

Code of Best Practice

For Carbon Management Services



Executive Summary

Introduction

Scientific knowledge on climate change and its likely impacts demands an urgent and substantial cut in greenhouse gas emissions. Achieving this reduction requires a comprehensive strategy of carbon management for individuals and organizations.

Carbon management is the implementation of a thorough and transparent organization-wide process to measure greenhouse gas emissions, identify and implement actions to reduce internal emissions, and use carbon credits to compensate for unavoidable emissions.

The ICROA Code of Best Practice ensures ICROA members and their clients undertake carbon management strategies that are credible and sustainable.

This executive summary is supported with a detailed Technical Specification to enable ICROA members to implement and comply with rigorous and auditable requirements. The Technical Specification is further supported with reporting templates as part of the assessment and compliance processes managed by the ICROA Secretariat.

Scope of Carbon Management Services

The ICROA Code of Best Practice aims to define international best practice for offset-inclusive carbon management and represents the minimum requirements that all ICROA members must meet. The ICROA Code of Best Practice is applicable to voluntary carbon management services provided by ICROA members.

More specifically, it covers the following four areas of carbon management, as further defined in Section 1 of the Code of Best Practice – Technical Specification:

- ▶ Carbon Footprinting
- ▶ GHG emission reduction advice
- ▶ Offsetting
- ▶ Communication

In summary¹, ICROA members commit to:

- ▶ Perform carbon measurement in accordance with international standards (e.g. WRI/WBCSD GHG Protocols and ISO 14064)
- ▶ Encourage clients to set challenging targets to go beyond business-as-usual
- ▶ Encourage clients to assess emission reduction opportunities and prioritize cost-effective actions
- ▶ Use credible carbon credits in accordance with international standards and programs (refer to next section for list of permitted sources of carbon credits)
- ▶ Use third-party registries and to retire or remove carbon credits used for offsetting
- ▶ Encourage clients to communicate their carbon status and footprints, including emissions associated with the organization, product, service or event, as well as details about actions to reduce and offset emissions

¹ In cases where an ICROA member is not involved in certain elements of a carbon management strategy as outlined to the left, for example encouraging clients to assess emission reduction opportunities, then the ICROA member is not obligated to perform such requirements.

Sourcing and Use of Carbon Credits for Offsetting

When offsetting greenhouse gas emissions on behalf of a client, ICROA members commit to use carbon credits based on the principles of:

- ▶ Real
- ▶ Measureable
- ▶ Permanent
- ▶ Additional
- ▶ Independently verified
- ▶ Unique
- ▶ Sustainable development

When offsetting greenhouse gas emissions on behalf of a client, ICROA members commit to use ex-post carbon credits that are or will be validated, verified and registered under the following offset standards:

- ▶ Clean Development Mechanism
- ▶ Climate Action Reserve
- ▶ Gold Standard
- ▶ Joint Implementation
- ▶ Verified Carbon Standard
- ▶ American Carbon Registry
- ▶ Emissions Reduction Fund of the Australian Government

Under special circumstances and in accordance with strict conditions, ICROA members may use carbon credits from government-approved schemes as well as non-carbon accounting standards (e.g. Climate, Community and Biodiversity Alliance; Social Carbon) that are combined with approved offset standards.

Compliance and Enforcement

ICROA members commit to demonstrate compliance with the Code of Best Practice by:

- ▶ Submitting annual assessment reports, including an assurance statement
- ▶ Submitting annual externally audited assessment reports

ICROA members that are not in good standing with ICROA or are not compliant with the Code of Best Practice and fail to resolve such infractions shall be excluded from ICROA.