



Policy Announcement from the VCS Association

19 March 2008

Further Guidance for Projects that are Registered in Two GHG Programs

Background

Section 5.2.2 of the VCS 2007 states that “*Project proponents shall not claim GHG credits from one project under more than one GHG Program*”. The intent of this clause was to restrict any single emissions reduction or removal from being counted in two different GHG Programs at the same time (double counted). It does not restrict a project from being registered in one GHG Program, then withdrawing this registration and being re-registered under another.

Policy Announcement

The VCS Association provides the following rules for projects that may wish to be registered sequentially in two different GHG programs.

1. Projects registered under other VCS Program approved GHG Programs (such as the CDM) are eligible to create Voluntary Carbon Units (VCUs) for the emissions reductions or removals not registered under that GHG Program. The VCUs can be registered back to the project start date provisions in VCS 2007 Clause 5.2.1. This is, 28 March 2006 or two years prior to the completion of the project validation whatever is later.
2. Projects can use their specific GHG Program validation report as long as it covers all the requirements set out in the VCS Program for project validation. For example, when a project has been validated under the CDM, a further validation shall be completed of clauses 1.12, 1.13, 1.14, 8.1 and 8.2 of the VCS Project Description template (<http://v-c-s.org/docs/VCS%20PD.doc>). This validation can be completed when the project proponent undergoes a VCS

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Program verification of achieved emissions reductions or removals. The validator shall attach the results of this validation to the CDM validation report.

3. All project proponents for projects that are listed on VCS Program registries and issued with VCUs shall notify the VCS Association and VCS Program project database when they have moved their registration from the VCS Program to another GHG Program. The status for the project shall be changed on the project database to reflect that it has been registered under another GHG Program.
4. All VCS Program projects have a ten year renewable crediting period regardless of whether they move their registration from the VCS Program to another GHG Program and back. All projects shall re-apply to the VCS Program every ten years regardless of whether the project is currently generating VCUs. When a project re-applies, it must undergo a complete VCS Program validation unless it has been re-validated under an approved GHG Program. If it has been re-validated against an approved GHG program, the VCS validation shall only include the clauses in point (2) above. If after ten years from the date of the beginning of the project crediting period the project proponent has not applied, or does not have a contract in place with a VCS Program validator to perform a validation on the project, it shall be ineligible to re-apply for registration under the VCS Program.
5. Some project may register under another GHG Program (e.g. CDM) for a renewable crediting period without having been validated against the VCS for any pre-GHG Program emissions reductions/removals. If the project then elects to be registered under the VCS (without being re-validated under the GHG program), it must complete a full VCS validation before it is eligible to be issued with any VCUs in the future.
6. Project proponents shall include a buffer for all projects that fall under the VCS Program agriculture, forestry and other land use change projects (i.e. CDM &

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pre-CDM projects) and be validated by an accredited VCS Program validator unless the program applies an VCS approved buffer approach.

Guidance Example to the Policy Announcement – This is not Normative Text for the VCS 2007

A wind power project in India began generating electricity on 1 January 2006. Due to some delays it was not registered under the CDM until 1 January 2008. It selected the 10 years fixed crediting period under the CDM.

In order to register VCUs for the emissions reduced created prior to the CDM registration, the project commissions an accredited VCS verifier to perform a verification of the emissions reductions. The project is eligible to register VCUs from 28 March 2006 (VCS Program emissions reduction start date) until 31 December 2007 (date of CDM registration). In order to comply with VCS requirements, the independent verifier must complete a validation of clauses 1.12, 1.13, 1.14, 8.1 and 8.2 of the VCS Project Description template and attach the results of this validation as an addendum to the CDM validation report.

The VCUs issued over the period 28 March 2006 to 31 December 2007 are registered on the VCS project database. However the project status is listed as registered under CDM because it is now creating CERs

The projects VCS crediting period runs from 28 March 2006 – 28 March 2016. Regardless of whether the project is still registered under the CDM or not, the project must be re-validated under the VCS program by 28 March 2016 or it shall not be eligible to re-apply under the VCS in the future.

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