



Policy Announcement from the VCS Association

23 July 2009

Applicability of Section 5.2.2 of the VCS 2007.1 to Projects Hosted in Canada

Background

The VCS Association policy announcement 'Applicability of Section 5.2.2 of the VCS 2007.1: Double Counting' provides criteria by which the VCS Board can assess and issue a ruling on the applicability in specific situations of the VCS requirements with respect to double counting set out in Section 5.2.2 of the VCS 2007.1. In accordance with the process set out in that policy announcement, the VCS Board has assessed the situation for projects hosted in Canada.

Policy Announcement

The VCS Association provides the following with respect to projects hosted in Canada.

- 1) In accordance with the VCS Association policy announcement 'Applicability of Section 5.2.2 of the VCS 2007.1: Double Counting', the VCS Board has assessed the situation for projects hosted in Canada.
- 2) The VCS Board has ruled that the requirements with respect to double counting set out in Section 5.2.2 of the VCS 2007.1 are not applicable to projects hosted in Canada. Specifically, the VCS Board has determined that, based upon the likelihood of Canada achieving its Kyoto Protocol reduction commitment, it is unlikely that projects hosted in Canada would 'free up' Canadian Assigned Amount Units (AAUs) and therefore it is unlikely there would be double counting vis-à-vis the country's Kyoto Protocol reduction commitment.
- 3) Pursuant to the VCS Board's ruling outlined above, with effect from 23 July 2009 and until further notice, projects hosted in Canada are not required to cancel AAUs equivalent to the GHG emission reductions or removals generated by the project.
- 4) If and when the VCS Board's assessment of the situation for projects hosted in Canada changes, it will revisit its ruling on the applicability of the requirements with respect to double counting set out in Section 5.2.2 of the VCS 2007.1 and the VCS Association shall provide a further policy announcement.