



HOW TO EFFECTIVELY ASSESS AN ENVIRONMENTAL PROJECT

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*"In law a man is guilty when he violates the rights of others. In ethics he is guilty if he only thinks of doing so."
Immanuel Kant*

The objective of this assessment is to inform the general public about the minimal conditions of evaluating a project that supposedly reduces or eliminates greenhouse gas ("GHG") and/or other anthropic negative emissions. For clarification purposes, let's take some usual procedures followed by certain websites in the world, who propose the removal GHG emissions through the sale of carbon credits.

Unfortunately, the lack of understanding from the general public about credit generating projects that are loosely attached to reality continues to be a problem. This unfamiliarity jeopardizes the trust in projects that are proven serious and can truly contribute with global anthropic impact mitigation, through the correct application of standards, methodologies, tools, guidelines and procedures that result in monitoring plans that demonstrate – through objective evidence – the effective removal of GHG emissions, and more generally, the removal of negative anthropic impacts on the environment.

The less serious carbon credit websites usually present the following topics:

SCIENTIFIC BASE – Typically, no scientific data to back-up the need for emission removals is encountered. All available information appeals to the emotion and “personal guilt”, with a strong suggestion that everyone should reduce their environmental footprint. Unreferenced and generic data is all that is demonstrated.

CARBON CALCULATOR - It is not possible to apply a generic or universal calculator to GHG or other anthropic emissions, since the local energy matrix has to be taken into account, in order to establish the correct baseline and consequently the environmental footprint.

CARBON CREDIT PURCHASE – Ordinarily, there is no evidence supporting the efficacy of the website’s sponsored projects. The website goer has no access to information allowing him/her to reach a conclusion as to the quality and technical accuracy of the projects and how prices for the credits are established.

Henceforth, we shall describe the step-by-step procedure that effectively assesses the quality of a negative anthropic emissions removal project.

FIRST STEP – Description of the chosen standard applied to the project activity. – There are diverse standards available in the Market and evidently, one has to opt for one that guarantees the implementation effectiveness of a monitoring plan that will result in the generation of carbon/eco-credits.

SECOND STEP – The choice of a methodology and corresponding tools - A serious standard has specific methodologies for different types of negative anthropic emission removals. Through the application of the correct methodology and corresponding tools it becomes possible to create a monitoring plan that will allow for a periodical (usually yearly) verification of the project.

THIRD STEP – Elaborating a Project Design Document (“PDD”) - Once the methodology that best fits the project activity is determined, a PDD must be written. As an example let us refer to a forest preservation project. In this case, the PDD must clearly, accurately and specifically describe the following information:

- Project Title
- Project Proponent(s)
- Host Country
- Other Involved Countries

- Ex-Ante Annual Average Negative Emissions Reduction
- Goals & Description of Project Activity(PA)
- Location of Project Activity
- Complete Address
- Geographical Location of PA
- Geographical Boundaries of PA
- Environmental Conditions of PA
- Technologies and/or Measures
- Eligibility of the Land
- Reference of Methodology
- Applicability of Methodology
- Sinks and Negative Emission Sources
- Strata Identification
- Establishment of Baseline Scenario
- Demonstration of Additionality
- Sink Removal Method
- Fixed Ex-Ante Data and Parameters
- Ex-Ante Calculation of Anthropogenic Emissions Reduction by Sinks
- Summary of Ex-Ante Negative Emissions Removal by Sinks
- Monitoring Plan
- Data and Parameters to be Monitored
- Stratification and Sampling Plan
- Other Elements of Monitoring Plan
- Start Date of Project Activity
- Expected Operational Lifetime of Project Activity
- Start Date of Crediting Period
- Length of Credit Period
- Analysis of Environmental Impact

- Environmental Impact Assessment
- Analysis of Social Economic Impacts
- Social Economic Impact Assessment
- Solicitation of Comments from Local Stakeholders
- Summary of the Comments Received
- Report on Considerations on Comments Received
- Estimated Project Flow
- Contact Information
- Applicability of Selected Methodology
- Further Background Information on Ex-Ante Calculation of Emission Reduction by Sinks
- Summary of Post Registration Changes
- Property Rights and Credits Rights

FOURTH STEP – Project Validation – In this phase of the process, the PDD must be submitted to a Certification body that is recognized by the chosen standard. The validation is usually conducted in two stages: the first stage refers to a desk-review, when a team designated by the Certifier to audit the project confirms that there isn't any type of conflict of interest, that the supporting documents are accurate, and that the calculations and data described in the PDD are precise. During the second stage, the Certifier will send a team on site, in order to evaluate the precision of all the supplied project data.

FIFTH STEP – Project registration – Once the veracity and accuracy of the presented data in the PDD and supporting documents is assessed and confirmed, the Certifier will submit the PDD and a validation report to the responsible body of the standard. There, all the documents will be evaluated by the technical committee of the standard. In case of compliance with all the rules established by the standard, the project is registered. It is only from this moment onward that a project starts generating credits (considering that it has been implemented).

SIXTH STEP – Verification – After a period established by the project proponent, he/she may call upon an audit (always by a Certifier recognized by the standard) to verify the efficacy of the carbon/eco-credits generating project. In this phase, the project proponent will forward the monitoring plan and supporting objective evidence,

demonstrating compliance with the plan, to the auditor. The end result of this process is a verification report.

SEVENTH STEP – Certification – After the positive outcome of the verification process, the auditor of the project will submit the verification report and certification report, with the number of credits generated by the project, to the competent body within the Standard that will in turn proceed with the issuance of the referred credits. However, an important detail must be considered related to this step of the process. All carbon/eco-credits should be issued *ex-post* (after the fact) and, therefore, the project proponent will periodically contract a Certifier for carrying-out verification/certification assessments. Normally, these assessments occur once a year.

EIGHTH STEP – Issuance – Once all the foregoing steps are completed, the Standard will proceed with the issuance of the credits that should carry a serial number and have the possibility for traceability.

Only after the fulfillment of this process can we be sure that the carbon/eco-credits are effective and real. If on the contrary, this process is not clear, evident, described and proven, then upon acquiring a credit we are potentially subject to serious deception.

In conclusion, the following documents are what we hope to encounter on a website that promotes the sale of carbon/eco-credits.

- Standard;
- Methodology and corresponding tools;
- PDD;
- Validation report;
- Project registration;
- Verification report;
- Certification report;
- Credits (with a serial number and traceability system)