

Gold Standard[®]

Scaling voluntary action
across the private sector
beyond 2020

Innovate4Climate 2019



▣ CREDIBILITY IN VOLUNTARY MARKETS

ENVIRONMENTAL INTEGRITY

Gold Standard Policy Focus:

>>Envisioning the
Voluntary Carbon Market
post-2020

SUSTAINABLE DEVELOPMENT

Gold Standard Policy Focus:

>>Sustainable Development
Initiative

└ SUSTAINABLE DEVELOPMENT INITIATIVE (SDI)

SDI PURPOSE:

Explore Party and other views on options to implement SD provisions for Article 6 and recommend text proposals for Article 6 negotiators.



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Standard**[®]


UNEP DTU
PARTNERSHIP

ENVISIONING THE VCM POST-2020



WORKING GROUP STATEMENT FOR CONSULTATION

1. Consider the role and value of VCM post-2020
2. What do VCM 'units' represent
3. What does this mean for double counting?
4. Groundwork for what usage claims can be made/linking to SBTi (Phase 2)



ENVISIONING THE VCM POST-2020

KYOTO

- **Limited coverage**
→ 37 countries with caps
- **Limited ambition**
→ 18% reduction from 1990



PARIS

- **Global coverage**
→ All countries with targets
- **Net-zero ambition**
→ Balance emissions with sinks by mid-century

THE VALUE OF VOLUNTARY CARBON MARKETS IS TO ADDRESS:

1. Emissions gap
2. Finance gap
3. Time gap

ENVISIONING THE VCM POST-2020

IMPLICATIONS FOR DOUBLE COUNTING

KYOTO

Voluntary contributions went beyond (and could be used for) compliance commitments
→ Required accounting adjustments through cancellations

PARIS

Emission reductions stay in host country
→ Finance claims
→ No LOAs or Corresponding Adjustments needed for purely voluntary action

ENVISIONING THE VCM POST-2020

FUTURE WORK (PHASE 2)

1. **Usage Claims:** Review of appropriate + credible claims associated with use of voluntary carbon credits at organizational level, including “carbon neutrality” and “net zero”
2. **Best practice framework:** To define preconditions for legitimacy like internal reductions, target setting, credible claims, and best practices for financing beyond boundaries
3. **Explore with SBTi:** To explore linkages between markets and company target setting and reporting