



# Voluntary emission reduction

Voluntary emission reduction actions allow you to take advantage of voluntary efforts to reduce greenhouse gas emissions by following certain regulations and standards.

MANAGING RISK



## PURPOSE

Voluntary emission reductions are reductions that are not mandated by any law or regulation, but originate from an organization's desire to take active part in climate change mitigation efforts and reduce emission within their own operations and/or invest in climate mitigation projects to offset its greenhouse gas emission footprint.

DNV will act as your verifier to help you to determine your carbon footprint and to ensure that emission reduction offsets are measurable, credible and tradable.

## BENEFITS

The voluntary carbon market is growing because companies, government bodies, non-governmental organizations, and others that are often not subject to binding greenhouse gas regulations wish to make a quantifiable contribution to reduce emissions, realize corporate social responsibility commitments and/or become carbon neutral and/or sell carbon neutral products and services.

Voluntary carbon units are providing companies and institutions with a solution to accelerate the shift towards a low carbon economy. This is done by channeling funds through voluntary offset programs to finance low carbon technologies that reduce greenhouse gas emissions.

## REGULATIONS AND STANDARDS

Similar to the rules of the Clean Development Mechanism and Joint Implementation, a set of rules and regulations have emerged that define the requirements and the process for voluntary emission offsets being recognized:

- the **Voluntary Carbon Standard (VCS)** was established to provide a credible and simple set of criteria that provides integrity to the voluntary carbon market. Specifically, the Voluntary Carbon Standard ensures that all voluntary emission reductions meet specific criteria and are independently verified, creating voluntary carbon units. The Voluntary Carbon Standard aims to maintain a balance between environmental rigor, ease and cost of use.
- The **Climate Action Reserve (CAR)** was founded to ensure integrity, transparency, and financial value in the North American carbon market. CAR has established high quality standards for quantifying and verifying GHG emissions reduction projects, issues carbon credits generated from such projects and tracks the credits over time with a transparent, publicly accessible system. CAR ensures integrity of offsets in the carbon market by creating a trusted and valuable carbon commodity.
- The **Gold Standard** issues carbon credits from both Voluntary and CDM projects, with a commitment to promote sustainable development. It offers transparency and equality of access for all carbon offsets market participants. Developers of Gold Standard projects are required to put a particular emphasis on incorporating feedback from local stakeholder consultations.

All emission reductions proposed to be recognized as voluntary carbon units must be verified by an approved independent third party verifier such as DNV.

## VERIFICATION

The verification is a result-oriented process to determine the emission reductions achieved by your project. It verifies continued compliance with the criteria defined in the relevant standard.

The verification includes review of:

- results and data collection systems linked to emission reductions
- established practices and the accuracy of data collected, as well as monitoring equipment
- the management system supporting the reported emission reductions

## VOLUNTARY CORPORATE INVENTORY VERIFICATION

A greenhouse gas inventory verification by an independent party like DNV is the first step in controlling your emissions profile. A greenhouse gas inventory provides an overview of the amount of greenhouse gases emitted to the atmosphere over a specific period of time. When your company's inventory is established, you may move on to verification according to the Climate Registry or the California Climate Action Registry.

In North America, **The Climate Registry (TCR)** has established standards for businesses and governments to calculate, verify and publicly report their carbon footprints in a single, unified registry. The Climate Registry supports a wide variety of programs that reduce GHG emissions including voluntary, regulatory and market-based programs.

The **California Climate Action Registry (CCAR)** is a program of the Climate Action Reserve and serves as a voluntary greenhouse gas (GHG) registry to promote early actions to reduce GHG emissions in organizations. The California Registry develops credible, accurate, and consistent GHG reporting standards and tools for organizations to measure, monitor, third-party verify and reduce their GHG emissions consistently across industry sectors and geographical borders.

Emissions inventories submitted to either TCR or CCAR must be verified by an approved independent third party such as DNV.

## OUR EXPERTISE

Our climate change specialists have a broad greenhouse gas verification and certification expertise combined with specific industry knowledge. As a leading independent greenhouse gas verifier operating globally, we believe in a partnership approach that benefits you and your organization.