



**GLOBAL
CARBON
COUNCIL**

Driving Climate Actions

Standard on Avoidance of Double Counting

V1.0 – 2022

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ACRONYMS

ACC	Approved Carbon Credit
CDM	Clean Development Mechanism
CORSIA	Carbon Offsetting & Reduction Scheme for International Aviation
HCLOA	Host Country Letter of Authorization
GCC	Global Carbon Council
UNFCCC	United Nations Framework Convention on Climate Change
C+	Market eligibility flag denoting that carbon credit is eligible for the use towards meeting carbon neutral growth target of international airline committed under CORSIA.
CA+	Market eligibility flag denoting that the host country of the project, for which carbon credit is issued, has officially communicated that the issued carbon credit will be included in the corresponding adjustments towards NDC target.

1. INTRODUCTION

1. GCC Program introduces requirements for Approved Emissions Reduction (ACC) units to conform to the requirements of Decision -/CMA.3, Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement (referred as Article 6.2 of Paris Agreement)¹ as well as good practice established under Guidelines² on Avoiding Double Counting and the requirements of the International Civil Aviation Organization (ICAO)'s Carbon Offsetting and Reduction Scheme for International Aviation (CORSI A) scheme³.
2. CORSIA requires eligible offset credit programs, such as GCC Program, to develop and implement procedures to demonstrate eligibility with and conformity to CORSIA Emissions Unit Eligibility (EUC) Criteria⁴.
3. One of the eligibility criteria (refer to paragraph 7, page 3 of EUC) requires that the offset program:
“Must put measures in place to avoid:
 - (a) *double issuance - which occurs if more than one unit is issued for the same emissions or emissions reduction;*
 - (b) *double use - which occurs when the same issued unit is used twice, for example, if a unit is duplicated in registries; and*
 - (c) *double claiming - Double claiming, which occurs if the same emissions reduction is counted twice by both the buyer and the seller (i.e., counted towards the climate change mitigation effort of both a buyer and the host country of the emissions reduction activity). In order to prevent double claiming, eligible programs should require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the buyer and the host country of the emissions reduction activity.”*
4. Double issuance as referred in paragraph 3(a) above and Double use or double sell as referred in paragraph 3(b) above are already addressed in existing GCC Program's requirement as contained in the GCC Program Manual⁵ (section 10.2)⁶.

¹ https://unfccc.int/sites/default/files/resource/cma3_auv_12a_PA_6.2.pdf

² <https://americancarbonregistry.org/carbon-accounting/guidance-tools-templates/guidelines-for-adc-with-corsia-june-2019.pdf>

³ <https://www.icao.int/environmental-protection/CORSIA/Pages/default.aspx>

⁴ https://www.icao.int/environmental-protection/CORSIA/Documents/ICAO_Document_09.pdf

⁵ <https://www.globalcarboncouncil.com/resources/GCC-Program-Manual-v3.pdf>

⁶ In addition to Program Manual provisions, it is the responsibility of project owner to check from IHS Markit Meta registry that there is no double issuance and double use of issued carbon credits by GCC Program.

5. Double claiming as referred in paragraph 3(a) above has been partially dealt with existing GCC Program's requirement as contained in:
 - (a) Project Standard⁷ (refer to paragraph 25 and 14 c, v); and
 - (b) Project Submission Form⁸ (PSF) template (refer section A.6 *and* the instructions therein on page 42).

Through this document GCC Program introduces additional requirements and procedure for GCC projects to demonstrate project registration and issuance level compliance with Article 6.2 of Paris Agreement and CORSIA Emissions Unit Eligibility Criteria concerning double claiming, as referred in paragraph 3(c) above.

2. SCOPE AND APPLICABILITY

6. This document addresses the of avoidance of double claiming as referred in paragraph 3(c) above in line with the requirements of the CORSIA scheme as well as that of article 6.2. This document applies to GCC projects that voluntarily seeks C+ or CA+ market eligibility flags of GCC at the time of registration and/or at the time of issuance of Approved Carbon Credits (ACCs) issued by GCC.
7. C+ is the market eligibility flag denoting that carbon credit is eligible for the use towards meeting carbon neutral growth target of an international airline committed under CORSIA. CA+ is the market eligibility flag denoting that the carbon credit is eligible to be used for other purposes (other than international mitigation purposes of CORSIA or recipient country's NDC target compliance) such as voluntary carbon markets offsetting purposes, where the buyer requires that the issued carbon credit will be included in the corresponding adjustments towards host country NDC target.
8. This document is intended to be used by all stakeholders including Project Owners, GCC Verifiers, the GCC Operations Team and the GCC Steering Committee and shall be read in conjunction with Project Standard, Verification Standard and PSF template and instructions therein and other applicable GCC documents.

3. REQUIREMENTS

3.1. Existing requirements in other GCC Program documents

9. Project Standard (refer to paragraph 14, c, v) requires Projects Owners to comply with the GCC Rules related to submission of Host Country Attestation (Host Country Letter of Authorization (HCLOA)) on Double Counting⁹ as and when required by CORSIA (mandatory requirement for projects that intend to use ACCs for offsetting by airlines for CORSIA compliance)¹⁰.
10. Project Standard (refer to paragraph 25) requires projects to use the latest versions of the Project Submission Form (PSF) template to provide information on demonstration of the avoidance of double counting to ensure that the offsets are only counted once towards a mitigation obligation (refer section A.6 of PSF template and section A.6. page 42 of the instructions therein).

11. PSF template (refer section A.6) requires to demonstrate the compliance with the CORSIA requirements of avoidance of double counting on project-to-project basis and requires Project Owners to obtain and provide to the GCC Program and its Registry (IHS Markit), a written host country attestation (or HCLOA) from the host country’s national focal point or focal point’s designee, as required by CORSIA Emissions Unit Criteria (paragraph 7 (c) of Carbon Offset Credit Integrity Assessment Criteria) and ‘Programme Application Form – Appendix A – Supplementary Information Form’¹¹ (refer section 3.7.8. with respect to- Host country attestation to the avoidance of double-claiming). This HCLOA shall be made publicly available prior to the use of units from the host country in the CORSIA. Therefore, the onus lies on the Project Owner to comply with this requirement. The handover of HCLOA by Project Owner to GCC Program for the avoidance of double claiming is a pre-requisite for use of the emission units for offsetting under CORSIA¹². Without such HCLOA, GCC Program will not flag the emission units generated from the projects as ‘CORSIA compliant’ in the registry. This will ensure that offsets from GCC Projects are only counted once towards a mitigation obligation.
12. The overall GCC process for requiring HCLOA for issuance of market eligibility flags for the avoidance of double accounting of ACCs in the global context of Article 6.2 of Paris Agreement are depicted in figure-1 below.

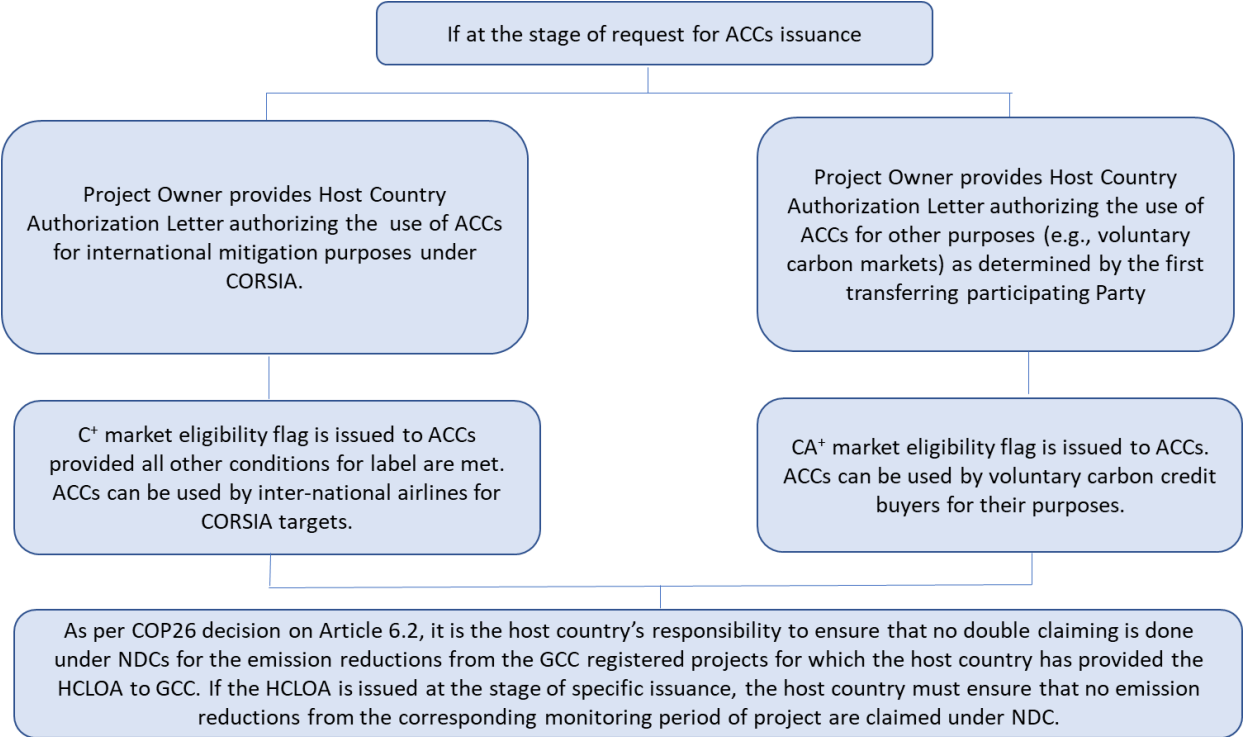


Figure-1: Process of issuance of market eligibility flags for avoidance of double accounting

¹¹ Available at <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx>

¹² Based on COP26 decision -/CMA.3 on Article 6.2, this pre-requisite will be applicable for all units for which host HCLOA is issued (and not only CORSIA units).

3.2. Additional Requirements

13. Project Owners seeking GCC approval for eligibility of issued ACCs for market eligibility flags shall provide the following information, in addition to that quoted in section 3.1 above:

3.2.1. Host Country Letter of Authorization HCLOA

14. Project shall provide a 'HCLOA'¹³ from the designated national authority or designated focal point of the host country of the project activity (where the project is located). The template for HCLOA is provided in Annexure 1 and 2 of Appendix. At minimum, HCLOA shall:
- (a) Include the GCC project unique identification details – Submission number (SXXX¹⁴), IHS Markit Project Id¹⁵ (if available), Name of the host country (where the project is located), and Title of the Project Activity;
 - (b) Include the weblink of GCC Project website and GCC public Registry (on IHS Markit public registry) where the project is publicly available;
 - (c) Shall authorise the Project Owner(s), with the contact details and the authorised representative, as per the Annex 1 of the Project Submission Form (PSF);
 - (d) Acknowledge that the project activity is likely to reduce emissions in the host country;
 - (e) Acknowledge that the GCC Program to which the letter is provided has issued, or intends to issue, offset credits for the emission reductions that occur within the country;
 - (f) Authorize the use of the emission reductions, issued as offset credits to project, by user in order to meet offsetting requirements of either CORSIA or article 6.2 or voluntary buyers requiring the corresponding adjustments to be applied by host country;
 - (g) Declare that the host country will not use the project's emission reductions to track progress towards, or for demonstrating achievement of its NDC and will account for their use for either international mitigation purposes or other purposes, by applying corresponding adjustments in section B of Annex 1 of COP26 decision - /CMA.3 on Article 6.2.
 - (h) Signature and contact details of authorised signatory of designated national authority or designated focal point of the host country.

¹³ The draft template for Letter of Assurance and Authorization (LOAA) provided in Annexure 2, aims to provide high level guidance on such letter and the countries may wish to use this.

¹⁴ Refer paragraph 19 of Program Process

¹⁵ Refer paragraph 56 of Program Process

3.3. Time of Submission of HCLOA

15. Paragraph 33(d) of Program Processes document requires Project Owners to submit the **HCLOA**¹⁶ together with the project documentation required for submission of request for registration¹⁷ of the project with the GCC Program to allow GCC Project Verifier to conduct verification¹⁸ before the GCC project activity can be displayed as having market eligibility flag (C+ or CA+)¹⁹ on the GCC Project website¹⁹ and GCC registry.
16. Notwithstanding to the document submission requirement mentioned in paragraph 15, if the above documents cannot be submitted by the Project Owner as part of request for registration, then, HCLOA for the project activity shall be submitted to GCC Program together with the project documentation required for submission of request for issuance²⁰. If Project Owner cannot provide necessary HCLOA at project registration stage however makes a declaration in Project Submission Form that such letter shall be submitted at the stage of request for issuance. GCC Program can issue market eligibility flag at the request for registration stage based on declaration of Project Owner, however such market flag merely represent the Project Owner's intentions. For issuance of any of these market eligibility flags at the ACC issuance stage, the HCLOA must be submitted by Project Owner at the time of submission of request for issuance. If the host country grants HCLOA for entire crediting period of project and commits to apply corresponding adjustments throughout, there is no need for issuance specific HCLOA. However, country may choose to issue the issuance specific HCLOA.

4. CONSEQUENCES AND LIABILITY OF DOUBLE CLAIMING

17. As per COP26 decision on Article 6.2, it is the host country's responsibility to ensure that no double claiming is done under NDCs for the emission reductions from the GCC registered projects for which the host country has provided the HCLOA to GCC. If the HCLOA is issued at the stage of specific issuance, the host country must ensure that no emission reductions from the corresponding monitoring period of project are claimed under NDC.
18. All the reporting requirements (annual and regular) as per section IV (B) and IV(D) of Annex to Article 6.2 decision²¹ are applicable to the host country.
19. GCC Program will transparently provide to relevant authorities and registries the information on no. of credits issued for different monitoring periods for different projects along with the market eligibility labels (C+, CA+) for which authorization letters are received from host countries. However, GCC Program shall have no liability towards ensuring that host country has not claimed the emission reductions corresponding to issued ACCs under its NDC.

¹⁶ HCLOA is also called as 'Host Country Attestation on Double Counting' as mentioned in paragraph 33(d) of Program Process (<https://www.globalcarboncouncil.com/resources/GCC-Program-Processes-v3.pdf>)

¹⁷ Refer paragraph 33 of Program Process

¹⁸ Refer paragraph 29 of Program Process

Appendix: DRAFT TEMPLATE- HOST COUNTRY LETTER OF AUTHORIZATION (HCLOA)

The draft templates for Host Country Letter of Authorization (HCLOA) included in Annexure 1 and 2, aims to provide guidance and the host countries of GCC project may wish to use this.

Project Owners shall provide HCLOA prior to submission of request for registration and/or each request for Issuance to GCC Program.

The Host Countries should provide the details, either using the template given below or in their own template, and get it signed off from the authorized signatory of the Host Country.

¹⁹ Refer paragraph 51 of Program Process

²⁰ Refer paragraph 72 of Program Process

²¹ https://unfccc.int/sites/default/files/resource/cma3_auv_12a_PA_6.2.pdf

Annexure-1: Template for HCLOA to be submitted at the time of request for registration authorizing the mitigation outcomes of the project over entire crediting period of ten years

Ref.

[Date]

Sub: Host Country Letter of Authorization of Project Activity [*“Title of the Project Activity”*] and the Program titled *“Global Carbon Council (GCC)”*

Dear [“Name of the Project Owner(s)²²],
Dear [“Global Carbon Council (GCC) Program”],

On behalf of the Government of [Name of Country], I have the pleasure to inform you that [*“Title of the Project Activity”*] with project ID [serial number of Project Submission number (SXXX^{X23}), submitted to “[GLOBAL CARBON COUNCIL (GCC)]” is authorized as a mitigation activity whose mitigation outcomes over the entire crediting period of ten years can be used, following provisions of Article 6.2 of the Paris Agreement, for the purpose of [compliance of Nationally Determined Contribution of [name of country]] [mitigation purposes under CORSIA] [offsetting the emissions of voluntary carbon credit buyers].

The Government of [Name of Country] confirms that:

- (a) [Name of Country] has ratified the Paris Agreement on [Date] and submitted its latest (no of the NDC) Nationally Determined Contribution (NDC) on DDMMYYYY to the UNFCCC;
- (b) The issued Mitigation Outcomes under the Project shall not be used by the Government of [Name of Country] to demonstrate achievement of its own NDC;
- (c) The Project contributes to sustainable development of [Name of Country]; and
- (d) The Government of [Name of Country] shall follow all requirements of COP26 Decision -/CMA.3, Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement, including applying Corresponding Adjustments, reporting, recording and tracking and maintaining Article 6 database.

²² As per and consistent with the Annexure 1 of Project Submission Form (PSF) submitted to GCC Program

²³ Refer paragraph 19 of Program Process

Annexure-2: Template for HCLOA to be submitted at the time of request for issuance authorizing the mitigation outcomes resulted from specific issuance

Ref.

[Date]

Sub: Host Country Letter of Authorization of Project Activity [*“Title of the Project Activity”*] and the Program titled *“Global Carbon Council (GCC)”*

Dear [“Name of the Project Owner(s)²⁴],
Dear [“Global Carbon Council (GCC) Program”],

On behalf of the Government of [Name of Country], I have the pleasure to inform you that the mitigation outcome corresponding to ACC issuances for monitoring period [date to date] of [*“Title of the Project Activity”*] with project ID [serial number of Project Submission number (SXXX²⁵), IHS Markit Project ID²⁶ (if available)] submitted to “[GLOBAL CARBON COUNCIL (GCC)]” is authorized to be used, following the provisions of Article 6.2 of the Paris Agreement, for the purpose of [compliance of Nationally Determined Contribution of [name of country]] [mitigation purposes under CORSIA] [offsetting the emissions of voluntary carbon credit buyers].

The Government of [Name of Country] confirms that:

- (a) [Name of Country] has ratified the Paris Agreement on [Date] and submitted its Nationally Determined Contribution (NDC);
- (b) The issued Mitigation Outcomes referred above shall not be used by the Government of [Name of Country] to demonstrate achievement of its own NDC;
- (c) The Project contributes to sustainable development of [Name of Country]; and
- (d) The Government of [Name of Country] shall follow all requirements of COP26 Decision -/CMA.3, Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement, including applying Corresponding Adjustments, reporting, recording and tracking and maintaining article 6 database.

²⁴ As per and consistent with the Annexure 1 of Project Submission Form (PSF) submitted to GCC Program

²⁵ Refer paragraph 19 of Program Process

²⁶ Refer paragraph 56 of Program Process

DOCUMENT HISTORY

Version	Date	Comment
V1.0	09/03/2022	<ul style="list-style-type: none">Initial version approved by GCC Steering Committee.



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