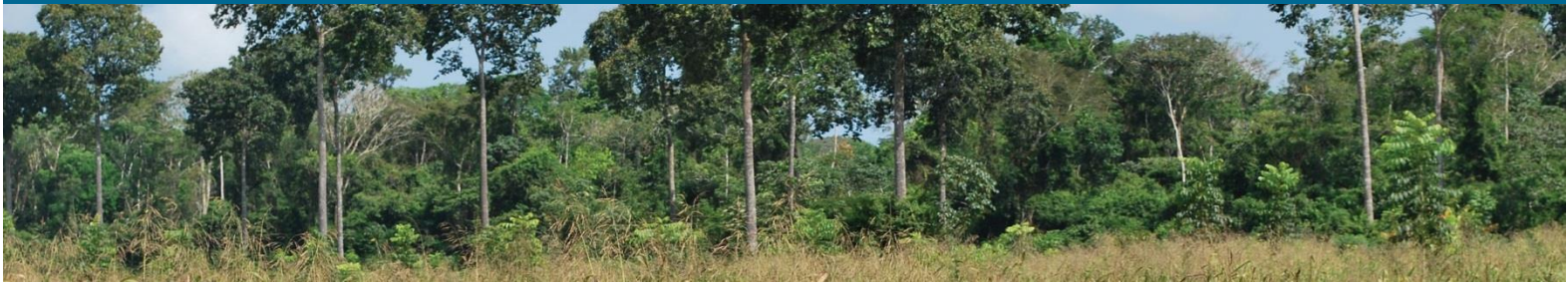


VCS AFOLU Requirements: Crediting GHG Emission Reductions from Agriculture, Forestry, and Other Land Use



Roughly thirty percent of global greenhouse gas (GHG) emissions are caused by forest destruction and poor agricultural practices. Boosting carbon sequestration in the Agriculture, Forestry and Other Land Use (AFOLU) sector is an effective approach to reduce and remove emissions.

Leading the AFOLU Sector

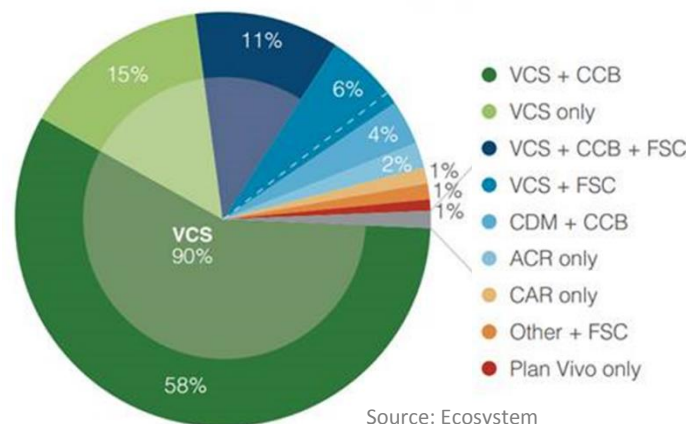
VCS leads the way in developing frameworks to unlock the carbon reduction power of AFOLU projects. The Verified Carbon Standard was among the first global standards to develop robust requirements for crediting AFOLU projects, notably projects that Reduce Emissions from Deforestation and Forest Degradation (REDD).

All AFOLU requirements have been developed in collaboration with the VCS AFOLU Steering Committee and other working groups of leading international forest and agriculture experts. In just a few short years, VCS has become the most widely used standard in the sector.

New Project Types

Since launching the AFOLU requirements, VCS and its AFOLU Steering Committee have continued working to expand their application to new project types and methodologies. Currently, AFOLU requirements cover a wide range of project types, from Improved Forest Management and REDD to Wetlands Restoration and Conservation as well as the Avoided Conversion of Grasslands and Shrublands. Methodologies covering nearly all AFOLU project types have been approved for use under the VCS Program, and more still are being developed. Project proponents interested in developing methodologies for new AFOLU projects should submit their ideas to VCS. These proposals will be subject to a rigorous assessment process to ensure any new methodologies uphold VCS quality assurance principles.

Market Share of Major AFOLU Standards



Source: Ecosystem Marketplace (2014)

Jurisdictional REDD+

AFOLU projects must ultimately be scaled up and incorporated into provincial, state and national frameworks to ensure these large-scale emission reductions are measured effectively across entire jurisdictions. The VCS Jurisdictional and Nested REDD (JNR) framework meets this challenge by providing the first global framework for accounting and crediting emission reductions across jurisdictions, including from integrated projects, policies and programs. The requirements provide a crucial link between REDD+ projects and larger government-led initiatives seeking to reduce national emissions in the forestry sector. To learn more about JNR, visit www.v-c-s.org/JNR.



Raising the Bar for Carbon Quality

One of the biggest challenges faced by AFOLU projects is proper accounting of project risks caused by natural phenomena such as fire, pests and hurricanes. AFOLU projects must also address the risks that avoiding land use changes in one area can sometimes result in changes elsewhere (an issue known as “leakage”). VCS has partnered with international experts to develop innovative mechanisms to address these key concerns. Among these mechanisms are the pooled buffer account, the non-permanence risk tool and the leakage assessment requirements.

Non-permanence Risk Tool

The non-permanence risk tool provides an objective framework for determining the number of credits a project must deposit into the VCS pooled buffer account. The tool requires project developers conduct an analysis of the internal, external and natural risks to the project. These results are then assessed by an independent auditor.

Pooled Buffer Account

The pooled buffer account is a reserve of non-tradable credits that serves as a shared insurance pool for all VCS AFOLU projects. If carbon stocks are lost in an individual project as a result of unforeseen events such as fire, disease or encroachment by outside actors, buffer credits may be cancelled from the buffer account to compensate for the loss.

Credits from the buffer pool may be released back over time to projects where risks have been successfully mitigated, incentivizing better management practices. The buffer approach serves as a form of insurance for all AFOLU credits, ensuring that issued credits remain permanent and that VCU from AFOLU projects are fungible with VCUs from all other project types.

Leakage Assessment

When AFOLU projects reduce emissions in one location, this can have the unintended result of causing emissions to increase elsewhere, as activities shift to other locations. VCS requires that all AFOLU projects define, mitigate, monitor and account for any displaced emissions, known as leakage, using approved tools. VCUs are issued based on each project’s net GHG emissions reductions or removals, conservatively taking into account any leakage that may occur as a result of the project.

Achieving Multiple Benefits

Many AFOLU projects achieve benefits beyond reducing GHG emissions by protecting biodiversity, supporting local communities, reducing rural poverty and generating other important benefits. VCS offers a unique tagging system that allows projects to demonstrate certification to a participating co-benefit program such as the Climate, Community & Biodiversity (CCB) Standards or SOCIALCARBON. The process for linking VCUs to co-benefit programs is available on the VCS website.

VCS AFOLU Project Types:

- Afforestation, Reforestation and Revegetation (ARR)
 - Agricultural Land Management (ALM)
 - Improved Forest Management (IFM)
 - Reduced Emissions from Deforestation and Forest Degradation (REDD)
 - Avoided Conversion of Grasslands and Shrublands (ACoGS)
 - Wetlands Restoration and Conservation (WRC)
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Founded in 2005 by the Climate Group, the International Emissions Trading Association, the World Economic Forum and the World Business Council for Sustainable Development, the Verified Carbon Standard has become one of the world’s most widely used carbon accounting standards. VCS has revolutionized the market developing trusted and innovative tools, as well as pioneering efforts to develop standardized methods that will streamline the project approval process, reduce transaction costs and enhance transparency. Across the world, projects using the VCS Standard have issued more than 100 million credits.