

## 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)

Criterion:	<a href="#">7.1 Host country commitment to the global temperature goal</a>
Host country:	<a href="#">China</a>
Date of final assessment:	<a href="#">20 May 2022</a>
Score:	<a href="#">2.67</a>

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## Assessment

The methodology assesses whether the host country has communicated a LEDS and whether it has an explicit commitment in the form of a net zero emissions target, including: the timeframe of the target, differentiating between LDCs/SIDS and other economies; the coverage of greenhouse gases and sectors; whether the target is a domestic target or whether it includes the use of international carbon credits; and the legal status of the target.

### Indicator 7.1.1

#### Relevant scoring methodology provisions

“The country has communicated a LEDS.”

#### Information sources considered

- 1 UNFCCC – Communication of long-term strategies (<https://unfccc.int/process/the-paris-agreement/long-term-strategies>)
- 2 China’s Mid-Century Long-Term Low Greenhouse Gas Emission Development Strategy (<https://unfccc.int/sites/default/files/resource/China%E2%80%99s%20Mid-Century%20Long-Term%20Low%20Greenhouse%20Gas%20Emission%20Development%20Strategy.pdf>)

#### Assessment outcome

Yes (3 Points).

#### Justification of assessment

China has communicated a LEDS on 28 October 2021 (Sources 1 and 2).

### Indicator 7.1.2

#### Relevant scoring methodology provisions

“The country is an LDC and has adopted a net zero emissions target for

a. 2050 or earlier;

OR

b. 2051 to 2069;

OR

c. 2070 or later.

OR

The country is not an LDC and has adopted a net zero emissions target for

d. 2040 or earlier;

OR

e. 2041 to 2059;

OR

f. 2060 or later.”

### Information sources considered

1. China's first updated NDC which has been communicated to the UNFCCC secretariat on 28 October 2021  
<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/China%20First/China%E2%80%99s%20Achievements,%20New%20Goals%20and%20New%20Measures%20for%20Nationally%20Determined%20Contributions.pdf>

### Assessment outcome

Sub-paragraph e is applicable (3 points).

### Justification of assessment

The country is not an LDC and has pledged to achieve carbon neutrality before 2060 (Source 1).

### Indicator 7.1.3

#### Relevant scoring methodology provisions

“The adopted net zero emissions targets covers

- a. all sectors of the economy, including international aviation and shipping, and all main greenhouse gases (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>);

OR

- b. at least 90% of the country's GHG emissions;

OR

- c. less than 90% of the country's GHG emissions;

OR

- d. No information is available or it is insufficiently clear.”

### Information sources considered

1. China's first updated NDC which has been communicated to the UNFCCC secretariat on 28 October 2021  
<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/China%20First/China%E2%80%99s%20Achievements,%20New%20Goals%20and%20New%20Measures%20for%20Nationally%20Determined%20Contributions.pdf>
2. Assessment by Climate Action Tracker of China's net zero target  
[Net zero targets | Climate Action Tracker](#)

### Assessment outcome

Sub-paragraph c is applicable (1 point).

### Justification of assessment

A target of "carbon neutrality" only relates to CO<sub>2</sub> and is thus very likely to cover less than 90% of the country's GHG emissions (Sources 1 and 2).

### Indicator 7.1.4

#### Relevant scoring methodology provisions

"The adopted net zero emissions target is

- a. a domestic target (i.e., without the purchase of international carbon credits but possibly with linking of emissions trading systems);

OR

- b. a target to be achieved with the purchase of international carbon credits, or no information is available."

### Information sources considered

1. China's first updated NDC which has been communicated to the UNFCCC secretariat on 28 October 2021  
<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/China%20First/China%E2%80%99s%20Achievements,%20New%20Goals%20and%20New%20Measures%20for%20Nationally%20Determined%20Contributions.pdf>
2. Assessment by Climate Action Tracker of China's net zero target  
[Net zero targets | Climate Action Tracker](#)

### Assessment outcome

Sub-paragraph b is applicable (0 points).

## Justification of assessment

There is insufficient information on whether China will purchase international carbon credits to achieve its carbon neutrality target (Sources 1 and 2).

### Indicator 7.1.5

#### Relevant scoring methodology provisions

“The adopted net zero emissions target

- a. has been communicated to the UNFCCC in the country’s NDC and/or LEDS, *and* has been enshrined in domestic law;

OR

- b. has been communicated to the UNFCCC in the country’s NDC and/or LEDS, *or* has been enshrined in domestic law;

OR

- c. has only been announced or adopted by government or relevant legislative bodies but neither been communicated to the UNFCCC in the country’s NDC and/or LEDS nor been enshrined in domestic law.”

#### Information sources considered

1. China’s first updated NDC which has been communicated to the UNFCCC secretariat on 28 October 2021 <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/China%20First/China%E2%80%99s%20Achievements,%20New%20Goals%20and%20New%20Measures%20for%20Nationally%20Determined%20Contributions.pdf>
2. Assessment by Climate Action Tracker of China’s net zero target [Net zero targets | Climate Action Tracker](#)

#### Assessment outcome

Sub-paragraph b is applicable (1 point).

## Justification of assessment

The target of carbon neutrality is communicated in China’s first updated NDC (Source 1), but according to the Climate Action Tracker no such target has yet been enshrined in domestic law (Source 2).

## Scoring results

According to the above assessment, the country receives 8 out of 15 achievable points. Applying the scoring approach of the methodology, this results in a score of 2.67.