanced to ensure that it is able to securely and transparently issue, transfer and cancel credits/mitigation outcomes in the Paris era. The following functionality will likely be introduced:

- Provisions to indicate whether the host country has issued a letter of assurance and authorization (LoAA) for the project associated with the offset credit
- Indication of whether a corresponding adjustment has been applied by the host country
- Indication of whether the offset credit has been cancelled and, if so, the following additional information related to cancellation is recorded and shared transparently:

- Purpose of the cancellation including name of entity in whose name the offset credit was cancelled
- Date of cancellation
- Quantity of emission units cancelled
- Vintage of cancelled emission units
- Start and end of serial numbers of units
- Type of unit (e.g. ex-post GS-VER)
- Host country
- Impact quantification Methodology
- Unit date eligibility, if applicable. For example, only credits with a vintage post-1st January 2016 are eligible for CORSIA
- Information on whether the emission reductions attributable to a project is covered by a GHG/non-GHG target in the host country's NDC.
- The registry will also include access to the following information:
- A description of the project, including information on the mitigation technologies involved
- The emission sources, sinks, and greenhouse gases included in the calculation of the project's emission reductions or removals, along with the location(s) of all relevant sources and sinks
- The country and geographical location where the project is implemented
- Any other information needed for the project to be unambiguously identified, and distinguished from other projects that may occur in the same location
- An indication of whether the project's mitigation activities, emission reductions, and/or removals are covered by any targets – including targets expressed in non-GHG metrics - communicated in a country's NDC
- In cases where the project activity and corresponding emission reductions / removals are covered by NDC targets in GHG metrics and the credits are to be used for offsetting purposes, the letter of assurance and authorization from the country or countries where a project's emission reductions or removals occurred

Some of this information is already available; the rest will be made available in due course".

Assessment outcome

No (0 points).

Justification of assessment

The Gold Standard does not yet have provisions in place to obtain evidence of the appropriate application of adjustments from the host country so that the indicator is not fulfilled. However, the Gold Standard states that it will update is requirements in line with the decisions on Article 6 in the future.

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 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

2 Gold Standard’s CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

3 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Annex A, introduction: “NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed” .

Provision 2 Source 3, section 2.1: “The Gold Standard Registry’s functionality will be enhanced to ensure that it is able to securely and transparently issue, transfer and cancel credits/mitigation outcomes in the Paris era. The following functionality will likely be introduced:

- Provisions to indicate whether the host country has issued a letter of assurance and authorization (LoAA) for the project associated with the offset credit
- Indication of whether a corresponding adjustment has been applied by the host country

- Indication of whether the offset credit has been cancelled and, if so, the following additional information related to cancellation is recorded and shared transparently:
- Purpose of the cancellation including name of entity in whose name the offset credit was cancelled
- Date of cancellation
- Quantity of emission units cancelled
- Vintage of cancelled emission units
- Start and end of serial numbers of units
- Type of unit (e.g. ex-post GS-VER)
- Host country
- Impact quantification Methodology
- Unit date eligibility, if applicable. For example, only credits with a vintage post-1st January 2016 are eligible for CORSIA
- Information on whether the emission reductions attributable to a project is covered by a GHG/non-GHG target in the host country's NDC.
- The registry will also include access to the following information:
- A description of the project, including information on the mitigation technologies involved
- The emission sources, sinks, and greenhouse gases included in the calculation of the project's emission reductions or removals, along with the location(s) of all relevant sources and sinks
- The country and geographical location where the project is implemented
- Any other information needed for the project to be unambiguously identified, and distinguished from other projects that may occur in the same location
- An indication of whether the project's mitigation activities, emission reductions, and/or removals are covered by any targets – including targets expressed in non-GHG metrics - communicated in a country's NDC
- In cases where the project activity and corresponding emission reductions / removals are covered by NDC targets in GHG metrics and the credits are to be used for offsetting purposes, the letter of assurance and authorization from the country or countries where a project's emission reductions or removals occurred

Some of this information is already available; the rest will be made available in due course".

Provision 3 Source 2, section 4.7: "Annex A to the GHG Emissions Reductions & Sequestration Product Requirements covers this topic comprehensively. Scenario 2 under Section 4 of the Annex A ensures that no double claiming can occur from issuance of units in countries with cap on emissions. If units are issued in such countries, then an equivalent amount of AAUs shall be cancelled or another eligible unit like CER (from Gold Standard eligible projects) shall be cancelled. **Gold Standard acknowledge that these guidelines are valid in the Kyoto regime only. For addressing this issue under Paris Agreement, Gold Standard is willing to develop procedures and include them as Annex to our GHG Emissions Reductions & Sequestration Product Requirements** in line with 'Guidelines on Avoiding Double Counting for CORSIA'".

Assessment outcome

No (0 points).

Justification of assessment

The Gold Standard does not have any provisions in place for qualifying and earmarking credits as eligible for purposes for which double claiming with the host country NDC needs to be avoided. However, it is stated that it plans to update its requirements in the light of any developments under the Paris Agreement.

Indicator 2.4.2.9

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 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

2 Gold Standard's CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

3 Gold Standard Registry, available at https://registry.goldstandard.org

4 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Annex A, introduction: “NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed”.

Provision 2 Source 2, section 4.7: “Annex A to the GHG Emissions Reductions & Sequestration Product Requirements covers this topic comprehensively. Scenario 2 under Section 4 of the Annex A ensures that no double claiming can occur from issuance of units in countries with cap on emissions. If units are issued in such countries, then an equivalent amount of AAUs shall be cancelled or another eligible unit like CER (from Gold Standard eligible projects) shall be cancelled. **Gold Standard acknowledge that these guidelines are valid in the Kyoto regime only. For addressing this issue under Paris Agreement, Gold Standard is willing to develop procedures and include them as Annex to our GHG Emissions Reductions & Sequestration Product Requirements** in line with ‘Guidelines on Avoiding Double Counting for CORSIA’”.

Provision 3 Source 4, section 2.1: “The Gold Standard Registry’s functionality will be enhanced to ensure that it is able to securely and transparently issue, transfer and cancel credits/mitigation outcomes in the Paris era. The following functionality will likely be introduced:

- Provisions to indicate whether the host country has issued a letter of assurance and authorization (LoAA) for the project associated with the offset credit
- Indication of whether a corresponding adjustment has been applied by the host country
- Indication of whether the offset credit has been cancelled and, if so, the following additional information related to cancellation is recorded and shared transparently:
- Purpose of the cancellation including name of entity in whose name the offset credit was cancelled
- Date of cancellation
- Quantity of emission units cancelled
- Vintage of cancelled emission units
- Start and end of serial numbers of units
- Type of unit (e.g. ex-post GS-VER)
- Host country
- Impact quantification Methodology

- Unit date eligibility, if applicable. For example, only credits with a vintage post-1st January 2016 are eligible for CORSIA
- Information on whether the emission reductions attributable to a project is covered by a GHG/non-GHG target in the host country's NDC.
- The registry will also include access to the following information:
- A description of the project, including information on the mitigation technologies involved
- The emission sources, sinks, and greenhouse gases included in the calculation of the project's emission reductions or removals, along with the location(s) of all relevant sources and sinks
- The country and geographical location where the project is implemented
- Any other information needed for the project to be unambiguously identified, and distinguished from other projects that may occur in the same location
- An indication of whether the project's mitigation activities, emission reductions, and/or removals are covered by any targets – including targets expressed in non-GHG metrics - communicated in a country's NDC
- In cases where the project activity and corresponding emission reductions / removals are covered by NDC targets in GHG metrics and the credits are to be used for offsetting purposes, the letter of assurance and authorization from the country or countries where a project's emission reductions or removals occurred

Some of this information is already available; the rest will be made available in due course".

Assessment outcome

No (0 points)

Justification of assessment

The Gold Standard does not have any provisions in place to cease qualifying and earmarking credits as eligible for purposes 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. However, the Gold Standard states that it plans to update its requirements in the light of any developments under the Paris Agreement.

Indicator 2.4.2.10

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 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

2 Gold Standard's CORSIA application, available at https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx

3 Gold Standard Registry, available at https://registry.goldstandard.org

4 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, Annex A, introduction: "NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed".

Provision 2 Source 2, section 4.7: "Annex A to the GHG Emissions Reductions & Sequestration Product Requirements covers this topic comprehensively. Scenario 2 under Section 4 of the Annex A ensures that no double claiming can occur from issuance of units in countries with cap on emissions. If units are issued in such countries, then an equivalent amount of AAUs shall be cancelled or another eligible unit like CER (from Gold Standard eligible projects) shall be cancelled. **Gold Standard acknowledge that these guidelines are valid in the Kyoto regime only. For addressing this issue under Paris Agreement, Gold Standard is willing to develop procedures and include them as Annex to our GHG Emissions Reductions & Sequestration Product Requirements** in line with 'Guidelines on Avoiding Double Counting for CORSIA'".

Provision 3 Source 4, section 2.1: "The Gold Standard Registry's functionality will be enhanced to ensure that it is able to securely and transparently issue, transfer and cancel credits/mitigation outcomes in the Paris era. The following functionality will likely be introduced:

- Provisions to indicate whether the host country has issued a letter of assurance and authorization (LoAA) for the project associated with the offset credit

- Indication of whether a corresponding adjustment has been applied by the host country
- Indication of whether the offset credit has been cancelled and, if so, the following additional information related to cancellation is recorded and shared transparently:
- Purpose of the cancellation including name of entity in whose name the offset credit was cancelled
- Date of cancellation
- Quantity of emission units cancelled
- Vintage of cancelled emission units
- Start and end of serial numbers of units
- Type of unit (e.g. ex-post GS-VER)
- Host country
- Impact quantification Methodology
- Unit date eligibility, if applicable. For example, only credits with a vintage post-1st January 2016 are eligible for CORSIA
- Information on whether the emission reductions attributable to a project is covered by a GHG/non-GHG target in the host country's NDC.
- The registry will also include access to the following information:
- A description of the project, including information on the mitigation technologies involved
- The emission sources, sinks, and greenhouse gases included in the calculation of the project's emission reductions or removals, along with the location(s) of all relevant sources and sinks
- The country and geographical location where the project is implemented
- Any other information needed for the project to be unambiguously identified, and distinguished from other projects that may occur in the same location
- An indication of whether the project's mitigation activities, emission reductions, and/or removals are covered by any targets – including targets expressed in non-GHG metrics - communicated in a country's NDC
- In cases where the project activity and corresponding emission reductions / removals are covered by NDC targets in GHG metrics and the credits are to be used for offsetting purposes, the letter of assurance and authorization from the country or countries where a project's emission reductions or removals occurred

Some of this information is already available; the rest will be made available in due course".

Assessment outcome

No (0 points)

Justification of assessment

The Gold Standard 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, the Gold Standard stated that it plans to update its requirements in the light of any developments under the Paris Agreement. Therefore, the indicator is not fulfilled.

Indicator 2.4.2.11

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 The Gold Standard Foundation – Registry Terms of Use (last updated November 2013) and Gold Standard Terms & Conditions (last updated May 2014), available at https://www.goldstandard.org/sites/default/files/gold-standard-registry_tou_tcs.pdf

2 GHG emissions reduction & Sequestration product requirements, version 2.0 (April 2021), available at https://globalgoals.goldstandard.org/standards/501_V2.0_PR_GHG-Emissions-Reductions-Sequestration.pdf

3 Gold Standard Registry, available at https://registry.goldstandard.org

4 Treatment of double counting and corresponding adjustments in voluntary carbon markets, version 0.5 (February 2021), available at https://www.goldstandard.org/sites/default/files/documents/gs_guidance_correspondingadjustments_feb2021.pdf

Relevant carbon crediting program provisions

Provision 1 Source 2, Annex A, introduction: “NOTE that in light of the Paris Agreement the Requirements contained in this Annex are subject to continuous review as new policy is agreed. The Requirements will be updated as the new international agreements and mechanisms are developed”.

Provision 2 Source 2, section 4.7: “Annex A to the GHG Emissions Reductions & Sequestration Product Requirements covers this topic comprehensively. Scenario 2 under Section 4 of the Annex A ensures that no double claiming can occur from issuance of units in countries with cap on emissions. If units are issued in such countries, then an equivalent amount of AAUs shall be cancelled or another eligible unit like CER (from Gold Standard eligible projects) shall be cancelled. **Gold Standard acknowledge that these guidelines are valid in the Kyoto regime only. For addressing this issue under Paris Agreement, Gold Standard is willing to develop procedures and include them as Annex to our GHG Emissions Reductions & Sequestration Product Requirements** in line with ‘Guidelines on Avoiding Double Counting for CORSIA’”.

Provision 3 Source 3, section 2.1: “The Gold Standard Registry’s functionality will be enhanced to ensure that it is able to securely and transparently issue, transfer and cancel credits/mitigation outcomes in the Paris era. The following functionality will likely be introduced:

- Provisions to indicate whether the host country has issued a letter of assurance and authorization (LoAA) for the project associated with the offset credit
- Indication of whether a corresponding adjustment has been applied by the host country
- Indication of whether the offset credit has been cancelled and, if so, the following additional information related to cancellation is recorded and shared transparently:
- Purpose of the cancellation including name of entity in whose name the offset credit was cancelled
- Date of cancellation
- Quantity of emission units cancelled
- Vintage of cancelled emission units
- Start and end of serial numbers of units
- Type of unit (e.g. ex-post GS-VER)
- Host country

- Impact quantification Methodology
- Unit date eligibility, if applicable. For example, only credits with a vintage post-1st January 2016 are eligible for CORSIA
- Information on whether the emission reductions attributable to a project is covered by a GHG/non-GHG target in the host country's NDC.
- The registry will also include access to the following information:
- A description of the project, including information on the mitigation technologies involved
- The emission sources, sinks, and greenhouse gases included in the calculation of the project's emission reductions or removals, along with the location(s) of all relevant sources and sinks
- The country and geographical location where the project is implemented
- Any other information needed for the project to be unambiguously identified, and distinguished from other projects that may occur in the same location
- An indication of whether the project's mitigation activities, emission reductions, and/or removals are covered by any targets – including targets expressed in non-GHG metrics - communicated in a country's NDC
- In cases where the project activity and corresponding emission reductions / removals are covered by NDC targets in GHG metrics and the credits are to be used for offsetting purposes, the letter of assurance and authorization from the country or countries where a project's emission reductions or removals occurred

Some of this information is already available; the rest will be made available in due course".

Assessment outcome

a. No (0 Points)

b. No (0 Points)

c. No (0 Points)

d. No (0 Points)

e. No (0 Points)

Justification of assessment

The GS does not have provisions in place to assess the effects on emissions in countries other than the host country. This information is thus also not available in the registry. Requirement a. is therefore not fulfilled.

Currently, the registry does not provide information on whether Article 6 authorization has been obtained, whether a “first transfer” has occurred, whether the country has applied the necessary corresponding adjustments and whether the carbon credit has been earmarked as eligible for uses for which double claiming with the host country NDC needs to be avoided. Requirements b., c., d. and e. are therefore not fulfilled. However, the Gold Standard states that the GS plans to update its requirements in the light of any developments under the Paris Agreement.

Scoring results

According to the above assessment, the carbon crediting program receives 5 out of 25 achievable points. Applying the scoring approach in the methodology, this results in a score of 1.