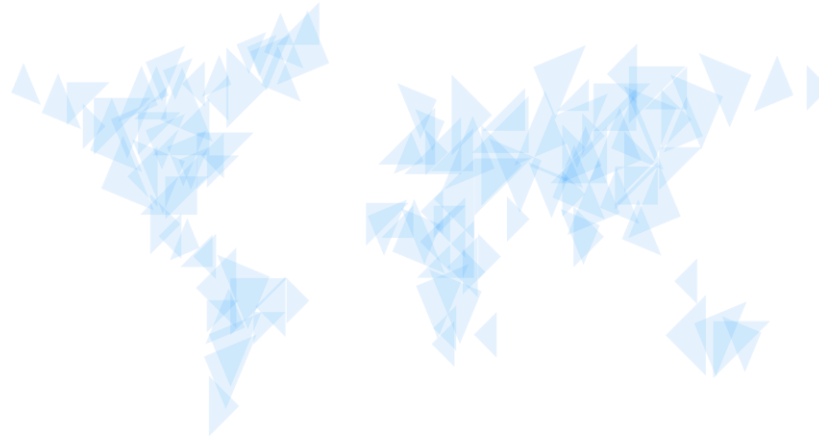




**International Carbon Reduction
& Offset Alliance**



ICROA's Code of Best of Practice and Double Counting

Leveraging domestic offset projects for a climate-neutral world

Simon Henry

What is ICROA?

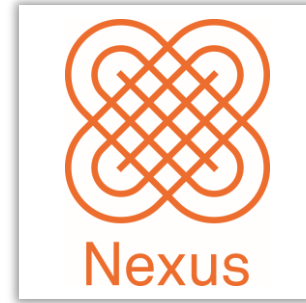
“The International Carbon Reduction and Offset Alliance (ICROA) is an international non-profit industry association”

- Housed within the International Emissions Trading Association (IETA)
- ICROA provides a **unified voice for the voluntary carbon sector**
- ICROA engages with governmental entities and international organizations to **support the development of the voluntary market**

Our aims:

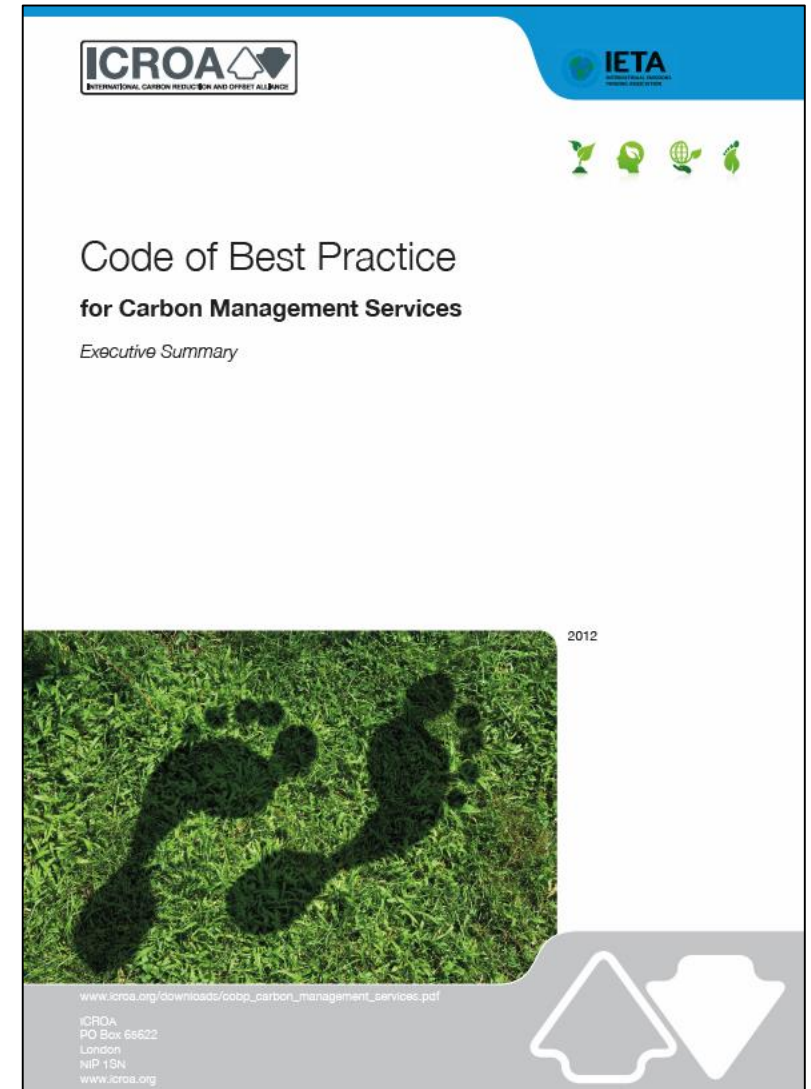
- ✓ **Support development** of the market
- ✓ **Provide quality** assurance to customers
- ✓ **Ensure quality service** by promoting best practice guidance

ICROA is comprised of the leading global service providers



ICROA's Code of Best of Practice

- The code sets out quality standards for providing services in carbon footprinting, GHG emission reductions, carbon offsetting and communication
- All members are assessed against the requirements of the code annually, through a 3rd party audit process.
- The Code requires ICROA members to use carbon offset credits from the following standards:
 - Clean Development Mechanism
 - Climate Action Reserve
 - Gold Standard
 - Joint Implementation
 - Verified Carbon Standard
 - American Carbon Registry



Domestic credits and double counting

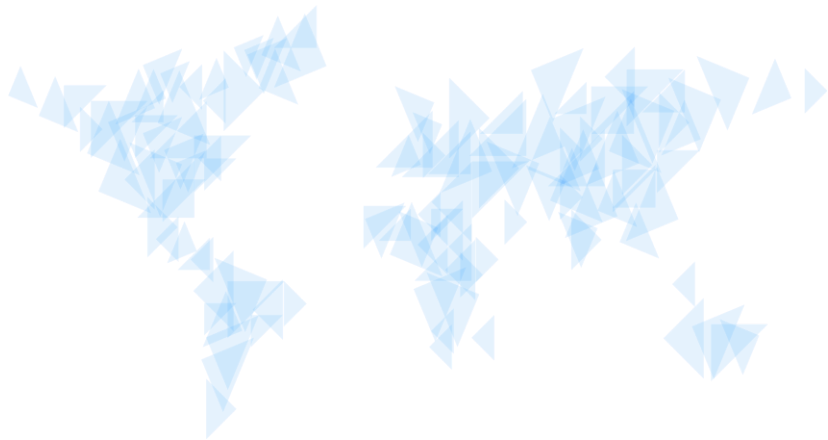
- Our members' businesses are driven by demand from clients who want to make carbon neutral claims
- There is also demand for credits from domestic offset projects. This creates challenges as ICROA does not endorse domestic standards, due to double counting concerns
- Members can still sell credits from domestic schemes but must ensure that they are not used by clients to support a carbon neutrality claim
- For example, members can sell WCUs from the Woodland Carbon Code. The use of those credits should be described in other ways, such as a voluntary investment in domestic forestry

A framework for voluntary offsetting post 2020

- ICROA is developing a Position Paper on the 'Future of Voluntary Offsetting' which will set out our vision for how the VCM can continue to add value and impact under the Paris Agreement (PA).
- Initial thinking is that voluntary offsetting could continue in the following ways:
 - Projects could take place in sectors outside the scope of NDCs
 - Where do those opportunities lie and will host Governments allow it?
 - Voluntary cancellation of units envisioned under Article 6 under the PA
 - Will mitigation outcomes be transferable to voluntary buyers?
 - Using domestic offset credits along with the cancellation of national units
 - Will these units exist under the PA and will it be possible to cancel them?
- It will take time for the real details of the Paris Agreement to emerge, and there could be significant differences to the Kyoto Protocol. The way the VCM facilitates climate action over and above compliance may therefore change



**International Carbon Reduction
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