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**Greenhouse gases —**

Part 2:

**Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements**

*Gaz à effet de serre —*

*Partie 2: Spécifications et lignes directrices, au niveau des projets, pour la quantification, la surveillance et la déclaration des réductions d'émissions ou d'accroissements de suppressions des gaz à effet de serre*

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## Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

International Standards are drafted in accordance with the rules given in the ISO/IEC Directives, Part 2.

The main task of technical committees is to prepare International Standards. Draft International Standards adopted by the technical committees are circulated to the member bodies for voting. Publication as an International Standard requires approval by at least 75 % of the member bodies casting a vote.

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights.

ISO 14064-2 was prepared by Technical Committee ISO/TC 207, *Environmental management*.

ISO 14064 consists of the following parts, under the general title *Greenhouse gases*:

- *Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*
- *Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements*
- *Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions*

## Introduction

**0.1** Climate change has been identified as one of the greatest challenges facing nations, governments, business and citizens over future decades. Climate change has implications for both human and natural systems and could lead to significant changes in resource use, production and economic activity. In response, international, regional, national, and local initiatives are being developed and implemented to limit greenhouse gas (GHG) concentrations in the Earth's atmosphere. Such GHG initiatives rely on the quantification, monitoring, reporting and verification of GHG emissions and/or removals.

ISO 14064-1 details principles and requirements for designing, developing, managing and reporting organization or company-level GHG inventories. It includes requirements for determining GHG emission boundaries, quantifying an organization's GHG emissions and removals and identifying specific company actions or activities aimed at improving GHG management. It also includes requirements and guidance on inventory quality management, reporting, internal auditing and the organization's responsibilities in verification activities.

This part of ISO 14064 focuses on GHG projects or project-based activities specifically designed to reduce GHG emissions or increase GHG removals. It includes principles and requirements for determining project baseline scenarios and for monitoring, quantifying and reporting project performance relative to the baseline scenario. It provides the basis for GHG projects to be validated and verified.

ISO 14064-3 details principles and requirements for verifying GHG inventories and validating or verifying GHG projects. ISO 14064-3 describes the process for GHG-related validation or verification and specifies components such as validation or verification planning, assessment procedures and the evaluation of organization or project GHG assertions. ISO 14064-3 can be used by organizations or independent parties to validate or verify GHG assertions.

Figure 1 displays relationships among the three parts of ISO 14064.

**0.2** ISO 14064 is expected to benefit organizations, governments, project proponents and stakeholders worldwide by providing clarity and consistency for quantifying, monitoring, reporting and validating or verifying GHG inventories or projects. Specifically, use of ISO 14064 could

- enhance the environmental integrity of GHG quantification,
- enhance the credibility, consistency, and transparency of GHG quantification, monitoring and reporting, including GHG project emission reductions and removal enhancements,
- facilitate the development and implementation of organization GHG management strategies and plans,
- facilitate the development and implementation of GHG projects,
- facilitate the ability to track performance and progress in the reduction of GHG emissions and/or increase in GHG removals, and
- facilitate the crediting and trade of GHG emission reductions or removal enhancements.

Users of ISO 14064 could find benefit from some of the following applications:

- a) corporate risk management: for example, the identification and management of risks and opportunities;
- b) voluntary initiatives: for example, participation in voluntary GHG registry or reporting initiatives;
- c) GHG markets: for example, the buying and selling of GHG allowances or credits;
- d) regulatory/government reporting: for example, credit for early action, negotiated agreements or national reporting programmes.

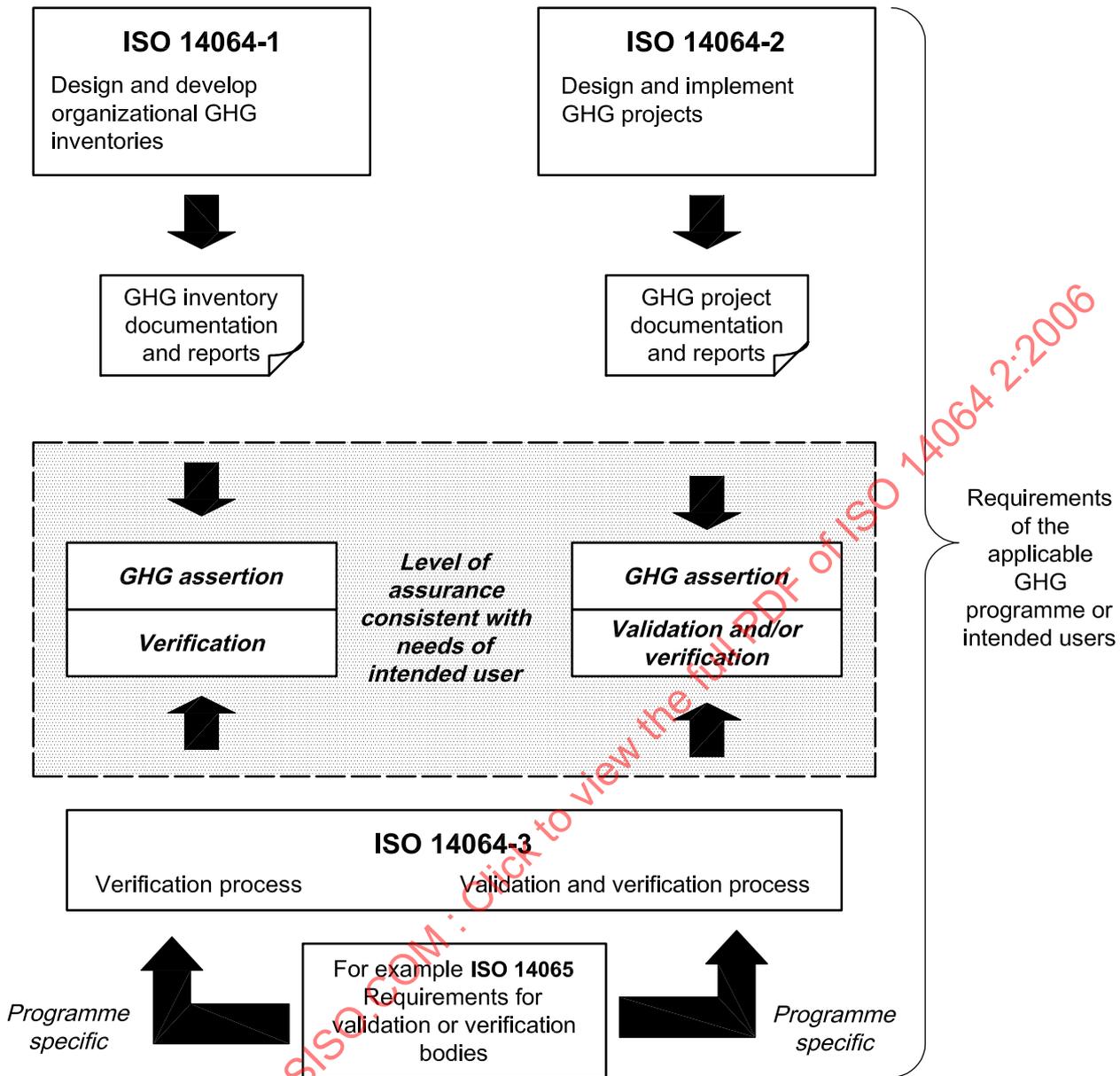


Figure 1 — Relationship between the parts of ISO 14064

**0.3** A standardized approach for quantification, monitoring and reporting is required for GHG projects and any resulting GHG emission reductions and/or removal enhancements, in order that they are comparable among intended users and GHG programmes. Accordingly, this part of ISO 14064 specifies a general, GHG programme-neutral framework and uses terms and concepts designed to be compatible with other requirements and guidance from relevant GHG policies and programmes, good practice, legislation and standards. Reference [13] provides an example of good practice guidance.

This part of ISO 14064 deals with the concept of additionality by requiring that the GHG project has resulted in GHG emission reductions or removal enhancements in addition to what would have happened in the absence of that project. It does not use the term “additionality”, prescribe baseline procedures or specify additionality criteria. This part of ISO 14064 requires the project proponent to identify and select GHG sources, sinks and reservoirs relevant for the GHG project and for the baseline scenario. In order to be compatible with the broadest range of GHG programmes, it does not use the term “boundaries” to describe which GHG sources, sinks and/or reservoirs are considered for quantification, monitoring and reporting, but instead uses the concept

of relevant GHG sources, sinks and/or reservoirs. Thus the project proponent may apply additionality criteria and procedures, or define and use boundaries consistent with relevant legislation, policy, GHG programmes and good practice.

Quantification and monitoring of project-level GHG emissions, removals, emission reductions and removal enhancements is challenging because actual project performance is assessed against a hypothetical baseline scenario that represents what would have happened in the absence of the GHG project. Consequently, it is difficult to verify GHG emissions, removals and/or stocks of the baseline scenario. It is therefore important to demonstrate that the baseline scenario is consistent with the principles of this part of ISO 14064, including conservativeness and accuracy, in order to increase the level of confidence that GHG emission reductions and/or removal enhancements are credible and not over-estimated. Generally, the baseline scenario is determined on the basis of an assessment of alternative scenarios. For both the project and the baseline scenario, the quantification, monitoring and reporting of GHG emissions, removals and/or stocks by GHG sources, sinks and reservoirs is based on procedures developed by the project proponent or adopted from recognized authorities.

**0.4** This part of ISO 14064 does not specify requirements for validation/verification bodies or validators/verifiers in providing assurance against GHG assertions or claims by GHG projects. Such requirements may be specified by the authority of the applicable GHG programme or can be found in ISO 14064-3. The process to recognize certified GHG emission reductions or removal enhancements as GHG units, credits or offsets is an extension of the GHG project cycle. The certification and crediting process, which may be under the authority of a GHG programme and may vary among GHG programmes, is also not included in the specifications of this part of ISO 14064.

Annex A contains additional information in cases where the project proponent wishes to conform to the United Nations Framework Convention on Climate Change (UNFCCC), Kyoto Protocol's Clean Development Mechanism (CDM) or Joint Implementation (JI) Mechanism.

**0.5** Some clauses require users of this part of ISO 14064 to explain the use of certain approaches or decisions taken. Explanation will generally include documentation of the following:

- How approaches were used or decisions taken.
- Why approaches were chosen or decisions made.

Some clauses require users of this part of ISO 14064 to justify the use of certain approaches or decisions taken. Justification will generally include documentation of the following:

- How approaches were used or decisions taken.
- Why approaches were chosen or decisions made.
- Why alternative approaches were not chosen.

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# Greenhouse gases —

## Part 2:

# Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements

## 1 Scope

This part of ISO 14064 specifies principles and requirements and provides guidance at the project level for quantification, monitoring and reporting of activities intended to cause greenhouse gas (GHG) emission reductions or removal enhancements. It includes requirements for planning a GHG project, identifying and selecting GHG sources, sinks and reservoirs relevant to the project and baseline scenario, monitoring, quantifying, documenting and reporting GHG project performance and managing data quality.

ISO 14064 is GHG programme neutral. If a GHG programme is applicable, requirements of that GHG programme are additional to the requirements of ISO 14064.

NOTE If a requirement of ISO 14064 prohibits an organization or GHG project proponent from complying with a requirement of the GHG programme, the requirement of the GHG programme takes precedence.

## 2 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

### 2.1

#### **greenhouse gas** **GHG**

gaseous constituent of the atmosphere, both natural and anthropogenic, that absorbs and emits radiation at specific wavelengths within the spectrum of infrared radiation emitted by the Earth's surface, the atmosphere, and clouds

NOTE GHGs include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF<sub>6</sub>).

### 2.2

#### **greenhouse gas source**

physical unit or process that releases a GHG into the atmosphere

### 2.3

#### **greenhouse gas sink**

physical unit or process that removes a GHG from the atmosphere

### 2.4

#### **greenhouse gas reservoir**

physical unit or component of the biosphere, geosphere or hydrosphere with the capability to store or accumulate a GHG removed from the atmosphere by a **greenhouse gas sink** (2.3) or a GHG captured from a **greenhouse gas source** (2.2)

NOTE 1 The total mass of carbon contained in a GHG reservoir at a specified point in time could be referred to as the carbon stock of the reservoir.

NOTE 2 A GHG reservoir can transfer greenhouse gases to another GHG reservoir.

NOTE 3 The collection of a GHG from a GHG source before it enters the atmosphere and storage of the collected GHG in a GHG reservoir could be referred to as GHG capture and storage.

**2.5**

**greenhouse gas emission**

total mass of a GHG released to the atmosphere over a specified period of time

**2.6**

**greenhouse gas removal**

total mass of a GHG removed from the atmosphere over a specified period of time

**2.7**

**greenhouse gas emission reduction**

calculated decrease of GHG emissions between a **baseline scenario** (2.19) and the project

**2.8**

**greenhouse gas removal enhancement**

calculated increase in GHG removals between a **baseline scenario** (2.19) and the project

**2.9**

**greenhouse gas emission or removal factor**

factor relating activity data to GHG emissions or removals

NOTE A greenhouse gas emission or removal factor could include an oxidation component.

**2.10**

**greenhouse gas assertion**

declaration or factual and objective statement made by the responsible party

NOTE 1 The GHG assertion may be presented at a point in time or may cover a period of time.

NOTE 2 The GHG assertion provided by the responsible party should be clearly identifiable, capable of consistent evaluation or measurement against suitable criteria by a **validator** (2.27) or **verifier** (2.29).

NOTE 3 The GHG assertion could be provided in the form of a **greenhouse gas report** (2.15) or GHG project plan.

**2.11**

**greenhouse gas information system**

policies, processes and procedures to establish, manage and maintain GHG information

**2.12**

**greenhouse gas project**

activity or activities that alter the conditions identified in the **baseline scenario** (2.19) which cause **greenhouse gas emission reductions** (2.7) or **greenhouse gas removal enhancements** (2.8)

**2.13**

**greenhouse gas project proponent**

individual or organization that has overall control and responsibility for a **greenhouse gas project** (2.12)

**2.14**

**greenhouse gas programme**

voluntary or mandatory international, national or sub-national system or scheme that registers, accounts or manages GHG emissions, removals, **greenhouse gas emission reductions** (2.7) or **greenhouse gas removal enhancements** (2.8) outside the organization or **greenhouse gas project** (2.12)

**2.15**

**greenhouse gas report**

stand-alone document intended to communicate an organization's or project's GHG-related information to its **intended users** (2.22)

NOTE A GHG report can include a **greenhouse gas assertion** (2.10).

## 2.16

### **affected greenhouse gas source, sink or reservoir**

GHG source, sink or reservoir influenced by a project activity, through changes in market demand or supply for associated products or services, or through physical displacement

NOTE 1 While related GHG sources, sinks or reservoirs are physically linked to a GHG project, affected GHG sources, sinks or reservoirs are only linked to a GHG project by changes due to market demand and supply.

NOTE 2 An affected GHG source, sink or reservoir is generally off the project site.

NOTE 3 GHG emission reductions or removal enhancements offset by affected GHG sources, sinks or reservoirs are often referred to as leakage.

## 2.17

### **controlled greenhouse gas source, sink or reservoir**

GHG source, sink or reservoir whose operation is under the direction and influence of the **greenhouse gas project proponent** (2.13) through financial, policy, management or other instruments

NOTE A controlled GHG source, sink or reservoir is generally on the project site.

## 2.18

### **related greenhouse gas source, sink or reservoir**

GHG source, sink or reservoir that has material or energy flows into, out of, or within the project

NOTE 1 A related GHG source, sink or reservoir is generally upstream or downstream from the project, and can be either on or off the project site.

NOTE 2 A related GHG source, sink or reservoir also may include activities related to design, construction and decommissioning of a project.

## 2.19

### **baseline scenario**

hypothetical reference case that best represents the conditions most likely to occur in the absence of a proposed **greenhouse gas project** (2.12)

NOTE The baseline scenario concurs with the GHG project timeline.

## 2.20

### **global warming potential**

#### **GWP**

factor describing the radiative forcing impact of one mass-based unit of a given GHG relative to an equivalent unit of carbon dioxide over a given period of time

NOTE Annex B contains global warming potentials produced by the Intergovernmental Panel on Climate Change.

## 2.21

### **carbon dioxide equivalent**

#### **CO<sub>2</sub>e**

unit for comparing the radiative forcing of a GHG to carbon dioxide

NOTE 1 The carbon dioxide equivalent is calculated using the mass of a given GHG multiplied by its **global warming potential** (2.20).

NOTE 2 Annex B contains global warming potentials produced by the Intergovernmental Panel on Climate Change.

## 2.22

### **intended user**

individual or organization identified by those reporting GHG-related information as being the one who relies on that information to make decisions

NOTE The intended user can be the client, the responsible party, GHG programme administrators, regulators, the financial community or other affected **stakeholders** (2.23), such as local communities, government departments or non-governmental organizations.

## 2.23

### **stakeholder**

individual or organization that is affected by the development or implementation of a **greenhouse gas project** (2.12)

## 2.24

### **level of assurance**

degree of assurance the **intended user** (2.22) requires in a **validation** (2.26) or **verification** (2.28)

NOTE 1 The level of assurance is used to determine the depth of detail that a validator or verifier designs into their validation or verification plan to determine if there are any material errors, omissions or misrepresentations.

NOTE 2 There are two levels of assurance (reasonable or limited) that result in differently worded validation or verification statements. Refer to ISO 14064-3:2006, A.2.3.2, for examples of validation and verification statements.

## 2.25

### **monitoring**

continuous or periodic assessment of GHG emissions and removals or other GHG-related data

## 2.26

### **validation**

systematic, independent and documented process for the evaluation of a **greenhouse gas assertion** (2.10) in a GHG project plan against agreed validation criteria

NOTE 1 In some cases, such as in first-party validations, independence can be demonstrated by the freedom from responsibility for the development of GHG data and information.

NOTE 2 The content of a GHG project plan is described in 5.2.

## 2.27

### **validator**

competent and independent person or persons with responsibility for performing and reporting on the results of a validation

NOTE This term can be used to refer to a validation body.

## 2.28

### **verification**

systematic, independent and documented process for the evaluation of a **greenhouse gas assertion** (2.10) against agreed verification criteria

NOTE In some cases, such as in first-party verifications, independence can be demonstrated by the freedom from responsibility for the development of GHG data and information.

## 2.29

### **verifier**

competent and independent person, or persons, with responsibility for performing and reporting on the verification process

NOTE This term can be used to refer to a verification body.

### 2.30

#### **uncertainty**

parameter associated with the result of quantification which characterizes the dispersion of the values that could be reasonably attributed to the quantified amount

NOTE Uncertainty information typically specifies quantitative estimates of the likely dispersion of values and a qualitative description of the likely causes of the dispersion.

## **3 Principles**

### **3.1 General**

The application of principles is fundamental to ensure that GHG-related information is a true and fair account. The principles are the basis for, and will guide the application of, requirements in this part of ISO 14064.

### **3.2 Relevance**

Select the GHG sources, GHG sinks, GHG reservoirs, data and methodologies appropriate to the needs of the intended user.

### **3.3 Completeness**

Include all relevant GHG emissions and removals. Include all relevant information to support criteria and procedures.

### **3.4 Consistency**

Enable meaningful comparisons in GHG-related information.

### **3.5 Accuracy**

Reduce bias and uncertainties as far as is practical.

### **3.6 Transparency**

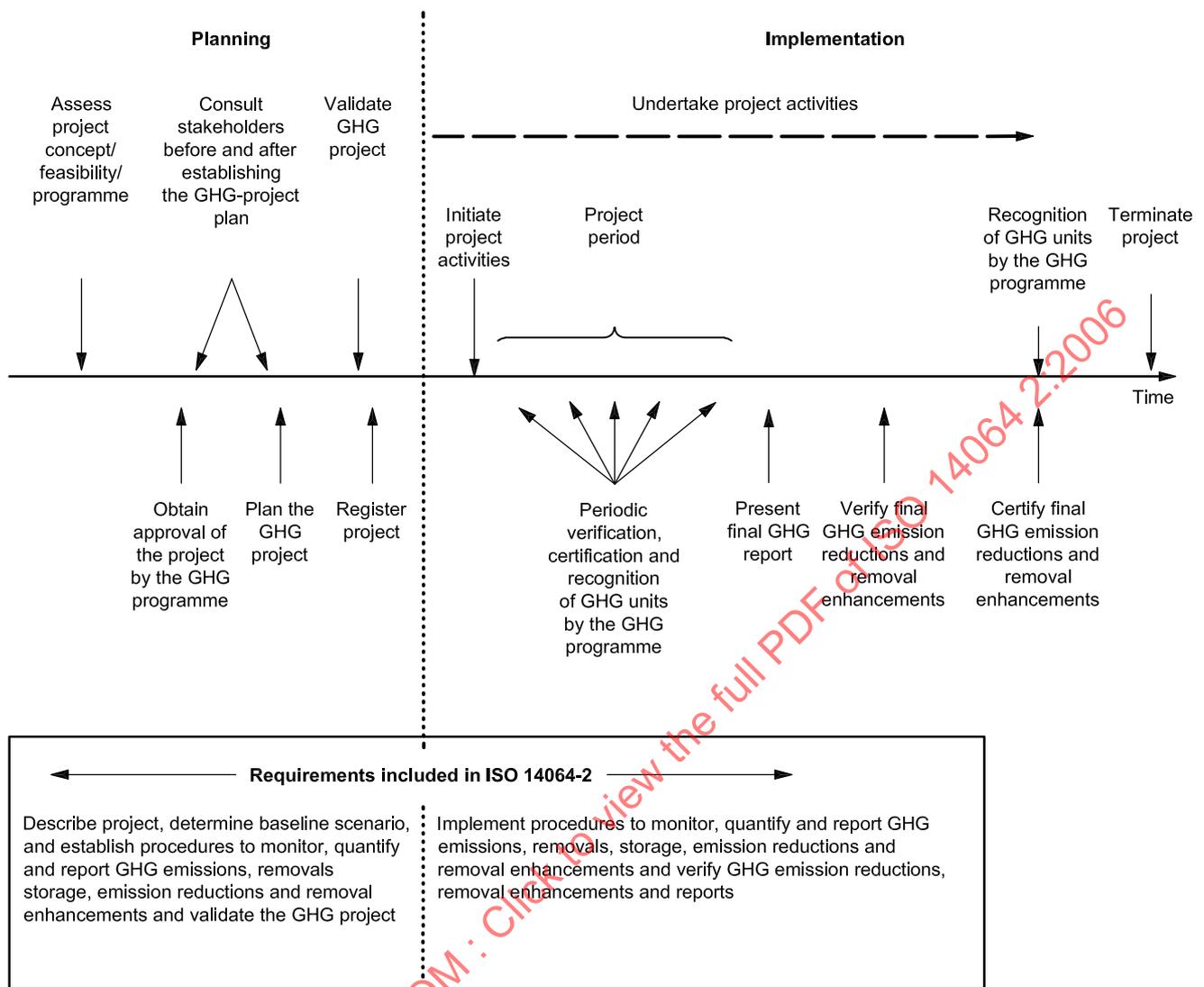
Disclose sufficient and appropriate GHG-related information to allow intended users to make decisions with reasonable confidence.

### **3.7 Conservativeness**

Use conservative assumptions, values and procedures to ensure that GHG emission reductions or removal enhancements are not over-estimated.

## **4 Introduction to GHG projects**

The GHG project cycle is generally characterized by two main phases — a planning phase and an implementation phase. GHG project cycle steps vary depending upon the project's scale and specific circumstances, including applicable legislation, GHG programmes or standards. Whereas this part of ISO 14064 specifies requirements for GHG project quantification, monitoring and reporting, a typical GHG project cycle may include additional elements as shown in Figure 2.



NOTE 1 Not all GHG programmes will require all the elements included in this figure.

NOTE 2 A GHG unit is a unit used for GHG accounting. Common GHG units for GHG projects are certified emission reduction units (CER), emission reduction units (ERU), credits and offsets. GHG units are usually expressed in tonnes of CO<sub>2</sub>e.

**Figure 2 — A typical GHG project cycle**

The GHG project proponent might initially identify the project concept, design the project and evaluate its feasibility, consult stakeholders and assess GHG programme eligibility requirements. As appropriate, the project proponent might seek written approval of project acceptance by the applicable GHG programme or responsible government institution.

For the planning phase, this part of ISO 14064 specifies requirements for establishing and documenting a GHG project. In planning the GHG project, the project proponent

- describes the project,
- identifies and selects GHG sources, sinks and reservoirs relevant for the project,

- determines the baseline scenario, and
- develops procedures to quantify, monitor and report GHG emissions, removals, emission reductions and removal enhancements.

GHG programmes may require official registration, validation and public distribution of a GHG project plan before project implementation.

For the implementation phase, this part of ISO 14064 specifies requirements for the selection and application of criteria and procedures for regular data quality management, monitoring, quantification and reporting of GHG emissions, removals, emission reductions and removal enhancements. Implementation of a GHG project may be initiated by a specific activity (e.g. an action to install, implement, engage or otherwise begin operations) and may end with a specific termination activity (e.g. an action to complete, close, decommission or otherwise formally end the project). The reporting period and frequency may vary based on the specific requirements of the GHG project and/or GHG programme. Based on actual data and information monitored and collected during project implementation, quantified GHG emissions, removals, emission reductions and removal enhancements may be verified. The project proponent might submit verified GHG emission reductions or removal enhancements to a GHG programme in order to generate recognized GHG units within that GHG programme. Certification and recognition of GHG units (e.g. credits) are beyond the scope of this part of ISO 14064.

In order to have broad and flexible application to different GHG project types and sizes, this part of ISO 14064 establishes principles and specifies process requirements rather than prescribing specific criteria and procedures. Therefore, as shown in Figure 3, additional requirements, criteria and guidance from relevant legislation, GHG programmes, good practice and standards are of vital importance for the credible application of this part of ISO 14064.

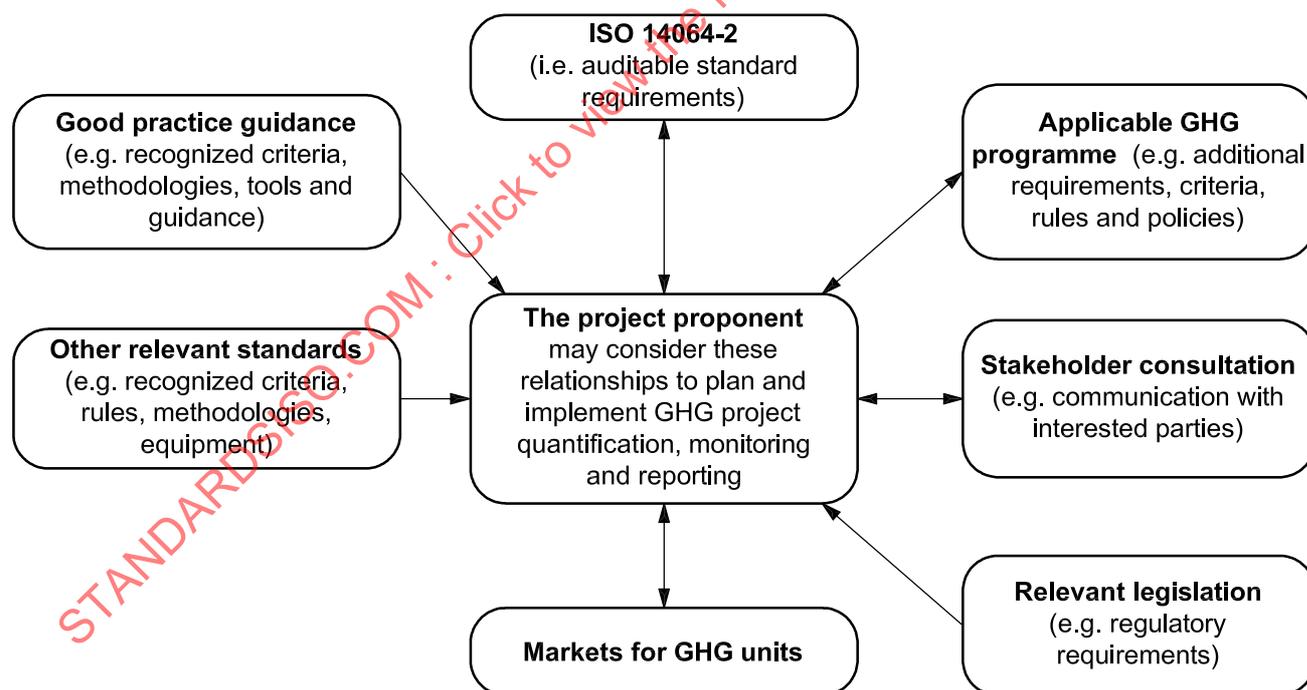


Figure 3 — Framework for the use of ISO 14064-2

Figure 4 illustrates the linkage between planning and implementation phases of a project to the requirements of this part of ISO 14064. In the application of this part of ISO 14064, the user is encouraged to consider all requirements holistically and iteratively rather than a linear stepwise approach.

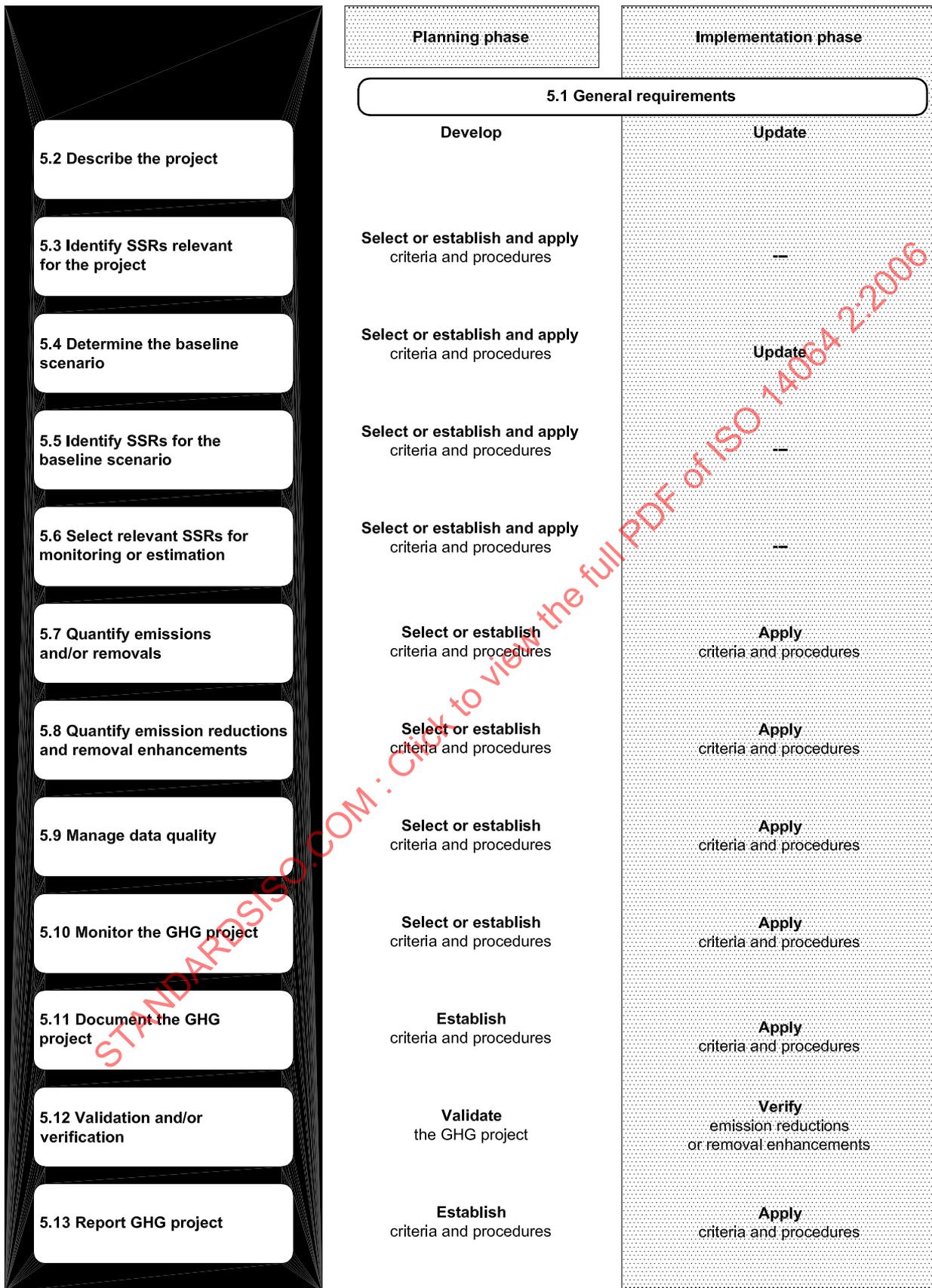


Figure 4 — Linkages between planning and implementation requirements

## 5 Requirements for GHG projects

### 5.1 General requirements

The project proponent shall ensure the GHG project conforms to relevant requirements of the GHG programme to which it subscribes (if any), including eligibility or approval criteria, relevant legislation or other requirements.

In fulfilling the detailed requirements of this clause, the project proponent shall identify, consider and use relevant current good practice guidance. The project proponent shall select and apply established criteria and procedures from a recognized origin, if available, as relevant current good practice guidance.

In cases where the project proponent uses criteria and procedures from relevant current good practice guidance that derive from a recognized origin, the project proponent shall justify any departure from those criteria and procedures.

In cases where good practice guidance from more than one recognized origin exists, the project proponent shall justify the reason for using the selected recognized origin.

Where there is no relevant current good practice guidance from a recognized origin, the project proponent shall establish, justify and apply criteria and procedures to fulfil the requirements in this part of ISO 14064.

### 5.2 Describing the project

The project proponent shall describe the project and its context in a GHG project plan that includes the following:

- a) project title, purpose(s) and objective(s);
- b) type of GHG project;
- c) project location, including geographic and physical information allowing the unique identification and delineation of the specific extent of the project;
- d) conditions prior to project initiation;
- e) a description of how the project will achieve GHG emission reductions and/or removal enhancements;
- f) project technologies, products, services and the expected level of activity;
- g) aggregate GHG emission reductions and removal enhancements, stated in tonnes of CO<sub>2</sub>e, likely to occur from the GHG project;
- h) identification of risks that may substantially affect the project's GHG emission reductions or removal enhancements;
- i) roles and responsibilities, including contact information of the project proponent, other project participants, relevant regulator(s) and/or administrators of any GHG programme(s) to which the GHG project subscribes;
- j) any information relevant for the eligibility of a GHG project under a GHG programme and quantification of emission reductions or removal enhancements, including legislative, technical, economic, sectoral, social, environmental, geographic, site-specific and temporal information;
- k) a summary environmental impact assessment when such an assessment is required by applicable legislation or regulation;
- l) relevant outcomes from stakeholder consultations and mechanisms for on-going communication;
- m) chronological plan for the date of initiating project activities, date of terminating the project, frequency of monitoring and reporting and the project period, including relevant project activities in each step of the GHG project cycle.

### 5.3 Identifying GHG sources, sinks and reservoirs relevant to the project

The project proponent shall select or establish criteria and procedures for identifying and assessing GHG sources, sinks and reservoirs controlled, related to, or affected by the project.

Based on selected or established criteria and procedures, the project proponent shall identify GHG sources, sinks and reservoirs as being

- a) controlled by the project proponent,
- b) related to the GHG project, or
- c) affected by the GHG project.

### 5.4 Determining the baseline scenario

The project proponent shall select or establish criteria and procedures for identifying and assessing potential baseline scenarios considering the following:

- a) the project description, including identified GHG sources, sinks and reservoirs (see 5.3);
- b) existing and alternative project types, activities and technologies providing equivalent type and level of activity of products or services to the project;
- c) data availability, reliability and limitations;
- d) other relevant information concerning present or future conditions, such as legislative, technical, economic, sociocultural, environmental, geographic, site-specific and temporal assumptions or projections.

The project proponent shall demonstrate equivalence in type and level of activity of products or services provided between the project and the baseline scenario and shall explain, as appropriate, any significant differences between the project and the baseline scenario.

The project proponent shall select or establish, explain and apply criteria and procedures for identifying and justifying the baseline scenario.

NOTE A baseline scenario determined using a project-specific approach represents what would occur in the absence of the project, whereas a GHG programme can prescribe another approach to determine the baseline scenario, such as a performance standard (e.g. benchmark or multi-project) baseline scenario.

In developing the baseline scenario, the project proponent shall select the assumptions, values and procedures that help ensure that GHG emissions reductions or removal enhancements are not over-estimated.

The project proponent shall select or establish, justify and apply criteria and procedures for demonstrating that the project results in GHG emissions reductions or removal enhancements that are additional to what would occur in the baseline scenario.

### 5.5 Identifying GHG sources, sinks and reservoirs for the baseline scenario

In identifying GHG sources, sinks and reservoirs relevant to the baseline scenario, the project proponent

- a) shall consider criteria and procedures used for identifying the GHG sources, sinks and reservoirs relevant for the project,
- b) if necessary, shall explain and apply additional criteria for identifying relevant baseline GHG sources, sinks and reservoirs, and
- c) shall compare the project's identified GHG sources, sinks and reservoirs with those identified in the baseline scenario.

## 5.6 Selecting relevant GHG sources, sinks and reservoirs for monitoring or estimating GHG emissions and removals

The project proponent shall select or establish criteria and procedures for selecting relevant GHG sources, sinks and reservoirs for either regular monitoring or estimation.

The project proponent shall justify not selecting any relevant GHG source, sink and reservoir for regular monitoring.

NOTE Figure A.2 shows a possible framework for identifying and selecting GHG sources, sinks and reservoirs for regular monitoring or estimating GHG emissions or removals.

## 5.7 Quantifying GHG emissions and/or removals

The project proponent shall select or establish criteria, procedures and/or methodologies for quantifying GHG emissions and/or removals for selected GHG sources, sinks and/or reservoirs (see 5.6).

Based on selected or established criteria and procedures, the project proponent shall quantify GHG emissions and/or removals separately for

- a) each relevant GHG for each GHG source, sink and/or reservoir relevant for the project, and
- b) each GHG source, sink and/or reservoir relevant for the baseline scenario.

When highly uncertain data and information are relied upon, the project proponent shall select assumptions and values that ensure that the quantification does not lead to over-estimation of GHG emissions reductions or removal enhancements.

The project proponent shall estimate GHG emissions and/or removals by GHG sources, sinks and reservoirs relevant for the project and relevant for the baseline scenario, but not selected for regular monitoring.

The project proponent shall establish and apply criteria, procedures and/or methodologies to assess the risk of a reversal of a GHG emission reduction or removal enhancement (i.e. permanence of GHG emission reduction or removal enhancement).

If applicable, the project proponent shall select or develop GHG emissions or removal factors that

- are derived from a recognized origin,
- are appropriate for the GHG source or sink concerned,
- are current at the time of quantification,
- take account of the quantification uncertainty and are calculated in a manner intended to yield accurate and reproducible results, and
- are consistent with the intended use of the GHG report.

## 5.8 Quantifying GHG emission reductions and removal enhancements

The project proponent shall select or establish criteria, procedures and/or methodologies for quantifying GHG emission reductions and removal enhancements during project implementation.

The project proponent shall apply the criteria and methodologies selected or established to quantify GHG emission reductions and removal enhancements for the GHG project. GHG emission reductions or removal enhancements shall be quantified as the difference between the GHG emissions and/or removals from GHG sources, sinks and reservoirs relevant for the project and those relevant for the baseline scenario.

The project proponent shall quantify, as appropriate, GHG emission reductions and removal enhancements separately for each relevant GHG and its corresponding GHG sources, sinks and/or reservoirs for the project and the baseline scenario.

The project proponent shall use tonnes as the unit of measure and shall convert the quantity of each type of GHG to tonnes of CO<sub>2</sub>e using appropriate GWPs.

NOTE Annex B contains GWPs produced by the Intergovernmental Panel on Climate Change.

## **5.9 Managing data quality**

The project proponent shall establish and apply quality management procedures to manage data and information, including the assessment of uncertainty, relevant to the project and baseline scenario.

The project proponent should reduce, as far as is practical, uncertainties related to the quantification of GHG emission reductions or removal enhancements.

## **5.10 Monitoring the GHG project**

The project proponent shall establish and maintain criteria and procedures for obtaining, recording, compiling and analysing data and information important for quantifying and reporting GHG emissions and/or removals relevant for the project and baseline scenario (i.e. GHG information system). Monitoring procedures should include the following:

- a) purpose of monitoring;
- b) types of data and information to be reported, including units of measurement;
- c) origin of the data;
- d) monitoring methodologies, including estimation, modelling, measurement or calculation approaches;
- e) monitoring times and periods, considering the needs of intended users;
- f) monitoring roles and responsibilities;
- g) GHG information management systems, including the location and retention of stored data.

Where measurement and monitoring equipment is used, the project proponent shall ensure the equipment is calibrated according to current good practice.

The project proponent shall apply GHG monitoring criteria and procedures on a regular basis during project implementation.

## **5.11 Documenting the GHG project**

The project proponent shall have documentation that demonstrates conformance of the GHG project with the requirements of this part of ISO 14064. This documentation shall be consistent with validation and verification needs (see 5.12).

## **5.12 Validation and/or verification of the GHG project**

The project proponent should have the GHG project validated and/or verified.

If the project proponent requests validation and/or verification of the GHG project, a GHG assertion shall be presented by the project proponent to the validator or verifier.

The project proponent should ensure that the validation or verification conforms to the principles and requirements of ISO 14064-3.

### 5.13 Reporting the GHG project

The project proponent shall prepare and make available to intended users a GHG report. The GHG report

- shall identify the intended use and intended user of the GHG report, and
- shall use a format and include content consistent with the needs of the intended user.

If the project proponent makes a GHG assertion to the public claiming conformance to this part of ISO 14064, the project proponent shall make the following available to the public:

- a) an independent third-party validation or verification statement, prepared in accordance with ISO 14064-3, or
- b) a GHG report that includes as a minimum:
  - 1) the name of the project proponent;
  - 2) the GHG programme(s) to which the GHG project subscribes;
  - 3) a list of GHG assertions, including a statement of GHG emission reductions and removal enhancements stated in tonnes of CO<sub>2</sub>e;
  - 4) a statement describing whether the GHG assertion has been validated or verified, including the type of validation or verification and level of assurance achieved;
  - 5) a brief description of the GHG project, including size, location, duration and types of activities;
  - 6) a statement of the aggregate GHG emissions and/or removals by GHG sources, sinks and reservoirs for the GHG project that are controlled by the project proponent, stated in tonnes of CO<sub>2</sub>e, for the relevant time period (e.g. annual, cumulative to date, total);
  - 7) a statement of the aggregate GHG emissions and/or removals by GHG sources, sinks and reservoirs for the baseline scenario, stated in tonnes of CO<sub>2</sub>e for the relevant time period;
  - 8) a description of the baseline scenario and demonstration that the GHG emission reductions or removal enhancements are additional to what would have happened in the absence of the project;
  - 9) as applicable, an assessment of permanence;
  - 10) a general description of the criteria, procedures or good practice guidance used as a basis for the calculation of project GHG emission reductions and removal enhancements;
  - 11) the date of the report and time period covered.

## Annex A (informative)

### Guidance on the use of this part of ISO 14064

#### A.1 Background

This annex provides guidance on the use of this part of ISO 14064. It does not describe in detail “how” to implement standard requirements because of rapid development in this area. Guidance is provided explaining how concepts contained in this part of ISO 14064 relate to project-based mechanisms under the United Nations Framework Convention on Climate Change's (UNFCCC) Kyoto Protocol.

This part of ISO 14064 is intended for use by project proponents undertaking GHG projects, by validators and verifiers in their assessment of GHG projects, and the managers of voluntary or mandatory GHG programmes. It may be applied to projects in planning or implementation phases.

This part of ISO 14064 outlines principles and specifies process requirements rather than prescribing specific criteria and procedures. Additional requirements, criteria and guidance from relevant GHG programmes, good practice, legislation and standards are important for the credible application of this part of ISO 14064. Additional guidance, programme requirements and good practice will come from many sources, and are continually evolving.

This part of ISO 14064 is GHG programme neutral but is designed for use with internal or external voluntary or mandatory GHG programmes. Many international and national GHG programmes are currently under development. It is expected that some GHG programmes will have additional requirements, particularly where crediting is concerned.

This part of ISO 14064 does not require the validation or verification of GHG projects directly, nor does it address crediting from GHG projects. As a result, project proponents should consider additional guidance from GHG programme requirements. When used in conjunction with specific GHG programmes, project proponents, validators and verifiers should comply with any additional requirements.

Figure A.1 illustrates the use in ISO 14064 of several definitions related to key carbon cycles, such as

- GHG source,
- GHG sink,
- GHG reservoir,
- GHG emission, and
- GHG removal.

#### A.2 Principles

##### A.2.1 General

The principles in this part of ISO 14064 are intended to ensure a fair representation and a credible and balanced account of GHG emission reductions and removal enhancements from projects. Principles are used to assist in the general interpretation of requirements. In particular, the principles are intended to apply when judgement and discretion are called for in fulfilling requirements. The principles form the basis for justifications and explanations required in this part of ISO 14064, and users should make reference to the relevant principles and how they have been applied. The application of each principle will vary according to the nature of the judgement involved. The principles should be applied holistically, with each principle considered within the context of the overall intent of particular clauses. This part of ISO 14064 includes principles common to ISO 14064-1 and unique to this part of ISO 14064.

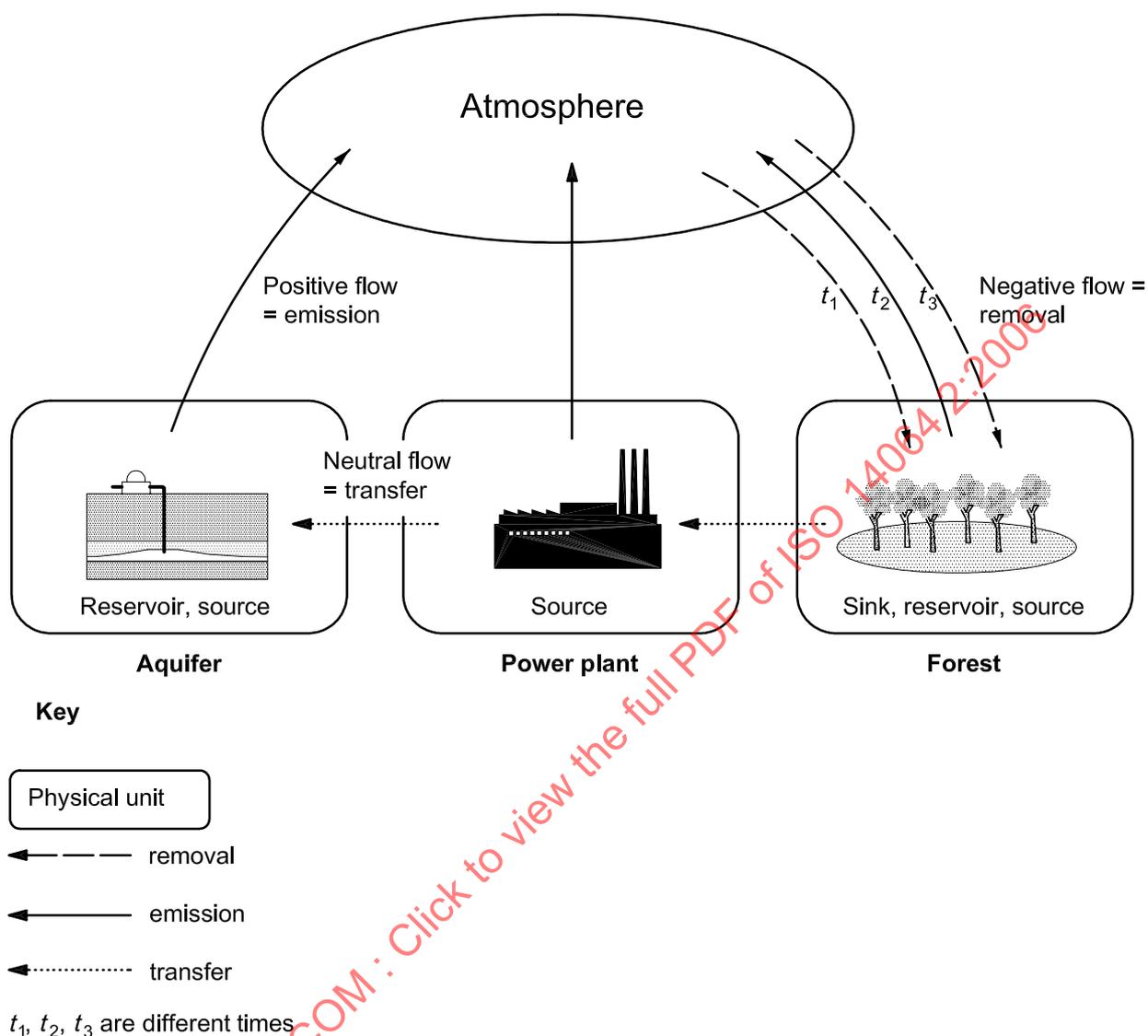


Figure A.1 — Interaction and application of several definitions

### A.2.2 Relevance

Relevance is important in the context of selection of

- GHG sources, sinks and reservoirs of the GHG project and the baseline scenario,
- procedures to quantify, monitor or estimate GHG sources, sinks and reservoirs, and
- potential baseline scenarios.

Relevance is assessed against the influence on the decisions or conclusions of intended users of the information and may be implemented by defining and justifying qualitative and/or quantitative criteria. For example, minimum thresholds might be used to justify the aggregation of minor GHG sources or in the choice of quantification methodologies or the number of data points monitored. Implementing the principle of relevance can help reduce the cost of GHG projects. However, users of the information still require the ability to make decisions with reasonable assurance as to the integrity of quantification and reporting.

### A.2.3 Completeness

Completeness is usually satisfied by

- identifying all GHG sources, sinks and reservoirs controlled, related to, or affected by the GHG project and corresponding baseline scenario,
- estimating GHG sources, sinks and reservoirs not regularly monitored,
- ensuring that all information relevant to intended users appears in reported GHG data or information in a manner consistent with established project and baseline scenarios, time period and objectives of reporting, or
- considering representative baseline scenarios within the relevant geographic areas and time periods.

Where comparable individual GHG sinks, sources and reservoirs cannot be identified in the baseline scenario, appropriate default values and assumptions are used to define baseline GHG emissions and removals. In the absence of such direct evidence, expert judgement is often required to provide information and guidance in establishing and justifying elements of the GHG project plan and GHG reports. This might include the appropriate use of models and conversion factors, as well as an estimation of uncertainty. The same will also often apply to the project estimations for GHG removal projects.

### A.2.4 Consistency

Consistency is usually satisfied by

- using uniform procedures among projects,
- using uniform procedures between the project and the baseline scenario,
- using functionally equivalent units (i.e. the same level of service is provided by the project and the baseline scenario),
- applying tests and assumptions equally across potential baseline scenarios, or
- ensuring the equivalent application of expert judgement, internally and externally, over time and among projects.

The principle of consistency is not intended to prevent the use of more accurate procedures or methodologies as they become available. However, any change in procedures and methodologies should be transparently documented and justified.

### A.2.5 Accuracy

Accuracy is usually satisfied by avoiding or eliminating bias from sources within estimations, and through describing and improving precision and uncertainties as far as is practical.

Project proponents should pursue accuracy insofar as possible, but the hypothetical nature of baselines, the high cost of monitoring of some types of GHG emissions and removals, and other limitations make accuracy unattainable in many cases. In these cases, conservativeness serves as a moderator to accuracy in order to maintain the credibility of project GHG quantification.

Accuracy and conservativeness are interrelated principles. Once a project proponent has reduced uncertainty to the extent practicable, the value chosen within that range should result in a conservative estimate of the GHG emission or removal.

### A.2.6 Transparency

Transparency relates to the degree to which information is seen as being reported in an open, clear, factual, neutral and coherent manner based on documentation (e.g. an audit trail). Information is recorded, compiled

and analysed in such a way that will enable internal reviewers and external intended users to attest to its credibility. Transparency usually requires the following:

- clearly and explicitly stating and documenting all assumptions;
- clearly referencing background material;
- stating all calculations and methodologies;
- clearly identifying all changes in documentation;
- compiling and documenting information in a manner that enables independent validation and verification;
- documenting the application of principles (e.g. in selecting the baseline scenario);
- documenting the explanation and/or justification (e.g. choice of procedures, methodologies, parameters, data sources, key factors);
- documenting the justification of selected criteria (e.g. for the determination of additionality);
- documenting assumptions, references and methodologies such that another party can reproduce reported data;
- documenting any external factors to the project that may affect the decisions of intended users.

### A.2.7 Conservativeness

Conservativeness is usually satisfied by

- the appropriate choice of the path of technological development and the rate of implementation in the relevant geographic area and time periods in the absence of the project,
- taking into account the impact of the project on the path of development and rate of implementation in the relevant geographic area and time periods,
- the appropriate choice of parameters affecting the project's GHG emissions, removals, sources, sinks and reservoirs, or
- providing reliable results maintained over a range of probable assumptions.

The principle of conservativeness is applied when highly uncertain parameters or data sources are relied upon for the determination of the baseline scenario and the quantification of baseline and project GHG emissions and removals. In particular, the conservativeness of the baseline is established with reference to the choice of approaches, assumptions, methodologies, parameters, data sources and key factors so that baseline emissions and removals are more likely to be under-estimated rather than over-estimated, and that reliable results are maintained over a range of probable assumptions. However, using the conservativeness principle does not always imply the use of the “most” conservative choice of assumptions or methodologies. Explanations of how assumptions and choices are conservative should be provided in project documentation. The implementation of the conservativeness principle is frequently a matter of balance (e.g. between accuracy, relevance and cost-effectiveness). When less accurate methods are chosen, more conservative assumptions and methodologies should be applied.

## A.3 Requirements for GHG projects

### A.3.1 General requirements

Projects may have to comply with relevant standards and legislation as well as good practice. Prior approval of authorities and compliance with standards and legislation may determine the eligibility of the project. The project proponent may have to complete an environmental and social impact assessment, demonstrate a contribution to sustainable development, and plan the project to be consistent with national environment and development priorities and strategies.

This part of ISO 14064 does not differentiate between types and scales of projects. It may be applied to all projects because it provides flexibility in the implementation of the requirements by referring to good practice

guidance. Some GHG programmes (e.g. Kyoto regime) have differentiated between small-scale and other projects and have defined simplified rules that might be used as guidance. Kyoto mechanisms might apply to some types of projects. Relevant Kyoto mechanism requirements are included in A.3.2 as guidance for applicable projects.

## A.3.2 Kyoto mechanisms

### A.3.2.1 Joint Implementation and Clean Development Mechanism

**A.3.2.1.1** Under the Kyoto regime, two project-based mechanisms have been created, as follows:

- the Clean Development Mechanisms (CDM) (see Reference [4], Article 12);
- Joint Implementation (JI) (see Reference [4], Article 6).

References to Kyoto Protocol decisions in this subclause are based on COP or COP/MOP decisions current as of December 2005. Users are encouraged to refer to the most recent COP or COP/MOP decisions.

**A.3.2.1.2** The adopted modalities and procedures for the CDM can be found in Reference [2], and for reforestation and afforestation projects in Reference [7]. The CDM Executive Board was established as a supervisory body to the implementation of the CDM, playing a role, for example, in the approval of baseline methodologies and in the registration of projects.<sup>1)</sup> The Executive Board has developed a glossary of approved terminology<sup>[8]</sup>. A designated operational entity (DOE) has to be accredited by the CDM Executive Board and is an independent entity that is engaged by the project participants to validate the CDM project or to verify and certify its certified emission reductions (CER). Once projects are validated, the DOE requests their registration. Registration is referred to as the formal acceptance of a validated project as a CDM project activity. Registration is the prerequisite for the verification, certification and issuance of CERs related to the project activity. Certification under the Kyoto Protocol is the written assurance that, during a specified time period, it has been verified that a project achieved the GHG emission reductions and removal enhancements. Only after the successful certification of the GHG emission reduction will the Executive Board issue the achieved credits [called CERs or, for reforestation and afforestation projects, temporary CERs (tCER) or long-term CERs (ICER)] to the project participants and subtract the share of proceeds. The share of proceeds (which consists of 2 % of the CERs) is to assist developing country parties that are particularly vulnerable to the effects of climate change. Projects in least developed countries are exempted from this share of proceeds. Furthermore, a registration fee has to be paid to cover administrative costs at the following rate<sup>[10]</sup>:

- USD 0,10 per CER issued for the first 15 000 tonnes of CO<sub>2</sub> equivalent for which issuance is requested in a given calendar year;
- USD 0,20 per CER issued for any amount in excess of 15 000 tonnes of CO<sub>2</sub> equivalent for which issuance is requested in a given calendar year.

**A.3.2.1.3** Credits may only be achieved during the crediting period, which is the time period that includes GHG emission reductions and removal enhancements that are verified and certified. In the case of the CDM, the project participants select a period from the following alternative approaches:

- for emission reduction projects, see Reference [6], Annex p. 37, paragraph 49;
- for reforestation and afforestation projects, see Reference [7], Annex p. 21, paragraph 23.

**A.3.2.1.4** In order to reduce CDM transactions costs, simplified modalities and procedures may be applied for small-scale projects:

- for emission reduction projects, see Reference [6], Decision p. 21, paragraph 6;
- for reforestation and afforestation projects, see Reference [7], Annex p. 16, paragraph 1i).

**A.3.2.1.5** The adopted modalities and procedures for JI can be found in the annex of Reference [6]. JI project development, and host country approval, can vary depending on the country in which projects are implemented.

1) Clean Development Mechanism Executive Board information and decisions can be found at <http://cdm.unfccc.int/EB>.

To supervise JI, it was decided to establish a Supervisory Committee at the first Conference of Parties serving as Meeting of Parties.

### A.3.2.2 Eligibility criteria

Specific eligibility requirements that have to be fulfilled by the project, the host party and investor party under the Kyoto regime are shown in Table A.1.

**Table A.1 — Kyoto mechanism eligibility criteria**

Aspect	JI	CDM		
		Regular CDM	Small-scale CDM	Sinks project
Project			Meet small-scale definition. (Reference [6], Decision p. 21, paragraph 6)	Only afforestation and reforestation project activities are eligible. Special treatment for small-scale CDM (Reference [7], Annex p. 4, paragraph 1i)
	Only emissions of greenhouse gases listed in Annex A of the Kyoto Protocol (Article 3 KP).			
	Written approval by the parties involved (Reference [5], Annex p. 14, paragraph 31b)	Written approval of voluntary participation of project participants, including confirmation by the host party that the project activity assists it in achieving sustainable development (Reference [6], Annex p. 35, paragraph 40a)		
		Public funding is not to result in the diversion of official development assistance (Reference [6], Decision p. 20)		
	Additionality	Additionality (Reference [6], Annex p. 34, paragraph 37d)	Additionality: Barriers or quantitative evidence	Additionality (Reference [7], Annex p. 18, paragraph 12d)
	Refrain from credits generated from nuclear facilities (JI: Reference [5], Decision p. 5/CDM: Reference [6], Decision p. 20)	A systematic coincidence of verification and peaks in carbon stocks is avoided (Reference [7], Annex p. 18, paragraph 12e)		
	Projects starting as of the year 2000 may be eligible for crediting from 2008. (Reference [8], Draft Decision p. 6, paragraph 5)	Projects starting in the period between 1 January 2000 and 18 November 2004 which have not yet requested registration but have either submitted a new methodology or have requested validation by a designated operational entity by 31 December 2005, can request retroactive credits if they are registered by the Executive Board by 31 December 2006 at the latest (Reference [10], paragraph 4).		
		Analyse environmental impacts. Undertake environmental impact assessment if required by the host party or project participants. (Reference [6], Annex p. 34, paragraph 37c)	Analyse environmental impacts if required by the host party	Analyse the socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and impacts outside the project boundary (Reference [7], Annex p. 18, paragraph 12c)
		Stakeholder comments and a report to the designated operational entity on how due account was taken of any comments received (JI: Reference [5], Annex p. 14, paragraph 32/CDM: Reference [6], p. 34, paragraph 37b)		

**Table A.1 — Kyoto mechanism eligibility criteria (continued)**

Aspect	JI	CDM		
		Regular CDM	Small-scale CDM	Sinks project
<b>Host party</b>	See investor party requirements, whereas the party has as a minimum to fulfil the criteria a) - d) (second track). If it meets all criteria a) - g) it can use the so-called first track and can set up own rules for verification etc. (Reference [5], Annex p. 13, paragraph 24)	Has designated a national authority (Reference [5], Annex p. 11, paragraph 20a/CDM)		Select and report to the Executive Board which definition of “forest” was chosen: a single minimum tree crown cover; a single minimum land area value; or a single minimum tree height value (Reference [7], Annex p. 17, paragraph 8)
		Has ratified the Kyoto Protocol (JI: Reference [5], Annex p. 12, paragraph 21a/CDM: Reference [6], Annex p. 32, paragraph 31a)		
<b>Investor party</b>	Has designated a focal point (Reference [5], Annex p. 11, paragraph 20a)	Has designated a national authority (Reference [6], Annex p. 32, paragraph 30)		
	Has ratified the Kyoto Protocol (JI: Reference [5], Annex p. 12, paragraph 21a/CDM: Reference [6], Annex p. 32, paragraph 31a)			
	Has calculated its assigned amount pursuant to the rules (JI: Reference [5], Annex p. 12, paragraph 21b/CDM: Reference [6], Annex p. 32, paragraph 31b)			
	Has in place a national registry in accordance with the rules (JI: Reference [5], Annex p. 12, paragraph 21d/CDM: Reference [6], Annex p. 32, paragraph 31d)			
	Has in place a national system for estimation of emissions in accordance with the rules. (JI: Reference [5], Annex p. 12, paragraph 21c/CDM: Reference [6], Annex p. 32, paragraph 31c)			
	Has submitted annually the most recent required inventory in accordance with the rules. (JI: Reference [5], Annex p. 12, paragraph 21e/CDM: Reference [6], Annex p. 32, paragraph 31e)			
	Has submitted supplementary information on assigned amount in accordance with the rules. (JI: Reference [5], Annex p. 12, paragraph 21f/CDM: Reference [6], Annex p. 32, paragraph 31f)			
				There is a quantitative limit: For the first commitment period $\leq 5$ times 1 % of the host country's base year emissions (Reference [6], Decision p. 22, paragraph 7b)

**A.3.2.3 Clean Development Mechanism (CDM) project design document**

The requirements of the GHG project plan in this part of ISO 14064 are similar to the contents of the project design document (PDD) as specified under the Kyoto Protocol's CDM. The requirements of the PDD can be found in Appendix B of Reference [6] and in Reference [9]. In addition to the elements of the GHG project plan, the PDD requires the following:

- an explanation as to how technology will be transferred, if any;
- information on public funding of the project activity, if any;
- information on the choice of the crediting period.

#### A.3.2.4 Product-related GHG projects

GHG projects may also be performed as a result of product development, where the GHG emission reductions or the GHG removal enhancements mainly occur in the use stage of the product life cycle (e.g. development of an air-conditioning system with lower energy requirements for a given cooling function than the baseline product). For product-related GHG projects, life cycle assessment (LCA) may be used to calculate GHG emission reductions or GHG removal enhancements<sup>[9]</sup>.

### A.3.3 Identifying GHG sources, sinks and reservoirs for the project

#### A.3.3.1 General

The project proponent is required to identify all relevant GHG sources and sinks controlled by the project proponent, as well as those related to or affected by the project. However, the quantification of GHG emissions and removals generally does not involve all of the potentially large number of GHG sources and sinks. Therefore, criteria to identify and select GHG sources and sinks relevant to, but not controlled by, the project proponent are necessary.

To ensure an appropriate comparison of the project and baseline (to calculate GHG emission reductions and removal enhancements), the services, products or function generally include a quantitative measure, and demonstrate functional equivalence.

The project proponent is also accountable for changes in GHG emissions and removals by GHG sources and sinks affected by the project through activity shifting or market transformation, often referred to as leakage. For example, a project that increases energy efficiency can also reduce energy prices and result in an increase in energy demand (i.e. “rebound effect”). Negative leakage refers to emission increases or removal decreases by GHG sources and sinks affected by the project, whereas positive leakage refers to GHG emission reductions or removal enhancements by GHG sources and sinks affected by the project.

Figure A.2 illustrates an example of a decision tree that provides a procedure to assist project proponents to consider GHG sources, sinks and reservoirs to fulfil, and document conformance with, some of the requirements of this part of ISO 14064. This framework might be used to identify and select GHG sources, sinks and reservoirs for estimation or for regular monitoring and quantification of GHG emissions and removals. The criteria used in the procedure by the project proponent should be consistent with the GHG project principles, good practice guidance, policies and rules of applicable GHG programmes, as well as other relevant sources. The project proponent should justify the choice of criteria used in the procedure, as well as the procedure being used (whether this example is used or another approach). For example, the criteria may consider a balance between practicality and cost-effectiveness with the GHG project principles. The project proponent should also consider good practice guidance for how to answer some of the decision criteria (e.g. when considering if a GHG source, sink or reservoir is related by flows into or out of the project or baseline scenario). In such cases, the project proponent might consider good practice guidance that provides established approaches related to the level of aggregation to represent sources, sinks and reservoirs (e.g. each boiler or the entire heating plant as the level of detail), the criteria used (e.g. mass fraction or material input, such as a co-solvent or catalyst represents more than 5 % of inputs on a mass basis) or percentage of costs (e.g. a product/output represents 10 % of project value and therefore should be considered). Ultimately, the decision whether or not to monitor or estimate a source, sink or reservoir directly might be based on the monitoring costs versus the market price of GHGs.

Exclusion of GHG sources from regular monitoring and quantification may also be justified when comparisons of the project and baseline sources show no change from the baseline to the project. In the case of GHG removal enhancement projects, a GHG source and/or sink may be excluded from regular monitoring and quantification requirements if the project proponent can demonstrate that the GHG source and/or sink is not a net source of GHG emissions over the project period.

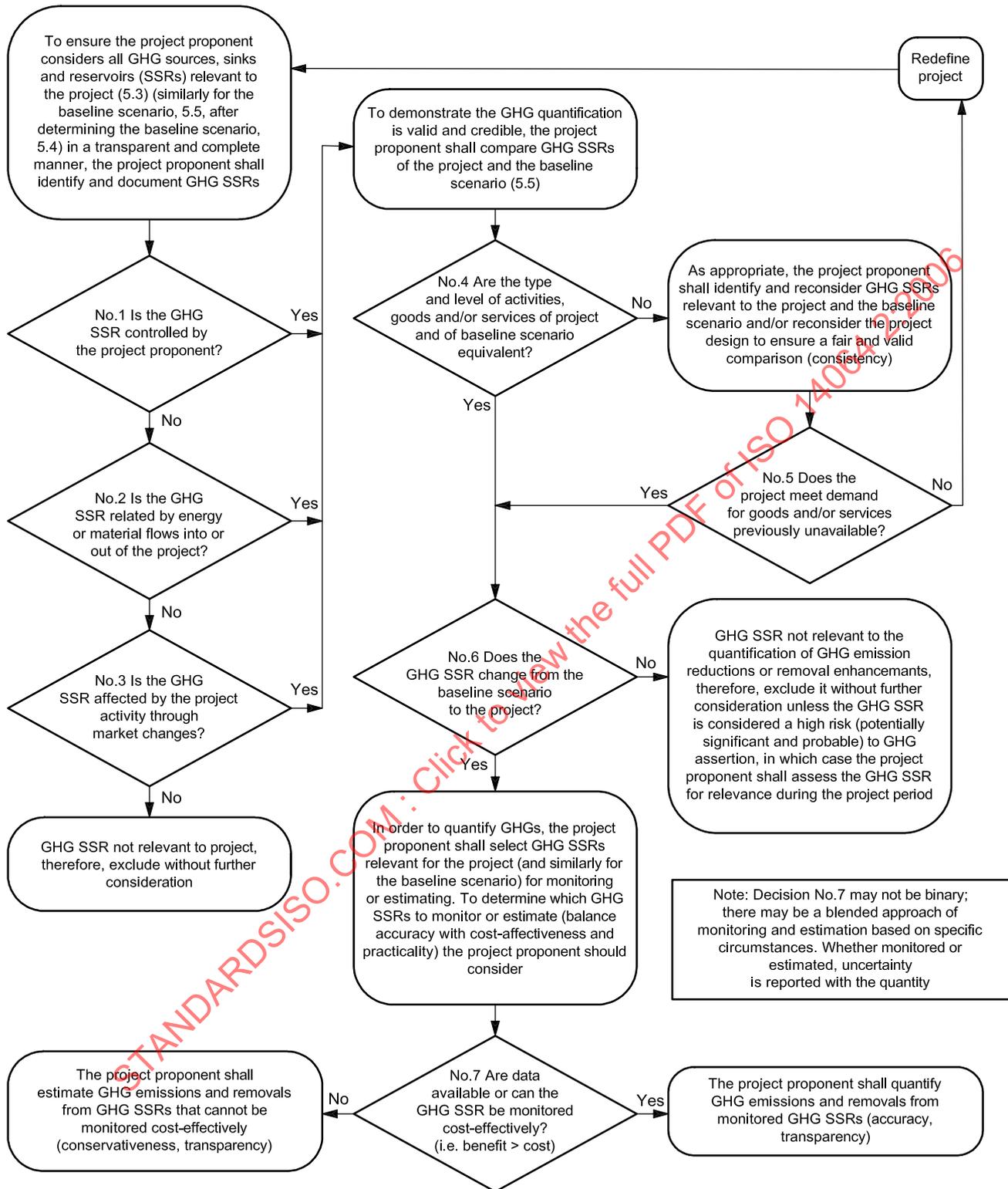


Figure A.2 — Identifying and selecting GHG sources, sinks and reservoirs