

Frequently Asked Questions

Q **Where can the VCS be used?**
A The VCS is a global standard that can be used in all jurisdictions and geographies, above and beyond regulation.

Q **Which projects can use the VCS?**
A Consistent with the aim of driving innovation within a robust framework, there are no restrictions on project types. However, all projects will require a VCS approved methodology to be eligible.

Q **What credit does a project approved under the VCS generate?**

A Projects approved under the VCS are issued with Voluntary Carbon Units (VCU). A VCU represents one tonne of carbon dioxide equivalent and can be traded globally.

Q **Does the VCS guarantee projects would not have happened anyway?**

A Demonstrating additionality is paramount for all VCS offset projects. To ensure that projects are beyond normal business activities, the VCS requires that projects satisfy a test for additionality, as well as using an approved baseline methodology.

Q **Who performs the independent verification?**

A All projects must be independently verified to the highest assurance level. This must be performed by verifiers accredited under a scheme approved by the VCS (eg the Clean Development Mechanism) or against ISO GHG verification standards.

Q **How do I know that offsets have not been used twice?**

A All approved Voluntary Carbon Units must be held in a VCS registry and will be issued with a unique serial number. Registries are crucial to ensuring unique ownership and a clear chain of custody over offsets.

Governance and Contacts

The founding partners behind the VCS are The Climate Group, the International Emissions Trading Association (IETA) and the World Business Council for Sustainable Development.

The VCS has been developed over two years, including two open public consultation rounds and through wide discussions with stakeholders in international carbon markets.

The VCS Programme is owned and managed by an independent, non-profit VCS organization with an independent Board and Secretariat.

VCS organization contact information is at: www.v-c-s.org

VCS { VOLUNTARY
CARBON
STANDARD

Quality Assurance For The
World's Carbon Market

VOLUNTARY
CARBON
STANDARD

“The quality of voluntary offset credits worldwide will influence public opinion and the reputation not just of the voluntary market, but of emission trading in general.”
Point Carbon Research

www.v-c-s.org

Climate Change & The Role of Voluntary Offsetting

Drastic cuts in greenhouse gas emissions are necessary to stabilize climate change and carbon offsetting has a vital role to play in this process.

The first step for any business or individual must be to cut emissions at source. However, once all cost-effective reduction opportunities have been exhausted, offsetting provides a way to balance out emissions by financing low carbon technology around the world. Without this valuable source of income, these projects would not be developed.

Government regulation must be the main approach, but voluntary actions, including using credible offsets, have an important and complementary role to play in speeding up carbon reductions.

Voluntary Carbon Market Growth

The voluntary carbon market is likely to see around 75 million tonnes of CO₂e traded in 2007, up more than 200 per cent from 2006.

Further growth and confidence in this global market will be fuelled by the robust quality assurance that the Voluntary Carbon Standard (VCS) now brings. The new standard will be instrumental in boosting annual sales to an estimated US \$4 billion of voluntary carbon offsets by 2010.

The VCS - Building Global Confidence

The VCS provides a robust, new global standard and institutional structure for certification of credible voluntary offsets. The rigor and transparency of VCS certification will enhance business, consumer and government confidence and drive future growth and credibility in the global voluntary market.

The VCS guarantees:

ENVIRONMENTAL QUALITY:

Offsets certified under the VCS have guaranteed environmental benefits.

MARKET CREDIBILITY:

The VCS is the first carbon standard specifically designed to exacting ISO principles.

TECHNOLOGY INNOVATION:

The VCS will stimulate greater innovation and investment in a wider range of low carbon technologies without compromising environmental integrity.

CONSUMER AFFORDABILITY:

The VCS drives down transaction costs, and maintains the value-for-money carbon price that makes the voluntary market so attractive to buyers.

POLICY LEADERSHIP:

The VCS will guide future policymaking on climate change. It is already shaping the pre-compliance market in the US which contributes around 60 per cent of current market demand.

BUYER TRUST:

Independent research suggests the VCS will become the carbon market's single most popular voluntary offset standard.

PUBLIC TRANSPARENCY:

The public will be able to access information on every offset project approved under the VCS.

Global Support for the VCS

“The combination of rigour and flexibility of the VCS will prove irresistible to U.S. businesses, consumers, and policy makers.”

Terry Tamminen, Former Chief Advisor to Governor Schwarzenegger

“The VCS will promote confidence and show Government that industry is keen to set its own clear and robust standards.”

Tim Yeo MP, Chair of UK Parliamentary Environmental Audit Committee

“The VCS provides the first offset standard that specifically incorporates exacting principles from ISO 14064 series and ISO 14065.”

Alan Bryden, ISO Secretary-General

“The Voluntary Carbon Standard brings a new level of assurance to the voluntary offset market and gives buyers confidence.”

Kerryn Schrank, Program Director targetneutralTM, BP

“Our research indicates that the VCS will become the leading standard against which all voluntary offset projects are judged.”

Ricardo Bayon, Director of Ecosystem Marketplace

“For the first time, we have a standard outside the CDM that provides an incentive for additional investment in credible projects across Asia.”

Agus Sari, Country Director, EcoSecurities Indonesia

“The VCS launch mitigates risks associated with the voluntary carbon market which is vital for market growth and our environment.”

Blythe Masters, Global Head of Commodities, JPMorgan