



## OPTIONAL REQUIREMENT

### DOUBLE COUNTING REQUIREMENTS AND PROCEDURES

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### SUMMARY

This document sets out requirements for avoiding double counting of greenhouse gas emission reductions and removals. It is applicable to projects and programmes seeking issuance of the GS VERs covered by Gold Standard's [GHG Emissions Reduction & Sequestration Product Requirements](#).

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## 1| INTRODUCTION

Double counting is a situation in which the benefit of a single unit of greenhouse gas emission reduction or removal is counted more than once towards achieving climate change mitigation targets or pledges, for regulatory or voluntary purposes. Double counting can occur in three ways: (1) double issuance of emissions reduction or removal units; (2) double use of emissions reduction or removal units; and (3) double claiming of the same units of emission reductions or removals by both a country, jurisdiction or entity that reports lower emission levels to demonstrate achievement of its mitigation target(s) or pledge(s) as well as by the country or entity that uses the units for compliance and voluntary claims/ purposes.

All forms of double counting represent a risk to the environmental integrity of the emissions reduction or removal unit, as they can result in a greater achievement being reported than has occurred. In certain circumstances, it can also lead to inadvertently displacing or deferring the ambition of a second claimant, resulting in either no or lower net emission reductions or removals occurring. In turn this can undermine achieving the goals pursued through the key applications of units, such as offsetting or use towards a Nationally Determined Contribution (NDC).

## 2| SCOPE AND APPLICABILITY

Gold Standard requires that double counting risks associated with emission reduction or removal units and the use of these units are fully mitigated. This document outlines Gold Standard’s requirements and processes to mitigate these risks<sup>1</sup>. It may be updated periodically to ensure the risk of double counting is robustly and efficiently addressed.

The requirements set out below are applicable as follows:

<b>Form of Double Counting</b>	<b>Applicability</b>
Double issuance	All projects seeking issuance of Gold Standard Verified Emission Reductions (GS VERs)
Double use	All projects seeking issuance of GS VERs

<sup>1</sup> This guidance has been developed in part on the basis of the [Guidelines on Avoiding Double Counting for the Carbon Offsetting and Reduction Scheme for International Aviation](#) (June 2019). These Guidelines were developed through a multi-stakeholder consensus decision-making process, which included Gold Standard.

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Double claiming	With domestic targets/schemes	All projects seeking issuance of GS VERs
	With NDCs/ CORSIA	Required for GS VERs with a vintage of 2021 or later to be eligible for use towards an NDC or national compliance target other than that of the project's host country, for use towards a CORSIA obligation or recognised by Gold Standard for use towards a voluntary compensatory claim.
	With voluntary climate pledges	Encouraged for all projects seeking issuance of GS VERs

### 2.1 | Double Issuance

Double issuance describes a situation in which more than one emission reduction/removal units are issued for the same emissions reductions or removals, for instance, if a project is registered under two different standards, programmes, or schemes or twice under the same standard, programme or scheme.

Gold Standard's [Principles & Requirements](#) require that, in order to avoid double issuance, a Project shall not be included in any other voluntary or compliance standard's programme unless approved by Gold Standard (for example through dual certification).

### 2.2 | Double Use

Double use describes a situation in which the same issued emissions unit is counted twice towards achieving climate change mitigation targets or pledges, for example if a unit is duplicated in registries, used twice by the same buyer towards claims in different calendar years, or retired once on the Gold Standard registry but then claimed by two separate entities towards their separate mitigation claims.

Gold Standard's [Principles & Requirements](#) require project developers to demonstrate full and uncontested legal ownership of any products, including carbon units, generated under Gold Standard Certification. Where ownership is transferred from project beneficiaries, this must be demonstrated transparently and with full, prior and informed consent (FPIC).

The Gold Standard Impact Registry has functionality that provides each credit with a unique serial number and registry entry, provides a clear record of transfer between credit owners, and ensures the irreversibility of credit retirements.

In addition, Gold Standard requires registry account holders to accept The Gold Standard Registry [Terms of Use](#), which require account holders to acknowledge and agree, with respect to the retirement of credits (referred to as Units), that:

- i. The Account Holder is retiring Units permanently
- ii. Neither the Account Holder nor any third party has any further rights to take the benefit of such Unit nor the underlying Environmental Benefits corresponding to such Units, and
- iii. The Account Holder will procure that all relevant third parties enter into such agreements as are necessary to ensure that neither the Account Holder nor any

third parties have any further rights to take the benefit of such Units nor the underlying Environmental Benefits corresponding to such Units.

Account Holders that fail to comply may face the suspension of their access to the Gold Standard Registry.

Gold Standard also acknowledges, under the same Terms of Use, that once Units have been retired, Gold Standard itself will not take action to exercise or purport to exercise any right or interest, or deal with or otherwise use, the retired Units or the underlying Environmental Benefits and considers that no person has any further rights to take the benefit of the retired Units or the underlying Environmental Benefits.

## **2.3 | Double Claiming**

Double claiming describes a situation in which the same emission reduction or removal is claimed both by a country, jurisdiction or entity that reports lower emission levels to demonstrate achievement of mitigation targets or pledges as well as by the country, jurisdiction or entity using the carbon credit towards achieving its respective mitigation targets or pledges. The practice of double claiming may involve more than two claimants, for example where emission reductions are passed through a value chain, used by a company for offsetting and counted towards an NDC by the host country.

### **2.3.1. Double claiming with a Nationally Determined Contribution**

The avoidance of double claiming with NDCs is required for certain uses of Gold Standard Verified Emission Reductions (GS VERs) with a vintage of 2021 or later. These include:

- Use towards an NDC or domestic climate mitigation target other than that of the country in which the associated emission reductions or removals occurred
- Use by an aeroplane operator towards its compliance obligation under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)
- To be recognized by Gold Standard under its [Claims Guidelines](#) for use towards a voluntary compensatory claim, such as 'carbon neutrality'.

In order for GS VERs with a vintage of 2021 or later to be eligible / recognized for such uses, projects must apply Gold Standard's 'Requirements for Credits Authorised for Use Under Article 6 of the Paris Agreement' set out in Annex A.

GS VERs that have been authorised for use under Article 6 by the country in which the associated emission reductions or removals occurred will be indicated accordingly in the Gold Standard Impact Registry.

### **2.3.2. Double claiming with national climate policies**

Double claiming with national climate policies describes a situation in which a GS VER is included within and claimed under a regulated jurisdictional climate mitigation target, or emissions trading scheme or carbon tax, and also claimed by another country, jurisdiction or entity that reports lower emission levels to demonstrate achievement of mitigation targets or pledges.

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Where a risk of such double claiming exists, project developers shall apply the requirements and follow the procedure set out in Annex B.

### **2.3.3. Double claiming with progress towards a voluntary climate mitigation pledge**

Double claiming with progress towards achievement of a voluntary climate mitigation pledge such as a Science Based Target (SBT), for example where a project leads to beneficial improvements towards activities reported within a company inventory, is governed by requirements of the Greenhouse Gas Protocol and is the responsibility of reporting companies.

Where a company generates and sells an emission reduction or removal unit from within their inventory boundary, their inventory should be adjusted to reflect this. Likewise, companies purchasing credits should ensure that they do not report the reduction or removal unit towards a target or pledge if they are aware that another company is doing so.

It is recommended that project developers check for potential instances of double claiming prior to and during the implementation of a project, inform participants of this requirement and make Gold Standard aware wherever it arises.

Gold Standard reserves the right to take action where it becomes apparent that double claiming is occurring. Further tracking and adjustment mechanisms are likely to emerge in the coming years but are not yet fully in place in third party schemes, such as the Greenhouse Gas Protocol or Science Based Targets Initiative.

## ANNEX A: REQUIREMENTS FOR CREDITS AUTHORISED FOR USE UNDER ARTICLE 6 OF THE PARIS AGREEMENT

The steps detailed below and summarized in Figure 1 shall be followed in order for credits to be identified on the Gold Standard Impact Registry as authorised for use as Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6.2 of the Paris Agreement.

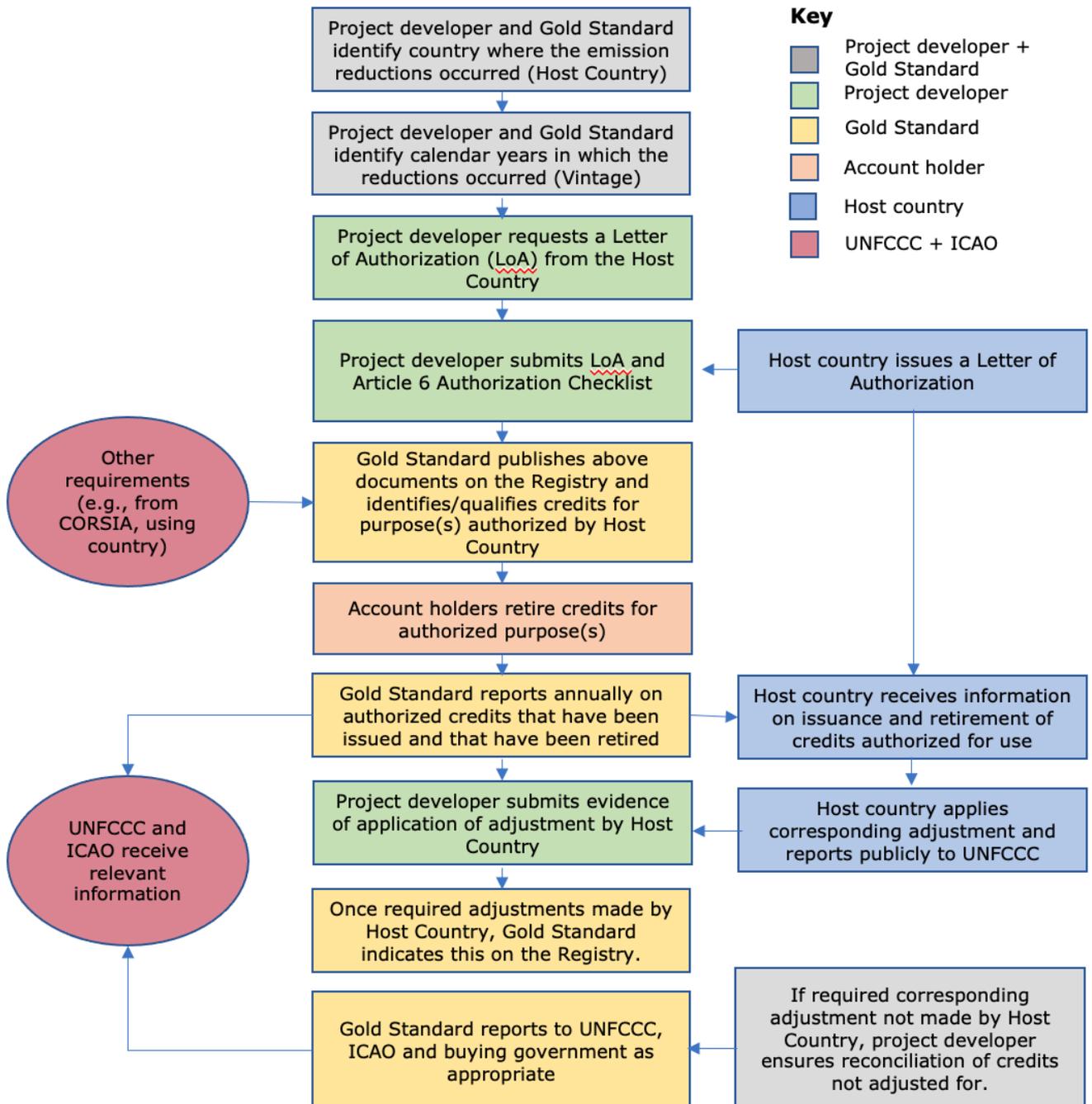


Figure 1 – Overview of required steps and respective responsibilities

## 2.4 | Required information

The project developer shall submit the following documentation to Gold Standard, prior to credits being identified in the Gold Standard Impact Registry as having host country authorisation for their use by other Parties or entities under Article 6 of the Paris Agreement:

- i. Article 6 Authorisation Checklist (see Document 1)
- ii. A Letter of Authorisation for use under Article 6 (see section below and Document 2)

The project developer may obtain and submit these documents to Gold Standard at any time prior to or following the issuance of credits for emission reductions or removals achieved from 2021 onwards. In all cases, this documentation shall be deemed complete and in conformity with Gold Standard requirements prior to credits being identified as having host country authorisation for their use by other Parties or entities under Article 6.

This documentation shall be made public on the Gold Standard Impact Registry.

If a project reduces emissions or enhances removals in more than one country, the project developer shall submit separate Article 6 Authorisation Checklists (Document 1) for all applicable countries and obtain from each government a Letter of Authorisation (Document 2), or alternatively shall specify if only one government has issued such documentation. In this case, credits for verified emission reductions or removals in each country will be identified appropriately in the Gold Standard Impact Registry to reflect their eligibility.

The project developer shall notify Gold Standard of any material changes to the required information that they have provided, such as a revocation of, or amendments to the terms of, the Letter of Authorisation. Following a review, Gold Standard shall, if required, revise the identified eligibility of the affected credits on the Gold Standard Impact Registry.

## 2.5 | Letter of Authorisation

The project developer shall request a Letter of Authorisation from the relevant institution designated by the host country or countries, which authorizes emission reductions or removals achieved by the project for use as Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6 of the Paris Agreement<sup>2</sup>.

The letter shall:

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<sup>2</sup> These guidelines have been written on the basis that a corresponding adjustment will be required for mitigation outcomes generated both inside and outside the scope of the host country's NDC. This may be updated by Gold Standard subject to relevant future decisions by the CMA.

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- i. Identify the project<sup>3</sup>. In the case of PoAs, the host country will specify if the LoA applies to the entire PoA or specific VPA(s)
- i. Authorize the project's emission reductions or removals, issued as credits (tCO<sub>2</sub>eq units<sup>4</sup>), for use as Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6 of the Paris Agreement.
- ii. Declare that the host country will not use the project's emission reductions or removals to track progress made in implementing and achieving its NDC and will account for the project's emission reductions and removals as ITMOs under Article 6 of the Paris Agreement by applying relevant corresponding adjustments<sup>5</sup> in accordance with relevant decisions by the CMA, regardless of whether the project's emission reductions or removals are deemed to occur inside or outside the scope of the host country's NDC.
- iii. Include an official email address for the designated host country representative.

The letter may also:

- Specify applications for which the emission reductions are authorised for use as ITMOs under Article 6, including:
  - o Aeroplane operators to meet offsetting requirements under CORSIA
  - o Other Parties to the Paris Agreement towards implementing and achieving their NDC or domestic climate mitigation target
  - o Private or public entities towards voluntary offsetting targets or claims
- Provide a stipulation regarding the maximum number of the project's emission reductions or removals, issued as credits, that the country authorizes for use, and/or any limits on the time period over which the country provides such authorisation.

A model Letter of Authorisation is provided as Document 2 below, though a Letter of Authorisation in another form that includes the required provisions listed above would also be acceptable.

In line with its [Safeguarding Principles & Requirements](#), Gold Standard certification requires that projects shall not involve, be complicit in or inadvertently contribute to or reinforce corruption or corrupt projects. Project developers shall abide by this

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<sup>3</sup> Project refers to individual project activity and PoAs/VPAs.

<sup>4</sup> If the GWP value used by a country in its NDC reporting is different than the GWP value applied for issued credits, Gold Standard will convert the issued credit volume by applying the GWP values that country uses in its NDC reporting so as to provide the numbers that host country should adjust.

<sup>5</sup> Relevant adjustments may include indicative adjustments, if the host country is applying corresponding adjustments to their single-year NDC by calculating the average annual amount of ITMOs first transferred and used over the implementation period.

requirement when obtaining a Letter of Authorisation or other related documentation and should notify Gold Standard if they become aware of any potential for corrupt means in relation to the process of obtaining this documentation.

## 2.6 | Evidence of application of corresponding adjustments by host countries

To ensure that double claiming with the host country's NDC has been avoided, evidence is required that the host country has applied relevant corresponding adjustments appropriately, in accordance with relevant decisions of the CMA.

Until alternative means are established and identified, the project developer shall submit such evidence to Gold Standard with respect to credits issued to their project(s), using information made publicly available by the host country. This evidence may include:

- A copy of the host country's Biennial Transparency Report in which the relevant corresponding adjustments have been applied and recorded.
- Official evidence that confirms that corresponding adjustments applied by the host country include emission reductions or removals associated with the project's credits.

Where suitable evidence has been obtained that the host country has applied relevant corresponding adjustments, Gold Standard shall publish this evidence as part of the project's certification documents in the Gold Standard Impact Registry and identify in the Registry that the associated credits have been adjusted for by the host country. This may occur prior to or following the retirement of the associated credits in the Gold Standard Impact Registry.

Where credits from a project have been retired towards a purpose that requires a corresponding adjustment, and evidence has not been received that the host country has made the relevant corresponding adjustment within one year after the host country's subsequent biennial transparency report was submitted or due to be submitted, steps shall be taken to reconcile the affected credits for which double claiming may have taken place, as outlined below.

Gold Standard shall consider any information received to explain why evidence has not or cannot be provided that a corresponding adjustment has been applied with respect to the associated credits.

In cases where no satisfactory justification has been provided<sup>6</sup>, the project developer shall be responsible for fully reconciling the associated credits, for which they may use

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<sup>6</sup> A satisfactory justification could include the following: The host country prepared and submitted their Biennial Transparency Report following the retirement of relevant units but before they had received evidence to trigger application of a corresponding adjustment (or if extenuating circumstances meant this evidence was not seen in time). In such cases, the provisions to reconcile double claimed units could be deferred if there is evidence that the host country does intend to apply a corresponding adjustment, for instance if they are tracking the units appropriately in their annual information under Article 6.

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a risk insurance mechanism from a reputable third-party organization if available<sup>7</sup>. This reconciliation shall take place within six months of notice being given by Gold Standard that reconciliation of credits is required, and may take one of the below forms:

- i. **Replacement:** Transfer to Gold Standard of a volume of Gold Standard-certified credits that corresponds to the number of credits (representing emission reductions or removals) for which the host country has not applied a corresponding adjustment or credible evidence of application of adjustment could not be obtained.
- ii. **Compensation:** Full financial compensation of Gold Standard for the procurement of a volume of credits that corresponds to the number of credits (representing emission reductions or removals) for which the host country has not applied a corresponding adjustment or credible evidence of application of adjustment could not be obtained, procured and/or valued by Gold Standard at a reasonable price considering market prices for similar credits at the time of procurement.

In both cases, replacement credits shall meet any compliance or other requirements of the use-case for which the original credits were retired, such as CORSIA Eligible Emissions Units Criteria. These shall be Gold Standard credits or comparable eligible credits as approved by Gold Standard, that have not been retired or otherwise committed. Gold Standard will retire the replacement credits to reconcile the originally retired credits for which a corresponding adjustment was not applied.

Gold Standard will explore and may in the future permit additional options for reconciliation.

In the case that evidence of the appropriate application of corresponding adjustments cannot be obtained within two years after the corresponding adjustments were due to be reported by the host country in its biennial transparency report, Gold Standard will inform affected entities accordingly. With respect to credits retired for:

- a. CORSIA purposes: Gold Standard will inform the UNFCCC and ICAO.
- b. Voluntary offsetting purposes: Gold Standard will inform the account holder(s) that retired the affected credits.
- c. Use towards a country's NDC or national target: Gold Standard will inform the UNFCCC and, as described above, the using government.

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<sup>7</sup> Gold Standard anticipates political risk insurance products emerging for market participants to insure against the risk of the host country not applying a corresponding adjustment for mitigation outcomes it has authorised for use as ITMOs under Article 6. Such products may be used by project developers to fulfil any reconciliation obligations under these requirements.

## 2.7 | Reporting

Gold Standard will, on an annual basis and within six months after the end of a calendar year, publish on its website and submit to relevant host countries a report containing at least the following information:

- i. For each country and calendar year (representing the vintage of the emission reduction or removal), the quantity of credits:
  - a. Issued
  - b. Issued and for which the host country has authorised the use of the associated emission reductions or removals for use as ITMOs under Article 6, including the aggregated quantity as well as, where relevant, differentiated by the following sub-categories:
    - i. Aeroplane operators towards a compliance obligation under CORSIA
    - ii. Other countries towards implementation or achievement of their NDC or domestic climate mitigation target
    - iii. Entities for other authorised purposes
  - c. Qualified by Gold Standard for use under CORSIA
  - d. Retired
  - e. Retired and for which the host country has authorised the associated emission reductions and removals for use as ITMOs under Article 6, including the aggregated quantity as well as differentiated by the following sub-categories:
    - i. Retired for use by aeroplane operators towards a compliance obligation under CORSIA
    - ii. Retired for use by another country towards implementation or achievement of their NDC or domestic climate mitigation target, reported separately for each using country
    - iii. Retired for use by entities for other authorised purposes
  - f. For which evidence of the appropriate application of adjustments has not been obtained within two years after the adjustments were due to be reported by the country in its biennial transparency report under Article 13 of the Paris Agreement.
- ii. For each aeroplane operator and for each compliance period for which an offsetting requirement shall be satisfied under CORSIA:
  - a. Total quantity of credits retired
- iii. For each buying country for which credits are retired for use toward achievement of their NDC or other domestic target:
  - a. Total quantity of credits retired
  - b. Quantity of credits retired, broken down by host country and calendar year (representing the vintage of the emission reduction or removal)

### 3| PROCEDURES

#### 3.1 | Scope and objective

These procedures are relevant for Gold Standard credits authorised for use as Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6. The sections below outline the procedure to make the associated, above requirements operational.

#### 3.2 | Eligibility Check

A project developer shall submit the documents listed in Section 2.4 to Gold Standard at the time of design certification or any later time, including following the issuance of credits.

Gold Standard and its appointed certification body (SustainCERT) shall check the consistency of the information submitted with Gold Standard's Requirements for Credits Authorised for Use under Article 6 of the Paris Agreement, annexed to its GHG Emissions Reduction & Sequestration Product Requirements.

Once the information has been verified, Gold Standard shall make the documents listed in Section 2.4 public as part of the project's Certification Documents.

#### 3.3 | Identification in registry

**Projects/VPAs:** Once Gold Standard has received the required information, Gold Standard shall add relevant identifiers to the project page to indicate that the project has an Article 6 authorisation attached to it. This identifier does not mean that all credits issued for the project are authorised for use under Article 6.

**Credits:** Upon issuance of credits in the Gold Standard registry, Gold Standard shall add relevant identifiers to issued credits on the basis of an instruction sent by SustainCERT. This instruction shall include all relevant information related to authorisation and/or application of corresponding adjustments by the host country. Where relevant, this shall specify:

- a. **Confirmation of authorisation.** Confirmation that an authorisation has been given by the host country and that all required documentation is in the project's Certification Documents.
- b. **If available, confirmation of application of corresponding adjustment.** Confirmation of whether the host country has applied a corresponding adjustment for the emission reductions or removals associated with the recommended issuance.

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- c. **Authorised use cases, if specified.** This could include CORSIA, use towards an NDC or domestic climate target, use towards [COUNTRY's<sup>8</sup>] NDC or domestic climate target, or other purposes such as voluntary compensatory claims.
- d. **Limits to authorisation, if specified.** Any caps on the amount of emission reductions or removals authorised for use as ITMOs in the calendar year(s) for which issuance is being recommended.
- e. **Any other pertinent information.** Letters of Authorisation may vary by host country and so SustainCERT shall specify any additional information, in particular restrictions applied to authorisations, that could be relevant for the identification of credits on the Gold Standard Impact Registry.

Project developers may submit host country authorisations after the point of design certification, performance certification, or credit issuance.

Gold Standard reserves the right to withdraw such identifiers in scenarios where a host country withdraws its Letter of Authorisation and/or Gold Standard has convincing and conclusive evidence that necessitates a reversal of its decision to identify projects and credits as having authorisations or applied corresponding adjustments attached to them.

### 3.4 | Eligibility change

Project developers shall notify any material changes to the information that they have provided in their documentation, for instance a revocation or change to the host country's authorisation. Any such notifications shall be sent to SustainCERT, who shall review the revised information provided, and send to Gold Standard either of the following, as relevant:

- a. An instruction to withdraw the corresponding adjustment identifier, or
- b. A revised document outlining updated information to enable correct identification in the registry.

### 3.5 | Evidence of adjustment

3.5.1 | Until and unless a preferable approach is identified, for instance, through future decisions by the CMA, the project developer shall submit evidence to SustainCERT that a corresponding adjustment has been applied for emission reductions or removals associated with the project. This evidence must include:

- a. A Biennial Transparency Report published by the host country/ies in which corresponding adjustments are formally applied, **and**

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<sup>8</sup> In some cases, Letters of Authorisation may specify one country (or a set of countries) that the host country has authorised the emission reductions or removals to be used by.

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- b. Supporting official documentation that confirms that the emission reductions or removals associated with the project are included within the corresponding adjustments applied in the country's Biennial Transparency Report. This could include a published report required by future Decisions of the CMA that links the corresponding adjustment applied in the Biennial Transparency Report to the block of serial numbers associated with the project's credits or to a Letter of Authorisation issued to the project.

3.5.2 | SustainCERT shall review this evidence and once satisfied, shall:

- a. Upload the evidence as part of the project's Certification Documents and make it public
- b. Submit a recommendation to Gold Standard to update the identifier attached to affected credits to indicate that a corresponding adjustment has been applied. This recommendation must include:
  - i. Confirmation that evidence has been uploaded to the project's Certification Documents
  - ii. The specific credits to which the corresponding adjustment relates, specifying:
    - 1. Project ID
    - 2. Vintage year(s)
    - 3. Block of serial numbers/volume of credits

3.5.3 | Once Gold Standard has received the information described in paragraph 13(b) and confirmed that evidence has been uploaded as part of a project's Certification Documents, they shall amend relevant identifier(s) on the Gold Standard Registry to reflect the application of a corresponding adjustment.

### **3.6 | Action in event of no adjustment**

Gold Standard shall establish and maintain a database of credits that have been retired, and for which the host country has issued an authorisation for use under Article 6.

Gold Standard shall identify cases where evidence of a corresponding adjustment has not been provided within one year after publication of the host country's first biennial transparency report following retirement of the units.

In cases where evidence is not obtained, and no satisfactory justification has been provided by the host country, Gold Standard shall:

Notify the project developer that, in accordance with the Requirements for Credits Authorised for Use under Article 6 of the Paris Agreement, they are obligated within six months to either directly replace the credits or compensate Gold Standard for their replacement, for which they may use a risk insurance mechanism from a reputable third-party organization if available.

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Gold Standard shall engage with the project developers towards resolution and shall cancel credits (either transferred from the project developer or acquired by Gold Standard and reimbursed by the project developer) to reconcile the retired credits for which a corresponding adjustment has not been applied.

Where a host country has not applied corresponding adjustments for credits that had received authorisation or in cases where evidence has not been provided of the correct application of a corresponding adjustment, Gold Standard shall within two years:

- a. Officially inform other affected entities, which could include ICAO, the UNFCCC and the account holder(s) that retired the affected credits.
- b. Update identifiers given to the affected retired credits in the Gold Standard Registry to reflect the fact no corresponding adjustment has been applied.
- c. Provide a standardized report to SustainCERT to include within the project's Certification Documents.

### 3.7 | Reporting

Every year, by 01 July, Gold Standard shall compile and publish on its website the annual report for the preceding calendar year, outlined in the Requirements for Credits Authorised for Use under Article 6 of the Paris Agreement. This shall be compiled based on data generated available through the Gold Standard Registry.

The report shall be sent directly to designated contact points in each country that has provided at least one Letter of Authorisation, designated contact points in each country that has retired credits for use under Article 6, and to the ICAO Secretariat.

Gold Standard may provide relevant information on issuances and retirements to designated contact points in each country that has provided a Letter of Authorisation on a more regular basis.

**Document 1: Article 6 Authorisation Checklist**

Requirement		Response and description	
Project ID	GSXXX		
Project Title			
Date of Design Certification			
Crediting Period	Start date – dd/mm/yyyy		
	End date – dd/mm/yyyy		
Project Registry link	XXXX		
Is the project/VPA registered or pursuing registration to issue GHGs emission reductions with any other programme or scheme?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the LoA been issued for all VPAs or for specific VPAs		<input type="checkbox"/> All VPAs <input type="checkbox"/> Specific VPAs	
Project/VPA Location	1. Country A		
Country(/ies) where the project is implemented	2. Country B		
If there is more than one country where the project’s emission reductions and removals occur, have all countries issued an LoA or similar eligible documentation?		<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please attach separate documentation	
Has a Letter of Authorisation (LoA) for use of the project’s emission reductions and removals as ITMOs under Article 6 been issued by the country(/ies) where the project’s emission reductions or removals occur <sup>9</sup> ?			
For which period does the LoA authorise the use of emission reductions or removals as ITMOs?		Start date - dd/mm/yyyy End date – dd/mm/yyyy	
Does the LoA include any quantitative limits to its authorisation of the use of credits by other entities?		<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please specify the limit XXXXXXXX	
Does the LoA include any time limit on the		<input type="checkbox"/> Yes	

<sup>9</sup> See later question for multi-country activities.

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applicability of the authorisation(s) contained within it?	<input type="checkbox"/> No If yes, please specify the period Start date - dd/mm/yyyy End date - dd/mm/yyyy
Do any mandatory domestic targets or schemes cover emission reductions and/or removals associated with the project activity?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please identify target
Does the project/VPA have provisions to avoid double counting with mandatory domestic targets or scheme?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please provide a description which demonstrates consistency with Gold Standard requirements
Monitoring period	dd/mm/yyyy – dd/mm/yyyy

## Document 2: Model Letter of Authorisation

FROM: [NAME AND TITLE], Government of [COUNTRY]

TO: The Gold Standard Foundation (Gold Standard)

### Letter of Authorisation related to [PROJECT]

With regard to [PROJECT TITLE, STANDARD, PROJECT ID], as described in the project documentation attached to this letter, we hereby acknowledge that the project may contribute to sustainable development and reduce emissions or enhance removals in [COUNTRY] and that Gold Standard has issued, or intends to issue, credits for these emission reductions or removals.

We hereby authorize that the project's emission reductions or removals, issued as credits by Gold Standard, may be used as Internationally Transferred Mitigation Outcomes (ITMOs) under Article 6 of the Paris Agreement. [The authorisation for use as ITMOs is limited to emission reductions or removals that occur in the period from [1 January 2021 to 31 December 2030]; and to a maximum of [QUANTITY] tCO<sub>2</sub>e of the project's emission reductions or removals generated in each calendar year.]

We acknowledge that any emission reductions or removals, issued as credits by Gold Standard, generated outside of the above-mentioned time period and/or in excess of the above-mentioned maximum authorised quantity may be used for alternative purposes that do not require an authorisation for use under Article 6. These emission reductions or removals are not considered as ITMOs and so do not require the application of corresponding adjustments by [COUNTRY].

We hereby declare that [COUNTRY] will not use the project's emission reductions to track progress made in implementing and achieving its NDC and that [COUNTRY] will account for the project's emission reductions and removals by applying corresponding adjustments in accordance with relevant decisions by the CMA, regardless of whether the project's emission reductions or removals are deemed to occur inside or outside the scope of country's NDC.

We hereby also declare that [COUNTRY] will report on the authorisation and first transfer of the project's emission reductions or removals as internationally transferred mitigation outcomes in a transparent manner in its biennial transparency report submitted under Article 13 of the Paris Agreement, and any relevant reports under Article 6 of the Paris Agreement.

[Where applicable] We hereby declare also that [COUNTRY] will not use the project's emission reductions to implement or achieve its domestic climate change mitigation target(s).

## ANNEX B: REQUIREMENTS TO AVOID DOUBLE COUNTING WITH NATIONAL CLIMATE POLICIES

Double claiming with national climate policies describes a situation in which a GS VER is included within and counted under a regulated domestic climate mitigation target, including under a regulated GHG emissions trading scheme, and also claimed by another country, jurisdiction or entity that reports lower emission levels to demonstrate achievement of mitigation targets or pledges.

Where a potential risk of such double claiming exists, the project developer shall, as a requirement for the Design Certification of the project, demonstrate with documentary evidence that no double counting can occur, for instance by demonstrating one of the following:

- The GHG emissions reductions/removals scope (e.g., sector or activity) are not accounted within the relevant system of the host country/regional regulator
- Participation in the regulatory scheme is voluntary (e.g., there is not mandated or automatic capture of emissions reduction within the regulator's inventory)
- The host country/regional regulator does not account for voluntary GHG emissions reduction/removal contributions. This must be demonstrated credibly either through a policy instrument or by the regulator cancelling an equivalent volume of scheme units or applying appropriate accounting adjustments. Such cancellation or adjustment must be demonstrated as permanent.

If none of the above can be demonstrated, then the project owner shall demonstrate that Eligible Cancellation Units (see list below) are cancelled by or on behalf of the project, in scenarios where this is relevant. Eligible Cancellation Units include:

- Units eligible within the respective GHG emissions trading scheme that are valid at the time of issuance (for example valid for a given commitment period), where applicable.

For Kyoto Protocol participants this is limited to:

- AAUs
- CERs with further eligibility as follows:
  - Must be from scopes/sectors eligible for Gold Standard labelling

## OPTIONAL REQUIREMENT-

- Must have completed the UNFCCC SD Tool<sup>10</sup>
- Units may not be temporary/validated (tCER and ICERs from CDM A/R are not eligible).

The eligible units may come from any vintage and country of origin provided they have been issued and can be demonstrated via attestation from the relevant registry to have been cancelled for the purposes of the respective Gold Standard project to address double counting.

An equivalent number of Eligible Cancellation Units shall be cancelled prior to each issuance of an affected project. The Gold Standard VER issuance process will occur in line with the timescales as appropriate under the Gold Standard Rules and Requirements, but Gold Standard VER issuance will not be completed until the cancellation of an equivalent number of Eligible Cancellation Units has been confirmed/attested.

Gold Standard justifies the selection of Eligible Cancellation Units as follows:

- To avoid any built-in discrepant accounting, the units must be from an accounting mechanism that is either:
  - Equivalent to the one implemented by host regulatory bodies (e.g., AAUs) to mitigate any risk of discrepant accounting
  - Equivalent to the Gold Standard VER issued (e.g., another Gold Standard VER)
- One that Gold Standard has assessed and accepts as robust (e.g., CDM)
- Must be issued in a transparent registry that allows for clear serial numbering and unequivocal attestation as to purpose. For example, at the point of a cancellation some registries (for example UNFCCC Voluntary Cancellation Platform) allow for the attestation of purpose to be stated in the receipting. This attestation is required to demonstrate to Gold Standard that the purpose of cancellation was voluntary and explicitly for the mitigation of double counting risks. The attestation should therefore include the Gold Standard Project

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<sup>10</sup> The CERs are cancelled for the sole purpose of backing up the Emissions Reduction. To provide some safeguard as to the quality of the credits cancelled these additional criteria are provided. However Gold Standard does not endorse any Sustainable Development contribution beyond that assured by a Gold Standard label.

## OPTIONAL REQUIREMENT-

number (if known) and clear reference to the topic of Double Counting (e.g. Retired on behalf Gold Standard Project 1234 to resolve Double Counting).

## PROCEDURES

At first submission to Gold Standard a desk appraisal shall be conducted to establish the presence of a risk of double counting with national climate policies. This appraisal shall be completed by Gold Standard and provided to the project developer for consideration.

The project developer may provide evidence that no double counting can occur, as described above, or commit in writing to the cancellation of Eligible Cancellation Units as described above if such evidence cannot be provided. To enable Registration (and Issuance) to occur, approval is required from the Gold Standard Technical Advisory Committee.

The Project Owner shall notify the DNA and any relevant regulatory bodies concerning the voluntary activity/issuance of voluntary emissions reductions no less than two months prior to Design Certification. Any comments raised by such bodies in response to notifications shall be fully and satisfactorily addressed prior to Design Certification. Gold Standard reserves the right to reject project Listing or Design Certification should the host/DNA/Regulatory body object to project on the basis of potential double counting risks.

Should a regulatory scheme be proposed/commence development during the project crediting period, the project developer shall notify the host/DNA or any newly formed regulatory body of the presence of their voluntary project in the jurisdiction and that steps should be taken to avoid double counting on the regulatory side.

In cases where the project owner is required to cancel Eligible Cancellation Units Gold Standard does not require the project owner to cancel the respective number of Units at the beginning of Gold Standard application process. It is recommended instead to wait until the final amount of GSVER has been confirmed by the audit report.

Before issuance of GSVER takes place, evidence on the cancellation shall be provided.

## DOCUMENT HISTORY

Version	Date	Description
1.0	Mm/dd/yyyy	Initial adoption