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The VCS Program:
REDD Developments
Overview

1) The Voluntary Carbon Standard
2) Recent REDD Developments
3) Looking Ahead
1) The Voluntary Carbon Standard (VCS)

- Established by leading NGOs (IETA, WBCSD, The Climate Group, WEF) to:
  - Establish a global benchmark for quality emission reductions
  - Provide a framework to bring coherence to the voluntary carbon market
  - Foster innovation within a context of quality, credibility and transparency
  - Demonstrate workable frameworks that can be incorporated into compliance regimes worldwide
  - Streamline project registration and credit issuance process
The VCS Association

- Non-profit organization
  - Headquartered in Washington, DC
  - Also has a Swiss entity
- Single focus – to develop and manage the platform:
  - No consulting
  - No methodology development
  - No validation/verification
  - No project development or proprietary positions
- Funded primarily by VCU levy ($0.10 per VCU)
  - Foundation grants help supplement special initiatives
Name Change

- Will become **Verified Carbon Standard**
  - VCUs will become Verified Carbon Units
  - VCSA will become Verified Carbon Standard Association

- Rationale
  - Wanted to bring “quality” into the name more forcefully
  - “VCS” is recognized
  - “Voluntary” did not add much value

- Timeline
  - Change becomes effective 1 March 2011
  - New logo use and trademark agreements available
  - New website late May
New Trademark and Logo

VCS | VERIFIED CARBON
STANDARD

A Global Benchmark for Carbon
VCS Version 3

- Launch date: 8 March 2011
- 60-day public comment period
  - 11 August – 10 October 2010
  - 349 comments received – approx 50% on AFOLU
- Key improvements
  - Streamlined program documentation – easier to follow
  - Further specification on certain areas
    - Project grouping (aka, programmatic)
    - Appeals process
  - New AFOLU category: Peat Rewetting and Conservation (PRC)
  - Revised non-permanence risk tool
2) Recent REDD Developments

- 4 REDD methodologies approved
  - VM0004: Conservation projects that avoid planned land use conversion of undrained tropical peat swamp forests in SE Asia (23 August 2010, Infinite Earth)
  - VM0006: Reduced emissions from mosaic deforestation and degradation (3 December 2010, Terra Global Capital LLC)
  - VM0007: REDD modules: reducing emissions from planned and unplanned deforestation, as well as forest degradation caused by extraction of wood for fuel (3 December 2010, Avoided Deforestation Partners)
  - VM0009: Emissions reductions and/or removals from project activities that avoid mosaic deforestation of semi-arid tropical forests (11 January 2011, Wildlife Works)

- 3 more REDD methodologies under development
Other AFOLU Methodologies

• Improved Forest Management
  ✓ VM0005: Net GHG benefits of IFM projects in natural evergreen tropical rainforests that avoid emissions from re-logging already logged-over forest, and rehabilitation of previously logged-over forest by cutting climbers and vines, or liberation thinning, or enrichment planting (or a combination of these activities) (23 November 2010, Face the Future)
  ✓ VM0010: Projects that protect unlogged tropical forests that would be logged in the absence of carbon finance (11 February 2011, GreenCollar Climate Solutions)

• Agricultural Land Management
  ✓ Sustainable agricultural land management
  ✓ Sustainable/improved grassland management
  ✓ Reduced N₂O emissions from reduced fertilizer application
REDD VCUs

- First REDD VCUs issued
  - 8 February 2011
  - Kasigau corridor REDD project – Phase I, Rukinga Sanctuary, Kenya
  - 1,160,263 VCUs issued
    - Vintages: 2005 – 2010
    - 290,066 emissions reductions into VCS buffer account
  - CCBA certification: Gold
  - Project Proponent: Wildlife Works

- More projects on the way . . .
3) Looking Ahead: Nesting of REDD Projects

- Funding provided by Climate and Land Use Alliance (CLUA)
- Objectives
  - Establish VCS criteria for crediting REDD programs at the jurisdiction level
  - Establish VCS criteria to enable individual REDD projects to be credited within jurisdictional programs
  - Establish VCS criteria for the creation/use of jurisdictional baselines
- Process
  - Establishment of Advisory Committee and Technical Experts groups
    - Received more than 150 applications for Advisory Committee
  - Peer review and public consultations
Nesting of REDD Projects (cont.)

• Potential uses of results (VCS criteria)
  ✓ Develop projects and programs under the VCS
  ✓ Use VCS framework to meet key accounting requirements of emerging compliance regimes (e.g., CA), but using compliance mechanisms for enforcement
  ✓ Use VCS framework (with or without independent verification) to report performance to donors (but not necessarily issuing “credits”)

• Timing- End of 2011
Thank you

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