Carbon Integrity

VCMI Voluntary Carbon Markets Integrity Initiative

Carbon Integrity 101 Webinar 3

How to make a claim – Steps 2 + 3

This webinar is being recorded.

The recording and the presentation will be shared via email and available on the VCMI website.

Please use the Zoom Q&A box for questions.

We will aim to address most questions during the Q&A session at the end or directly in the chat.

Before we begin...

VCMI

Today's session will focus on Steps 2 & 3 of making a Carbon Integrity Claim

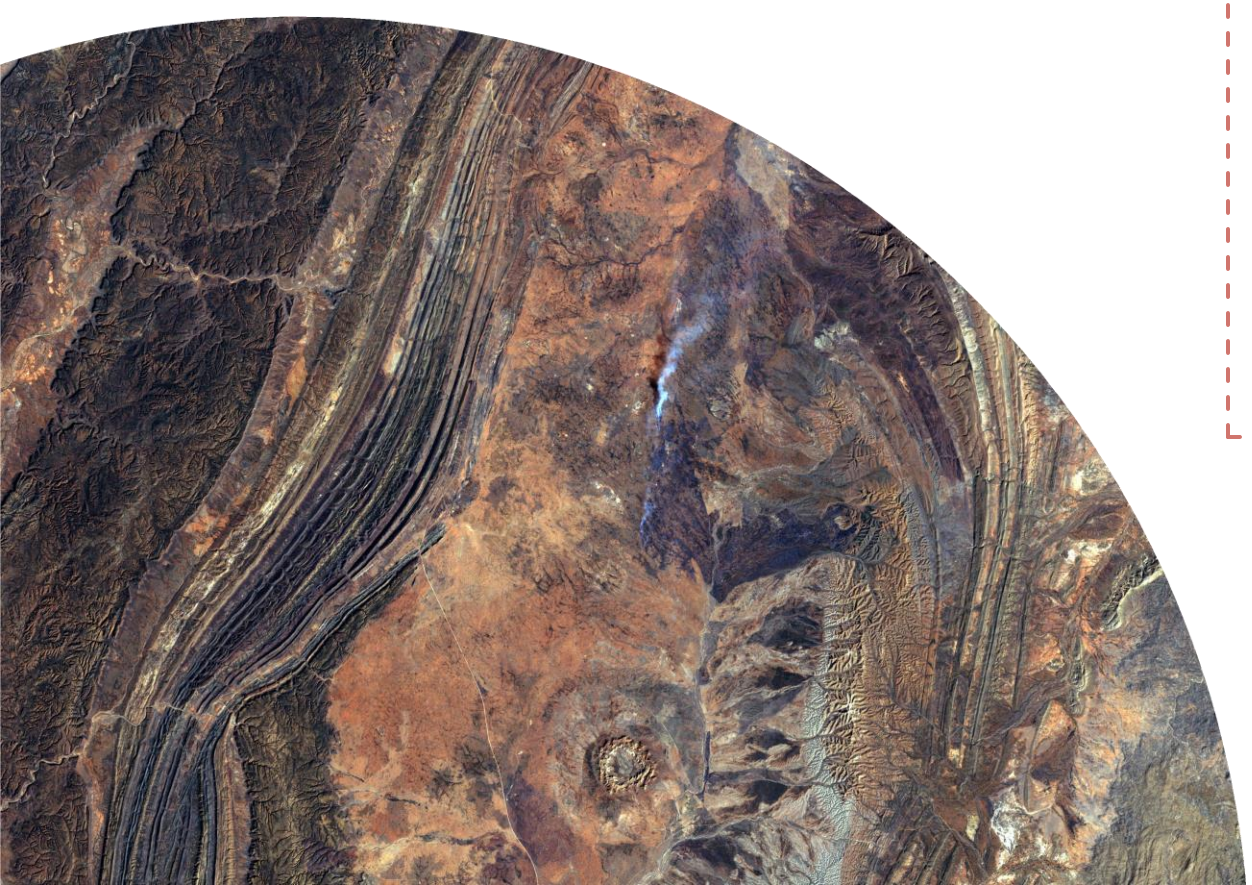
Carbon Integrity 101 series

- ✓ Introduction to VCMI and the Carbon Integrity Claims
- ✓ How to make a Claim (Step 1) Apr 3rd
- ✓ How to make a Claim (Steps 2 & 3) Apr 17th
- ○ How to make a Claim (Step 4) May 2nd
- ○ Branding & Communications May 16th
- ○ Interactive Q&A May 29th

What is being covered today

1. Recap of Four-Step Process to make a Claim
2. Requirements for Step 2
3. Requirements for Step 3
   Guest Speaker: Amy Merrill, ICVCM
4. Next steps

Recap | Four Steps to make a Carbon Integrity Claim



FOUR-STEP PROCESS

01 Comply with the Foundational Criteria

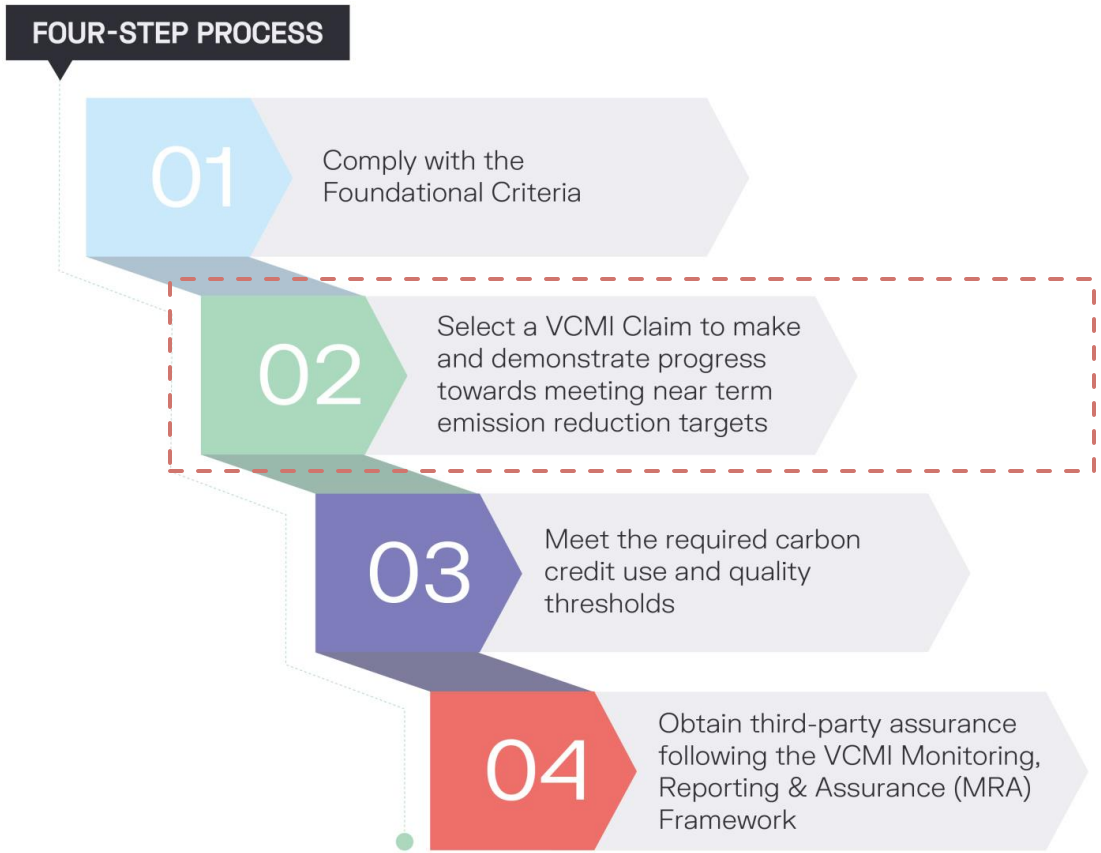
Focus for today

02 Select a VCMI Claim to make and demonstrate progress towards meeting near term emission reduction targets

03 Meet the required carbon credit use and quality thresholds

04 Obtain third-party assurance following the VCMI Monitoring, Reporting & Assurance (MRA) Framework

Carbon Integrity Claims – Step 2 | Select which Claim to make (1/2)



Three Carbon Integrity Claims

Purchase and retire high-quality carbon credits as a % of remaining emissions

Platinum ≥ 100%

Gold ≥ 50% & < 100%

Silver ≥ 10% & < 50%

Claims levels are based on eligible carbon credits retired as a % of remaining emissions

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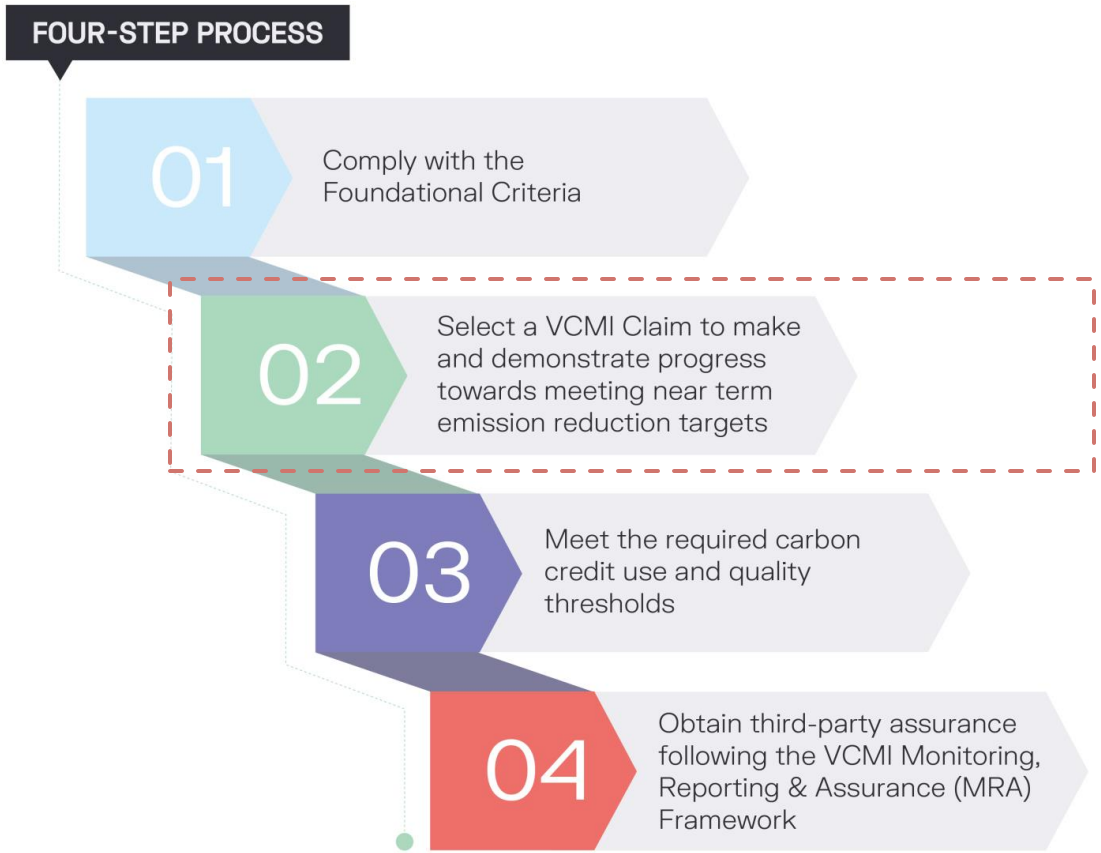
Carbon Integrity Claims – Step 2 | Select which Claim to make (2/2)



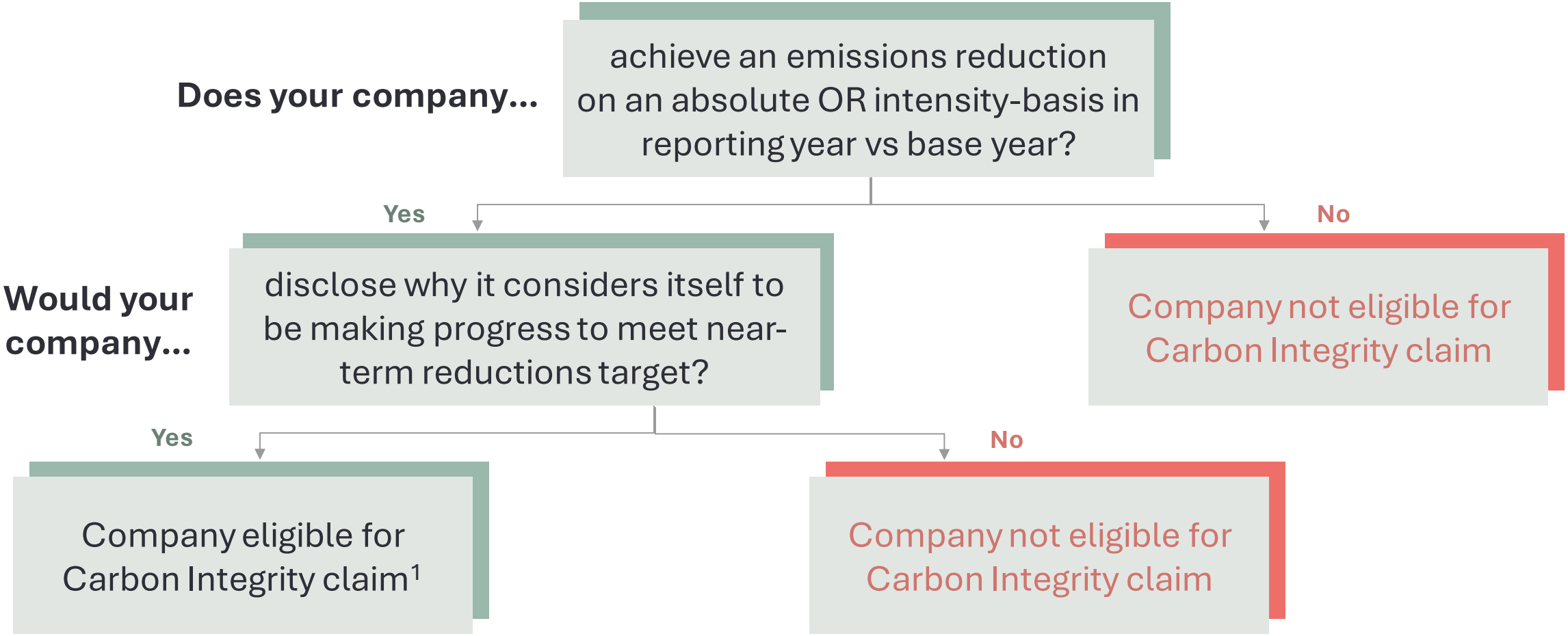
Demonstrate progress towards near-term targets

Companies must demonstrate progress towards near-term targets by:

1. Disclosing **enterprise-wide emission reductions** achieved, in either absolute or intensity terms

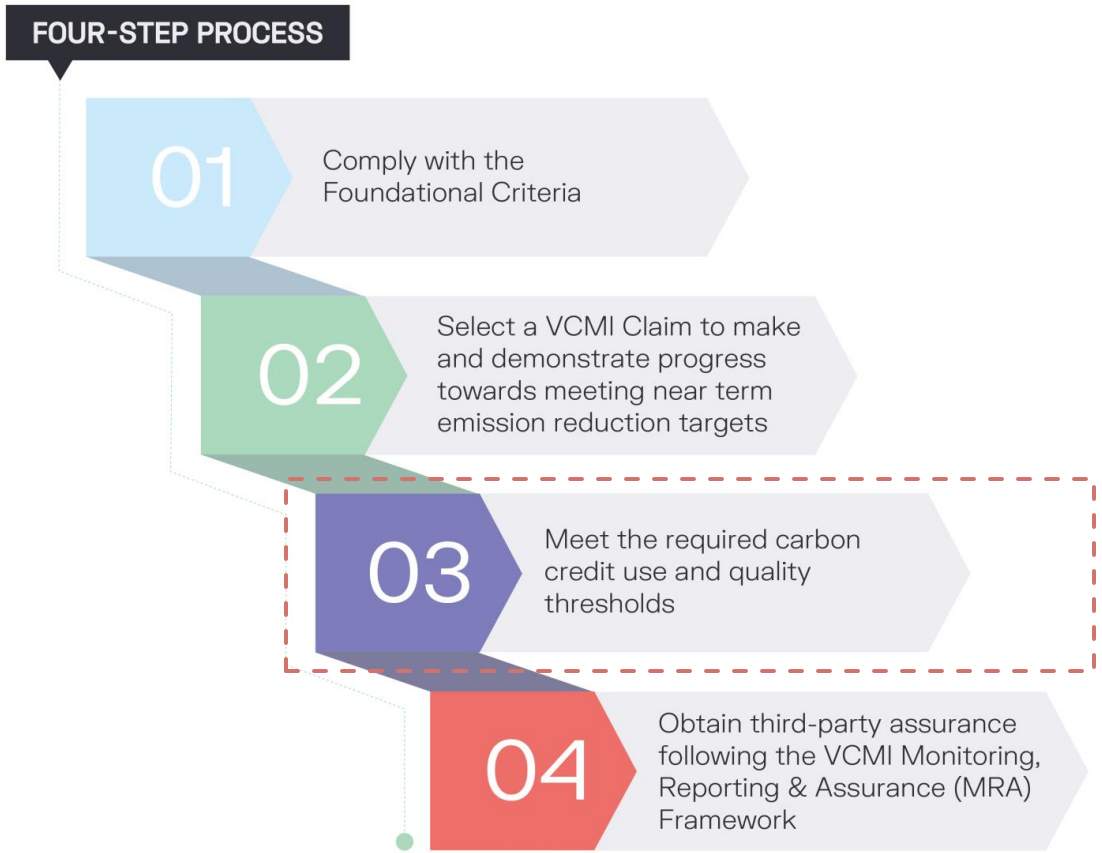
2. Provide an explanation or description of **whether and why they consider themselves to be making progress** towards their near-term targets

Companies must demonstrate emissions reductions either on an absolute or intensity-basis in reporting year vs base year



1. Subject to meeting other criteria

Carbon Integrity Claims – Step 3 | Meet carbon credit use & quality thresholds



Carbon credit use & quality thresholds

The Claims Code requires companies to purchase & retire **ICVCM CCP-Approved credits**

Two interim options until CCP-Approved credits are available:

1. Purchase and retire CORSIA eligible credits
2. Disclose how due diligence processes align with all 10 CCPs

Two interim options are available for claims submitted before 1-Jan-26, after which only CCP-label credits are eligible

1-Jan-2026

Claims submitted before

Alternative 1: CORSIA credits

Companies may purchase and retire CORSIA-eligible credits for Carbon Integrity claims.

Pilot phase and 1st phase CORSIA credits allowed.

Alternative 2: CCP-aligned disclosure

Companies may disclose how their due diligence process for purchasing credits aligns with all 10 CCPs.

Must be publicly disclosed (e.g., statement in annual sustainability report)

Claims submitted after

Only CCP-approved purchased and retired credits will be eligible for Carbon Integrity claims

Illustrative example | Existing public disclosures from companies that align with CCPs (1/3)

Emissions impact

	Core Carbon principles	Company X
1	Additionality	✓
2	Permanence	
3	Robust quantification of emission reductions and removals	
4	No double counting	✓

Example public disclosures

1 Credits retired for making a VCMI Claim derive from projects that otherwise would not have occurred in the absence of the incentive created by carbon credits revenues …”

4 Retired credits are from a carbon crediting program that addresses the risk of double claiming and …”

Illustrative example | Existing public disclosures from companies that align with CCPs (2/3)

Governance

	Core Carbon principles	Company X
5	Effective governance	✓
6	Tracking	
7	Transparency	✓
8	Robust independent third-party validation and verification	

Example public disclosures

5 The carbon crediting programme's governance is publicly disclosed including fiduciary responsibility, corporate social and environmental responsibility…

7 The information of credits purchased and retired for making a VCMI Claim is publicly available in XX carbon registry, including project design document, monitoring reports, ….

Illustrative example | Existing public disclosures from companies that align with CCPs (3/3)

Sustainable Development

	Core Carbon principles	Company X
9	Sustainable development benefits and safeguards	✓
10	Contribution to net zero transition	

Example public disclosures

9 The retired credits from carbon projects have all been assessed against environmental and social risk following internal safeguards system… The project delivers positive sustainable development impacts aligned with the UN SDGs. ”

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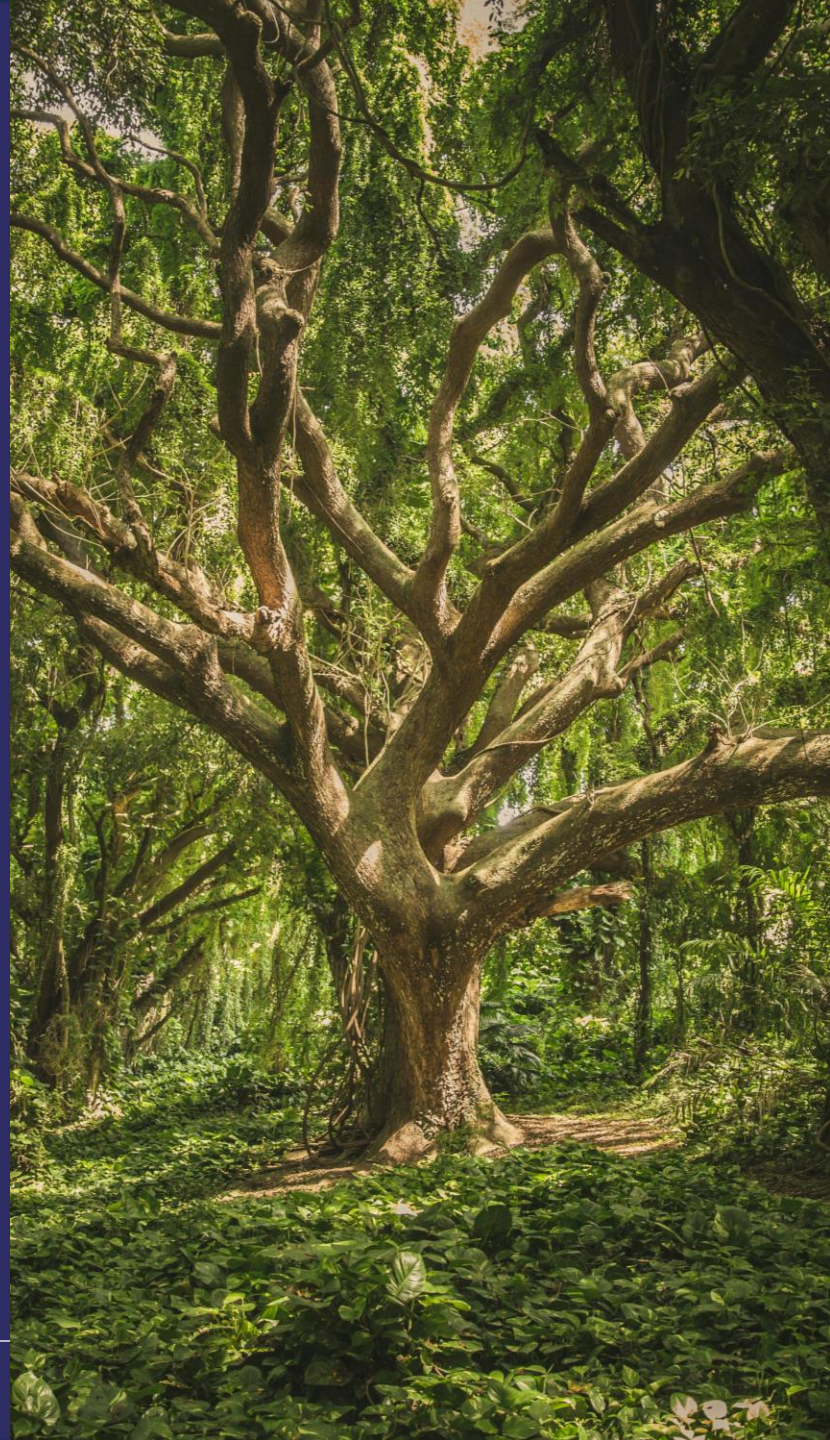
VCMI CARBON INTEGRITY 101 WEBINAR

17 APRIL 2024

KEEP UP TO DATE BY SIGNING UP TO THE ICVCM NEWSLETTER



THE VOLUNTARY CARBON MARKET IS CRITICAL TO ACCELERATE A JUST TRANSITION TO 1.5° C.

BUT IT WILL ONLY SUCCEED IF IT IS ROOTED IN HIGH INTEGRITY.

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THE CORE CARBON PRINCIPLES

The CCPs set a global benchmark to ensure integrity in the voluntary carbon market.

GOVERNANCE

1. Effective governance
2. Tracking
3. Transparency
4. Robust independent third-party validation and verification

EMISSIONS IMPACT

5. Additionality
6. Permanence
7. Robust quantification of emission reductions and removals
8. No double counting

SUSTAINABLE DEVELOPMENT

9. Sustainable development benefits and safeguards
10. Contribution to net zero transition

THE ICVCM'S CCP-LABEL WILL:

- Help the market – including buyers – to identify **consistently high-integrity carbon credits.**
- **Increase confidence** and **grow participation**, unlocking mitigation and finance at scale.

OUR WORK

01

ASSESSMENT

We are assessing carbon-crediting programs and methodology types against the Core Carbon Principles (CCPs). CCP labelled carbon credits will bring integrity to the market.

02

STAKEHOLDER ENGAGEMENT

We are engaging with all stakeholders in the market including, VCM practitioners, governments and regulators, Indigenous Peoples & local communities.

03

CONTINUOUS IMPROVEMENT

We are working to ensure carbon programs and projects increase ambition over time. Our stakeholder workshops will identify best practice in key areas to feed into the next iteration of the CCPs.

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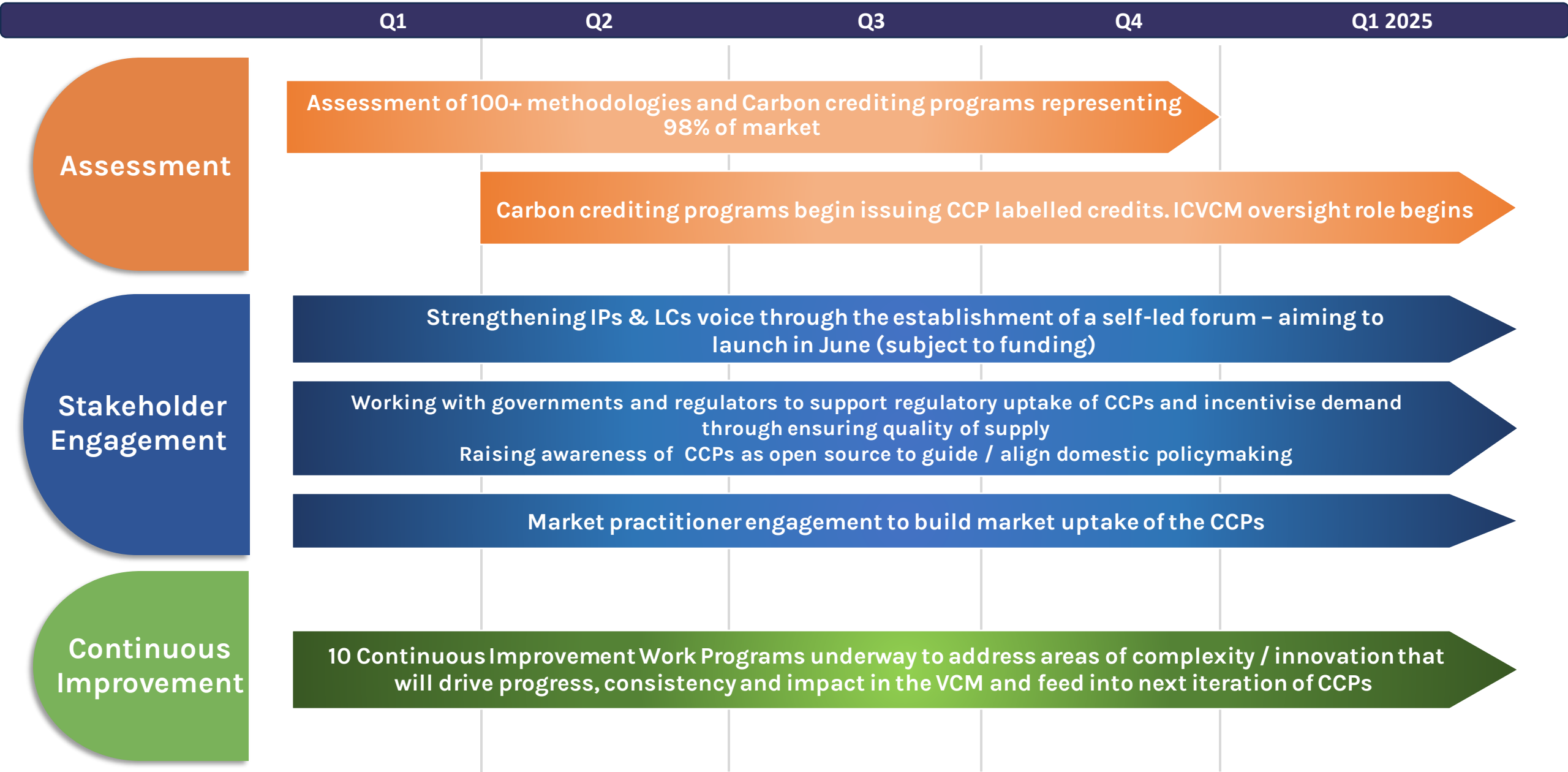
WHAT IS HAPPENING IN 2024?



LATEST ANNOUNCEMENTS

DECISION FROM THE GOVERNING BOARD:

The Board approved **ACR** as a CCP-Eligible Program.

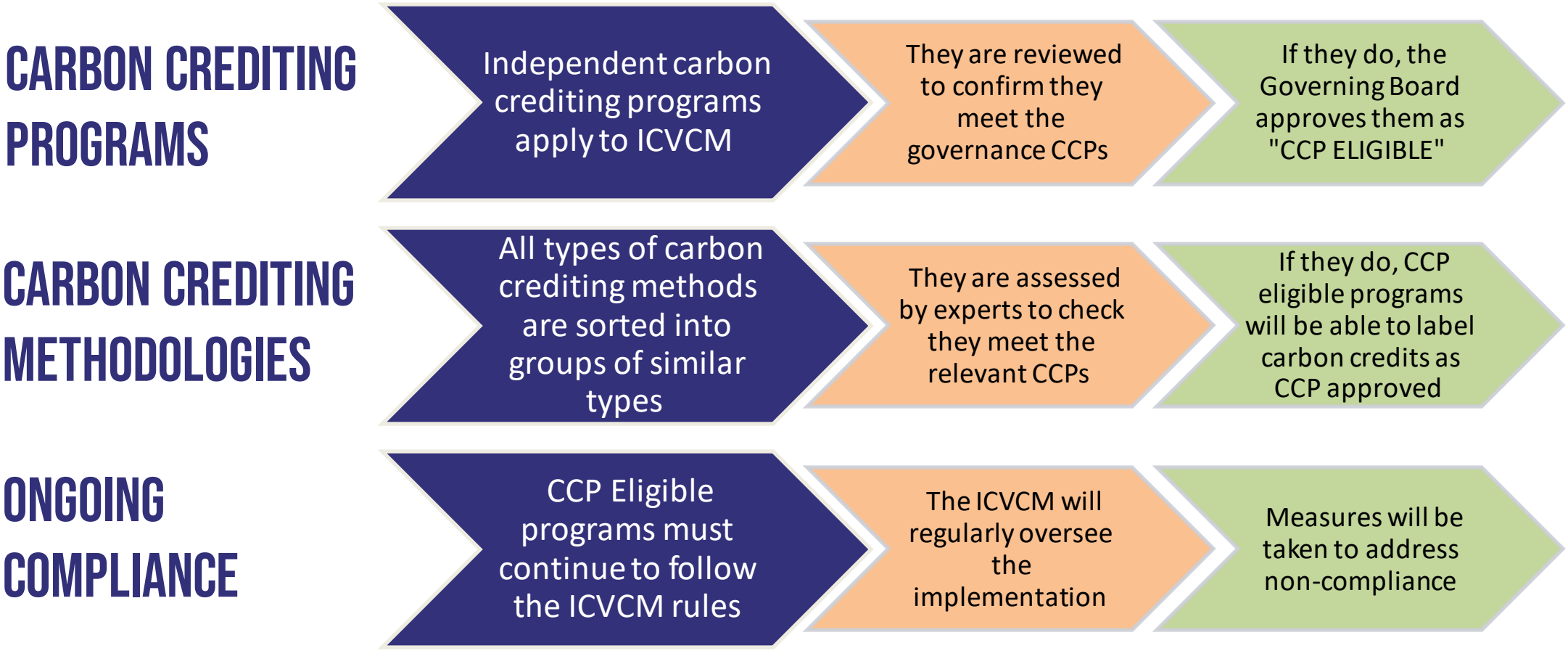
DECISION FROM THE GOVERNING BOARD:

The Board approved **Climate Action Reserve** (CAR) as a CCP-Eligible Program.

DECISION FROM THE GOVERNING BOARD:

The Board approved **Gold Standard** as a CCP-Eligible Program.

THE ICVCM ASSESSMENT AND OVERSIGHT PROCESS



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ENGAGING WITH ALL STAKEHOLDERS IN THE VOLUNTARY CARBON MARKET

IPS & LCS

Supporting Indigenous Peoples & local communities to host a self-directed engagement forum to give voice and agency to IPs and LCs as key decision-makers in a high integrity VCM.

GOVERNMENTS AND REGULATORS

Enabling the CCPs to support domestic policy mixes for decarbonisation and climate finance.

MARKET PRACTITIONERS

To ensure the Core Carbon Principles help the market to standardise and scale effectively.

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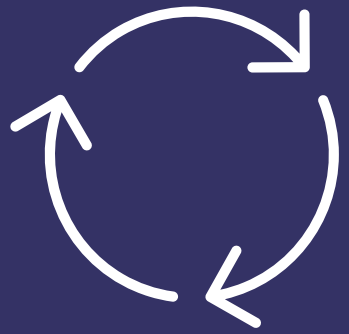
CONTINUOUS IMPROVEMENT WORK PROGRAMS: BUILDING THE FUTURE OF THE VCM



INCREASING AMBITION IN CARBON PROJECTS OVER TIME

ICVCM has launched 10 stakeholder workshop streams to identify emerging best practice that will make clear what the next level of ambition is for the next version of the ICVCM rules:

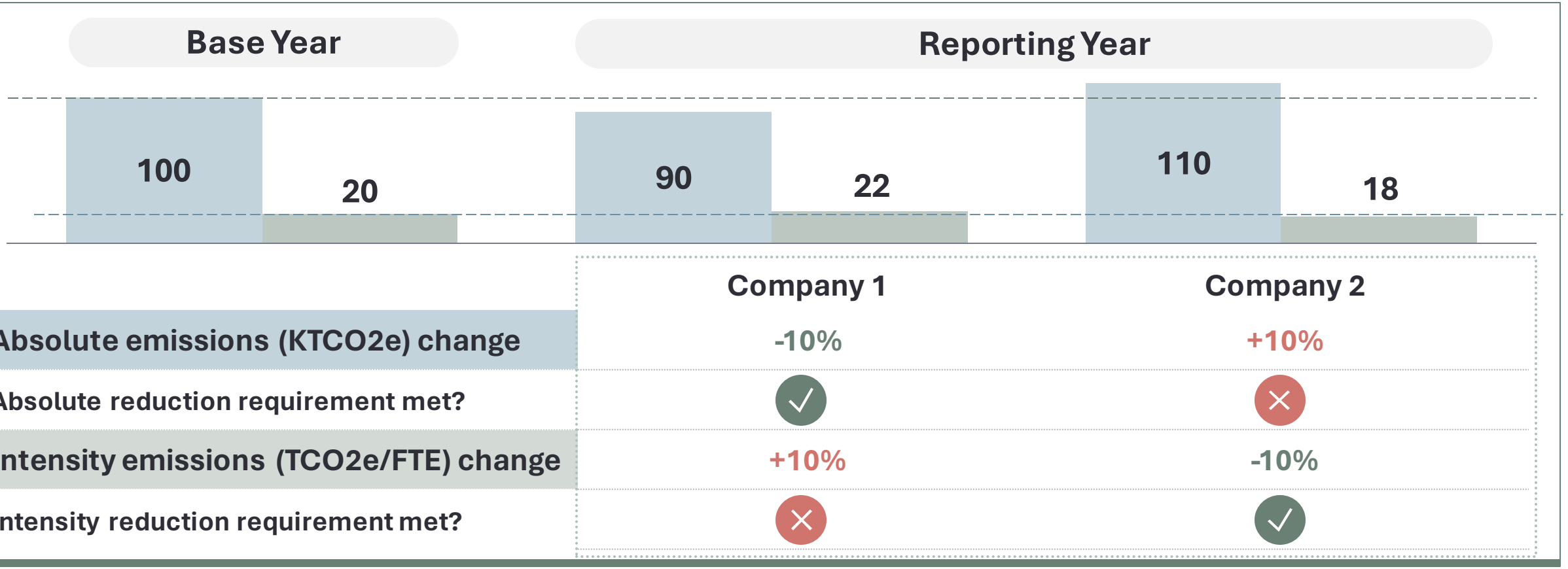
1. Whether voluntary carbon markets should incorporate country level **accounting under the Paris Agreement**
2. Whether voluntary carbon projects should contribute to **adaptation finance funds**
3. Whether voluntary carbon project baselines should **contribute to host country Paris Agreement action** (the nationally determined contribution)
4. How to f**urther strengthen ICVCM rules on sustainable development benefits and environmental and social safeguards**, including sharing benefits with communities
5. How to identify new approaches to ensuring **permanence** of GHG removals
6. How to leverage advances in **digital monitoring, reporting and verification**
7. How to increase **market transparency, standardization, and scalability**
8. How to strengthen **oversight of validators and verifiers** of carbon projects
9. Simplified approaches for **small projects**
10. Best practices for **jurisdictional-wide carbon crediting approaches**

The work will deliver specific recommendations for where integrity goes next

Have a question?

Examples | Demonstrating progress on emissions reductions

Companies must **publicly disclose the enterprise-level GHG emissions reductions achieved** either on an absolute or intensity-basis in reporting year compared to base year i.e.



	Company 1	Company 2
Absolute emissions (KTCO2e) change	-10%	+10%
Absolute reduction requirement met?	✓	✗
Intensity emissions (TCO2e/FTE) change	+10%	-10%
Intensity reduction requirement met?	✗	✓

e.g. Company divesting low GHG-emission assets

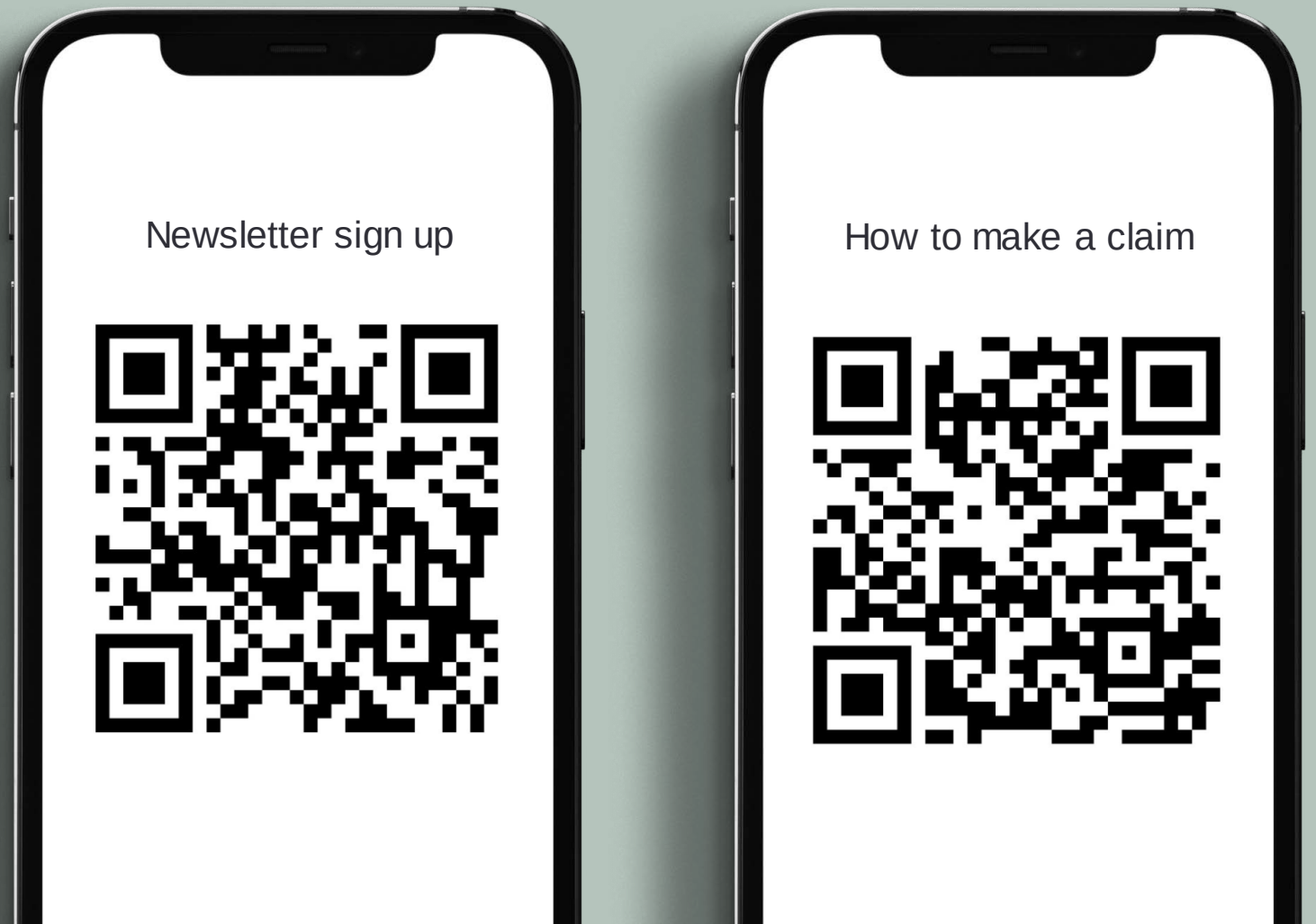
e.g. Company decarbonizing whilst growing rapidly

Upcoming sessions

- How to make a Claim (Step 4)
  May 2nd, 2024 / Registration
- Branding & Communications
  May 16th, 2024 / Registration
- Interactive Q&A
  May 29th, 2024 / Registration

Sign up to our next webinar

How to find out more



Thank you

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THANK YOU

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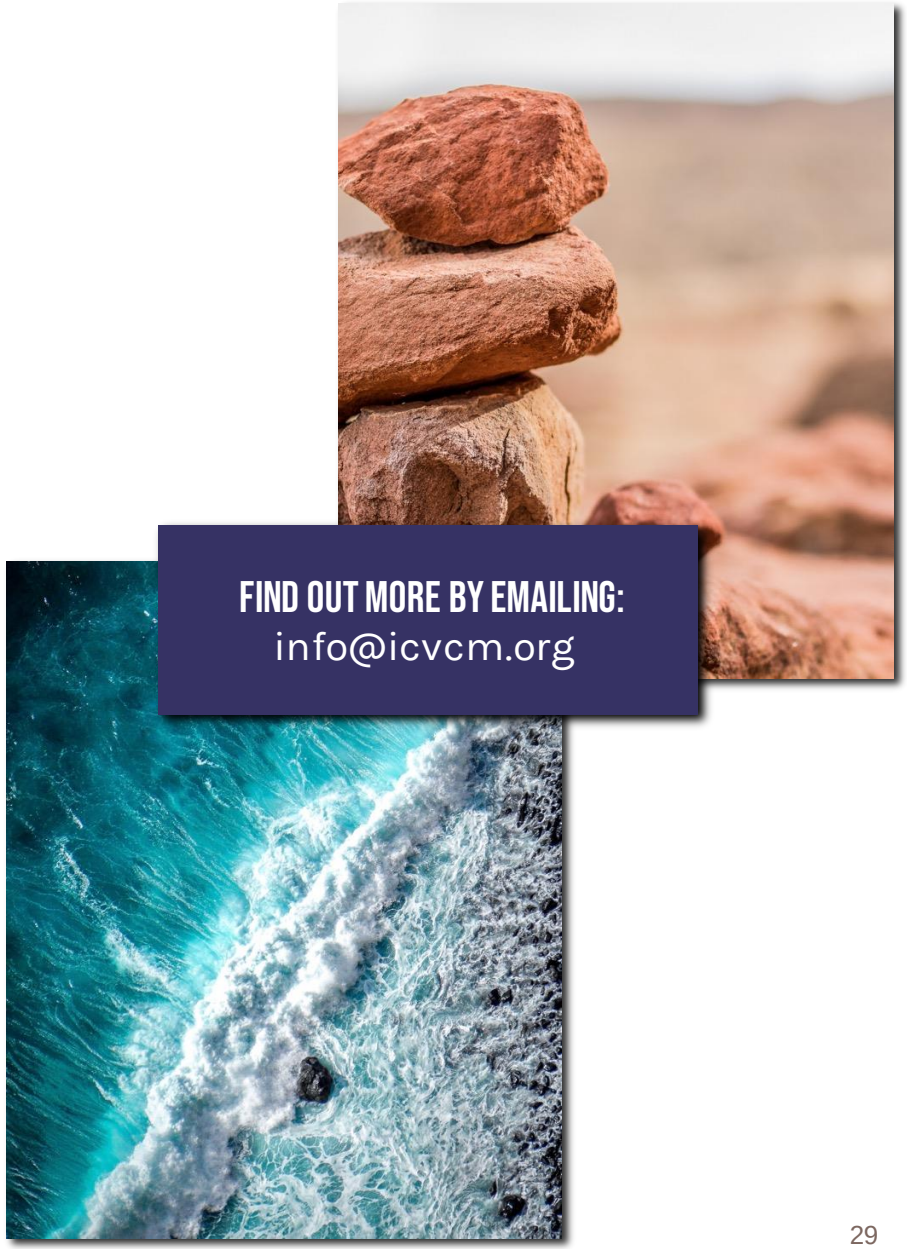

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