

27 September 2022

Annette Nazareth
Chair, Integrity Council for the Voluntary Carbon Market (ICVCM)
E-mail: info@icvcm.org

Submission by Veritas Global on Draft for Public Consultation: Core Carbon Principles, Assessment Framework and Assessment Procedure

We are deeply concerned with the approach proposed by ICVCM as outlined in the draft for public consultation published in July 2022. The proposed approach would effectively put the voluntary carbon market in a straitjacket. If implemented, it would result in subdued finance flows for climate action and would be bad for the planet.

Rather than limiting the types of climate actions that can be supported through the voluntary carbon market, we see ICVCM's role as developing harmonized standards that support enhanced transparency and advancing efforts to promote greater clarity on accounting.

On transparency, the work of ICVCM could entail developing standards that help codify a set of classifications for carbon unit types and carbon target types. The carbon unit type classifications (supply side standardization) need not be mutually exclusive in nature, reflecting the ability of certain carbon unit types to fit within multiple classifications. For example, one classification type could be whether a carbon unit has been reviewed by a third party while another classification type could be whether the carbon unit was aligned with supporting a transition towards net-zero emissions. If a carbon unit fits both classification criteria, it would have both classifications. The purpose of these classifications would be to add greater transparency to the voluntary market. Such classifications should not be used to limit or disqualify voluntary climate actions taken but rather classifications should serve to codify actions taken. Adherence to the relevant classifications could be monitored at the program level (at the level of programs such as Verra, Gold Standard, etc.). Furthermore, the global classification standards should not impede the ability of voluntary programs to differentiate their product offerings in terms of the carbon units they develop. Similarly, development of standardized voluntary carbon target types (demand side standardization) can also greatly advance transparency.

On accounting, a harmonized approach is needed either in the form of a global registry or equivalent authentication mechanism to ensure avoidance of unintended double counting, crediting, and claiming in voluntary carbon markets. This is most urgently needed for international mitigation outcomes that will be issued without corresponding adjustments to national GHG inventories. For example, corporations may wish to be recognized for the international mitigation outcomes that they supported voluntarily even if such actions are part of the effort in achieving nationally determined contributions and have not undergone a corresponding adjustment. Ensuring globally harmonized methods that appropriately account for voluntary international mitigation outcomes is essential for scaling-up support to climate action and for ensuring the effective functioning of the voluntary carbon market.

We welcome future opportunities to engage with ICVCM on developing approaches on how the voluntary carbon market can support scale-up of global climate action.

George Anjaparidze



Managing Partner – Veritas Global
Geneva 1203 – Switzerland
www.veritasglobal.ch