

Navigating Environmental Integrity in International Carbon Markets

Presenter:

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Carbon Limits

Introduction to environmental integrity


Definition



Attributes

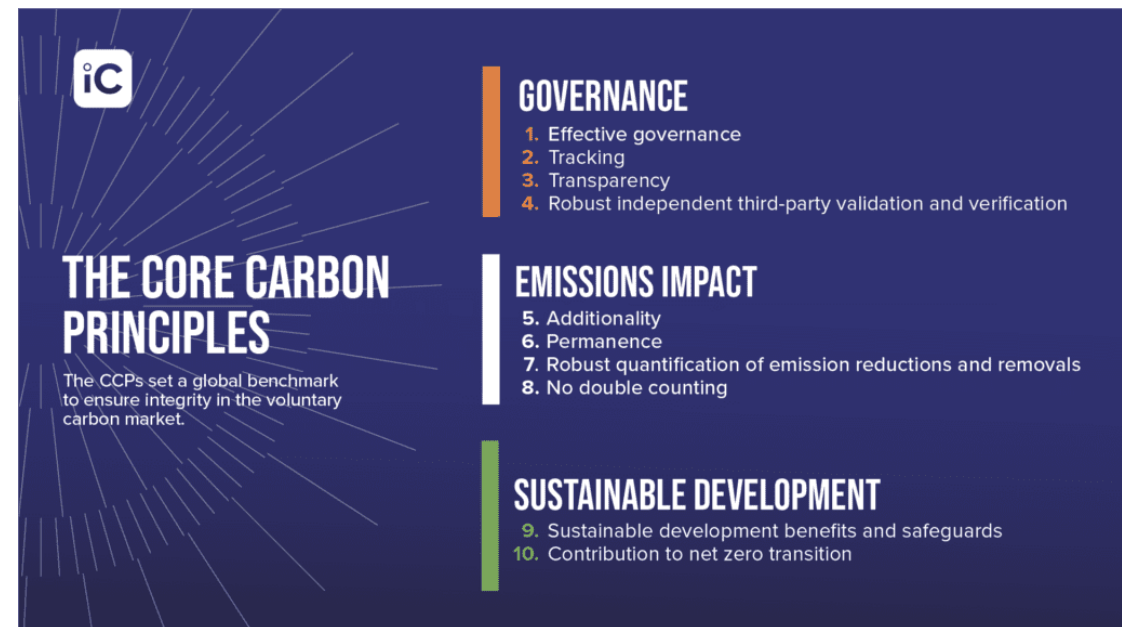
Real	<ul style="list-style-type: none"> Total GHG emissions to the atmosphere need to be lower due to the implementation of the project Compare resulting project emissions to baseline scenario
Conservative	<ul style="list-style-type: none"> Emission reductions achieved should be quantified robustly and conservatively with reliable science-based measurement approaches
Additional	<ul style="list-style-type: none"> Use of quantification methodologies, e.g. CDM/Gold Standard/VCS Deviation from the baseline scenario would not have occurred in the absence of the crediting program Additionality assessment integrated into methodologies
Permanent	<ul style="list-style-type: none"> Emissions reduced as a result of the project implementation cannot be re-released into the atmosphere
Verified	<ul style="list-style-type: none"> Emissions reductions achieved can be independently substantiated by a qualified/accredited third party.
Not double counted	<ul style="list-style-type: none"> One credit/unit represents only one ton of CO₂e emissions and no double counting has occurred

Supply of carbon credits in generated through different types of crediting mechanisms

International	Governed by international climate treaties and are usually administered by international institutions		<ul style="list-style-type: none">• CDM – Clean Development Mechanism• Article 6.4 (Paris Agreement Crediting Mechanism)
Independent	Administered by private and independent third-party organizations, which are often nongovernmental organizations.		<ul style="list-style-type: none">• VCS – Voluntary Carbon Standard• GS – Gold Standard• CAR – Climate Action Reserve• ACR – American Carbon Registry
Regional, national, sub-national	Governed by their respective jurisdictional legislature and are usually administered by regional, national or subnational governments.		<ul style="list-style-type: none">• Thailand Voluntary Emission Reduction Program• Australian Carbon Credit Unit (ACCU) Scheme
Bilateral	Jointly governed by two entities. Can vary in complexity and formality, with some bilateral mechanisms being specific to a transaction.		<ul style="list-style-type: none">• Joint Crediting Mechanism (JCM)

Initiative & rating agencies are emerging to strengthen integrity of carbon credit issued by independent crediting mechanisms

Quality initiatives and rating agencies assess carbon crediting programs, quantification methodologies and projects against quality indicators.



➔ Developers can use these findings to design their projects in ways that avoid specific integrity risks.

Higher quality is starting to mean higher prices

Buyers are increasingly aware that quality risks are not merely theoretical—they can lead to reputational damage, legal exposure, and climate-related consequences. As the market evolves and brokers begin distinguishing between products, more pricing signals related to quality can be expected.

Calyx-ClearBlue Carbon Price-Integrity Index™

Average annual rating tier price



In partnership with ClearBlue Markets



Tier 1 – highest Calyx ratings (AAA – A)
Tier 2 – moderate Calyx ratings (BBB – B)
Tier 3 – lowest Calyx ratings (C – D)

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Questions for project developers

- 1 Is there a crediting standard that has a methodology applying to my project?
- 2 Has this methodology been reviewed previously? If so, with what results?
- 3 Are there any choices I can make to make the application of the methodology more conservative?
- 4 Do I want to receive authorization from the host country? If so, what do they require?



Category	Methodologies within this category	Assessment Type	Assessment Status	Methodology Version(s)	Decision	Decision Rationale	Informal Board Observations
Efficient Cookstoves	Energy efficiency measures in thermal applications of non-renewable biomass	stakeholder assessment - MSWG 5	MSWG concluded	Versions 1 - 13.1	Rejected	Decision	ICVCM Board Observations
	Gold Standard "TPDTEC" - Reduced Emissions from Cooking and Heating – Technologies and Practices to Displace Decentralized Thermal Energy Consumption	Multi-stakeholder assessment - MSWG 5	MSWG concluded	Version 4.0	CCP-Approved	Decision	
	Verra (VCS), VM0050 - Energy Efficiency and Fuel-Switch Measures in Cookstoves	Internal assessment	Internal assessment concluded	Version 1.0	CCP-Approved	Decision	