

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

Criterion:	2.3: Avoiding double use
Carbon crediting program:	CDM
Assessment based on carbon crediting program documents valid as of:	30 June 2021
Date of final assessment:	20 May 2022
Score:	1.88

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Assessment

Indicator 2.3.1

Relevant scoring methodology provisions

“To address the risk of double use due to the cancellation of one carbon credit for more than one purpose, the registry system has functionalities to document the purposes for which carbon credits are used.”

Information sources considered

- 1 Procedure: Voluntary cancellation of CERs in the CDM registry, version 02.0, CDM-EB69-A02_PROC, available at https://cdm.unfccc.int/Registry/vcnotices/Iss_proc11.pdf
- 2 Tabular overview of CERs cancelled through the CDM registry regular process, available at https://cdm.unfccc.int/Registry/vc_attest/index.html

Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4: “7. Project participants shall request cancellation of CERs for voluntary purposes by submitting the “Certified emission reductions forwarding request” form (F-CDM-FWD) and by selecting the voluntary cancellation account as the acquiring account. Project participants shall indicate the purpose and/or the beneficiary of the cancellation.
8. The CDM registry administrator shall cancel the CERs in accordance with the project participants’ request and shall issue an attestation of cancellation to the project participants, indicating the serial numbers of the cancelled CERs, the purpose and/or the beneficiary of the cancellation as stated by the project participants. If the purpose and the beneficiary of the cancellation are not indicated in the F-CDM-FWD form, the attestation of cancellation will indicate that the CERs are cancelled for the originating CDM project activity or programme of activities (PoAs).
11. The CDM registry administrator shall publish information on CERs cancelled for voluntary purposes, including the purpose and the beneficiary of the cancellation, on the UNFCCC CDM website”.

Assessment outcome

Yes (2 Points).

Justification of assessment

The above documentation shows that the registry system has functionalities in place to document the purposes for which carbon credits are used. In the attestation letter, the serial numbers of the CERs used are documented (Provision 1). The tabular overview of CERs cancelled through the CDM registry regular process (Source 2) also indicates that the registry system has functionalities to document the purposes for which carbon credits are used. The indicator is therefore fulfilled.

Indicator 2.3.2

Relevant scoring methodology provisions

“The program *requires* users of carbon credits (and/or their representatives) to transparently and unambiguously specify, either within the registry system or in another information system, the following information in relation to a cancellation:

- a. The voluntary goal or requirement that is achieved through the cancellation of the carbon credits (e.g., "for voluntary offsetting purposes" or "CORSIA offsetting obligation")
- b. The beneficiary, i.e. which entity's voluntary goals or mandatory requirements are met (e.g. "XYZ Airlines")
- c. The calendar year(s) for which these voluntary goals or requirements are achieved (e.g., 2024 offsetting requirement covering the 2021-2023 compliance period under CORSIA”).”

Information sources considered

- 1 Procedure: Voluntary cancellation of CERs in the CDM registry, version 02.0, CDM-EB69-A02_PROC, available at https://cdm.unfccc.int/Registry/vcnotices/Iss_proc11.pdf

Relevant carbon crediting program provisions

Provision 1 Source 1, section 4: “7. Project participants shall request cancellation of CERs for voluntary purposes by submitting the “Certified emission reductions forwarding request” form (F-CDM-FWD) and by selecting the voluntary cancellation account as the acquiring account. Project participants shall indicate the purpose and/or the beneficiary of the cancellation.

8. The CDM registry administrator shall cancel the CERs in accordance with the project participants’ request and shall issue an attestation of cancellation to the project participants, indicating the serial numbers of the cancelled CERs, the purpose and/or the beneficiary of the cancellation as stated by the project participants. If the purpose and the beneficiary of the cancellation are not indicated in the F-CDM-FWD form, the attestation of cancellation will indicate that the CERs are cancelled for the originating CDM project activity or programme of activities (PoAs).

11. The CDM registry administrator shall publish information on CERs cancelled for voluntary purposes, including the purpose and the beneficiary of the cancellation, on the UNFCCC CDM website”

Assessment outcome

- a. No (0 Points)
- b. No (0 Points)
- c. No (0 Points)

Justification of assessment

Project participants are asked to indicate the purpose and/or the beneficiary of a cancellation using a relevant form (paragraph 7 of Provision 1). Paragraph 8 of Provision 1, however, suggests that participants can also leave the field for providing information on the purpose and/or the beneficiary of cancellation in the respective form empty. In practice, project participants are thus not required to specify this information.

There are also no other provisions which would require the project participants to specify the voluntary goal or requirement that is achieved through the cancellation or the calendar years for which these goals or requirements are achieved. Therefore, none of the three aspects is fulfilled.

Indicator 2.3.3

Relevant scoring methodology provisions

“The program enables the users of the carbon credits to voluntarily make the information in relation to a cancellation publicly accessible through the registry or project database system.

OR

The program requires that the information provided by the users of the carbon credits in relation to a cancellation be made publicly accessible through the registry or project database system.”

Information sources considered

- 1 Procedure: Voluntary cancellation of CERs in the CDM registry, version 02.0, CDM-EB69-A02_PROC, available at https://cdm.unfccc.int/Registry/vcnotices/lss_proc11.pdf
- 2 CDM registry: CERs cancelled through the CDM registry regular process, available at https://cdm.unfccc.int/Registry/vc_attest/index.html

Relevant carbon crediting program provisions

Provision 1 Source 1, section 4: “7. Project participants shall request cancellation of CERs for voluntary purposes by submitting the “Certified emission reductions forwarding request” form (F-CDM-FWD) and by selecting the voluntary cancellation account as the acquiring account. Project participants shall indicate the purpose and/or the beneficiary of the cancellation.

8. The CDM registry administrator shall cancel the CERs in accordance with the project participants’ request and shall issue an attestation of cancellation to the project participants, indicating the serial numbers of the cancelled CERs, the purpose and/or the beneficiary of the cancellation as stated by the project participants. If the purpose and the beneficiary of the cancellation are not indicated in the F-CDM-FWD form, the attestation of cancellation will indicate that the CERs are cancelled for the originating CDM project activity or programme of activities (PoAs).

11. The CDM registry administrator shall publish information on CERs cancelled for voluntary purposes, including the purpose and the beneficiary of the cancellation, on the UNFCCC CDM website”.

Assessment outcome

The first of the two conditions is met (1 Point).

Justification of assessment

The CDM enables the users of carbon credits to voluntarily make the information in relation to a cancellation publicly accessible.

Scoring results

The carbon crediting program receives 3 out of 8 achievable points. Applying the scoring approach of the methodology, this results in a score of 1.88.