



Article 6 and the Voluntary Carbon Market Key recommendations for action

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1. Background

The transition from the Kyoto Protocol by the Paris Climate Agreement and the resolutions of the subsequent UN climate conferences have far-reaching implications for the Voluntary Carbon Market and the commitment of companies and other organizations to the climate.

One important regulation concerns avoiding the double counting of emission reductions; this is to be ensured in future by agreeing so-called *corresponding adjustments*. This has been enacted for the mandatory market. Currently, views still differ as to whether and to what extent this also applies to the non-regulated, voluntary market, and this has led to uncertainty on the part of issuers and purchasers of emission certificates.

In order to explore the specific implications of the new framework conditions and to identify action options for integral climate change mitigation, which in particular also excludes the double counting of carbon credits, the Foundation Development and Climate Alliance has updated a practical guide.

In addition to describing the political background and the effects of the regulations of the Paris Climate Agreement, it contains practical recommendations for users and issuers of emission certificates.

Based on the results of the guide, the Foundation derives the following recommendations for action.

2. Guidance on issuing and purchasing carbon credits

For **ISSUERS** of carbon credits

Short-term action options	Medium and long-term action options
Contact potential host countries for an agreement with a commitment to authorization (e.g. through a Letter of Assurance and Authorization).	Conclude a new agreement with the host country once authorization processes are implemented and UN rules are in place.
Conduct educational work with clients on potential claims/statements arising from the purchase of carbon credits.	Offer carbon credits with or without <i>corresponding adjustments</i> , clearly communicating the effect.
Introduce a label for carbon credits with or without corresponding adjustments as offsets or a target contribution.	Participate in regulatory processes in the host country and regional initiatives regarding the voluntary market and permissible claims/statements of non-state actors.
Clearly communicate the price differences between offsets and credits that can be used as a target contribution.	Participate in self-regulatory processes of standard providers on the voluntary market.

For PURCHASERS of carbon credits

Short-term action options	Medium and long-term action options
Contact issuers of carbon credits for consultation on the availability of <i>corresponding adjustments</i> .	With the widespread market availability of <i>corresponding adjustments</i> , the exclusive use of such emission credits for offsetting.
Determine whether target contributions (<i>contribution claims</i>) might also lead to the desired results. → Consider the choice of the target country.	Clarity and transparency on the approach to claims/ statements used. → ISO Standard 14068, VCM, Nordic Dialogue, Net Zero Initiative.
If possible, no use of credits from the period before 2021 for offsetting. Otherwise, ensure ambitious offsetting with appropriate high-quality standards.	

[Click here](#) for the guide 'Article 6 and the Voluntary Carbon Market'.



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