Project Developer Forum Ltd.
First Floor, Waterside House
Waterside Drive, Wigan,
England, WN3 5AZ
Europe: +49 171 279 8223
office@pd-forum.net
www.pd-forum.net

SENT BY EMAIL

5th September 2025

FAO: Amy Merrill
CEO
Integrity Council for the Voluntary Carbon Market (ICVCM)

Dear Ms Merrill,

Subject: Eligibility of Multi-Methodology Projects under the Core Carbon Principles

The Project Developer Forum (PDF), representing a broad coalition of project developers and companies that are developing and financing greenhouse gas emission reduction projects in all regions of the world, is writing to raise a matter of significant importance to the integrity, fairness, and inclusivity of the voluntary carbon market under the Core Carbon Principles (CCPs).

Under the current CCP eligibility framework, projects that combine a CCP-approved methodology with a non-approved methodology are excluded from CCP labelling in their entirety — even when the ineligible methodology is not intended to generate credits going forward. This approach inadvertently penalises a significant class of high-quality, high-integrity projects that were developed in good faith under accepted standards of the time.

Multi-methodology designs — such as renewable energy paired with methane recovery, or energy efficiency integrated with process emission reductions — are not anomalies. They are widely adopted, often in response to regulatory requirements, technical feasibility, and best practice in project design. Many of these projects, particularly in developing regions, face substantial administrative and operational costs, with carbon revenues forming a critical part of their financial viability. These projects are typically registered under reputable standards such as Verra and Gold Standard, which impose rigorous safeguards, SDG contributions, and “Do No Significant Harm” principles alongside climate mitigation criteria.

Yet, despite their high- quality, such projects are currently disqualified from CCP recognition, even when proponents are willing to credit only those portions of the project that align fully with CCP-approved methodologies. This exclusion is not only a disincentive for innovation but also risks undermining climate impact: without access to premium markets, developers may be forced to downscale or terminate operations, risking emissions reversals and the loss of associated co-benefits.

Voluntary carbon markets face structural, regulatory, and perception-related challenges that often result in credits trading at lower prices than those in compliance markets. Yet, they remain essential for enabling innovative, low-carbon technologies to scale — especially in developing regions. The key challenges we collectively strive to address include maintaining high quality and integrity, and mitigating risks such as over-crediting and double counting. In this respect, ICVCM’s global mission to

Project Developer Forum Ltd.
First Floor, Waterside House
Waterside Drive, Wigan,
England, WN3 5AZ
Europe: +49 171 279 8223
office@pd-forum.net
www.pd-forum.net

safeguard integrity through the Core Carbon Principles (CCPs) is both recognised and strongly supported by the Project Developer Forum. We share the vision that the CCP label can bring lasting credibility and confidence to voluntary market participants, ultimately enabling greater profitability for high-quality projects and accelerating climate action.

On the other hand, the current application of CCP eligibility rules — while well-intentioned in ensuring methodological integrity — has unintended consequences for a significant number of high-quality projects across multiple sectors and geographies, many of which were validated before the CCP framework was established. Without a transitional implementation pathway, these rules effectively penalise early movers who acted in good faith under the accepted standards of their time. This restricts access to premium carbon markets for projects delivering genuine climate benefits, undermines financial viability where carbon revenues are critical to ongoing operation, and risks underperformance or premature termination, potentially leading to emissions reversals. If the current criteria continue to apply without flexibility, many projects heavily dependent on carbon revenues for financial stability will lose CCP eligibility. Their market value will decline sharply, forcing some developers — already facing financial constraints — to reconsider project continuation. This outcome would not only jeopardise hard-won climate gains but also run counter to our shared environmental objectives.

Recent market data shows that high-integrity carbon credits, including those aligned with the ICVCM Core Carbon Principles (CCP), command a clear price premium in the voluntary carbon market. On average, high-quality credits are sold at a 65% premium over lower-quality units, reflecting growing buyer willingness to pay for verified environmental integrity.[1] While specific CCP-labelled credits are relatively new, brokers estimate an additional $0.70–$2.00 per tonne CO_2e above comparable non-CCP credits, depending on project type and region.[2] For example, Turkish landfill gas methane collection credits have traded at around $3.50/tCO_2e$ for non-CCP versions, implying potential CCP-aligned values between $4.20 and $5.50/tCO_2e$.[3] It is encouraging to see emergence of a tangible CCP premium signals that voluntary market reforms are beginning to translate integrity into monetary value, incentivizing developers to meet higher standards and yet many high-quality projects that have started their carbon development processes before ICVCM will unfairly not benefitting from premium prices. We also hereby present you annexed some case studies from different regions to illustrate that the current CCP eligibility approach inadvertently excludes significant volumes of high-integrity credits from premium market segments. In addition, loss of premium revenues threatens financial stability, increases the risk of project underperformance or early termination, and jeopardises climate benefits.

---

[1] CSO Futures. (2024, July 22). *High integrity carbon credits are now sold at an average 65% price premium*. Retrieved from https://www.csofutures.com/news/high-integrity-carbon-credits-are-now-sold-at-an-average-65-price-premium/
[2] S&P Global Commodity Insights. (2025, January 17). *2024 sees 1.316 mil CCP-approved carbon credits issued, 342 mil retired*. Retrieved from https://www.spglobal.com/commodity-insights/en/news-research/latest-news/energy-transition/011725-2024-sees-1316-mil-ccp-approved-carbon-credits-issued-342-mil-retired
[3] S&P Global Commodity Insights. (2025, January 17). *2024 sees 1.316 mil CCP-approved carbon credits issued, 342 mil retired*. Retrieved from https://www.spglobal.com/commodity-insights/en/news-research/latest-news/energy-transition/011725-2024-sees-1316-mil-ccp-approved-carbon-credits-issued-342-mil-retired

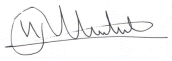
Project Developer Forum Ltd.
First Floor, Waterside House
Waterside Drive, Wigan,
England, WN3 5AZ
Europe: +49 171 279 8223
office@pd-forum.net
www.pd-forum.net

PDF believes that a balanced and technically robust solution is possible. We respectfully propose that ICVCM adopt a flexibility mechanism that allows the issuance of CCP-labelled credits based solely on the eligible methodology within a multi-methodology project. Such a mechanism should be underpinned by conservative estimation, clear demonstration of additionality, and the exclusion of any claims or labels for non-eligible components. This would preserve the integrity of the CCP label while enabling fair market access for projects that deliver real, measurable, and verifiable emission reductions.

We urge ICVCM to consider this adjustment and engage with PDF and other market stakeholders to explore the technical and procedural safeguards needed for its implementation. This is a global issue, relevant to numerous project types — including waste management, industrial processes, renewable energy integration, and agriculture — and resolving it would enhance the credibility, inclusiveness, and scalability of the voluntary carbon market.

We remain at your disposal for further discussion and are prepared to provide additional technical evidence and case studies from our members' portfolios to inform your deliberations.

Kind Regards,



Nick Marshall, Director
On behalf of The Project Developer Forum

cc. Nora Bawa
Richard Iliffe

Project Developer Forum Ltd.
First Floor, Waterside House
Waterside Drive, Wigan,
England, WN3 5AZ
Europe: +49 171 279 8223
office@pd-forum.net
www.pd-forum.net

Annex – Quantified Case Studies on the Impact of CCP Eligibility Rules on Multi-Methodology Projects

Case Study 1: Landfill Gas with Waste Heat Recovery – Türkiye

- **Project Description:** A landfill gas capture project integrating waste heat recovery for district heating.
- **Standard and Validation Date:** Gold Standard, 2016.
- **CCP Alignment:** Methane capture component aligns with CCP-approved methodology; waste heat recovery component does not.
- **Annual Eligible Emission Reductions:** 145,000 tCO_2e (methane capture portion).
- **Market Impact:**
  - Current market value for non-CCP landfill gas credits: approximately USD 3.50/tCO_2e.
  - Estimated CCP premium: USD 0.70–2.00/tCO_2e.
  - Potential lost revenue: USD 101,500–290,000 annually.
- **Co-Benefits at Risk:** Improved air quality in surrounding urban areas, and provision of affordable district heating to approximately 5,000 households.

Case Study 2: Hybrid Wind and Solar Plant – India

- **Project Description:** Grid-connected wind power facility integrated with solar PV generation.
- **Standard and Validation Date:** Verra VCS, 2018.
- **CCP Alignment:** Wind methodology is CCP-approved; the solar methodology applied is not.
- **Annual Eligible Emission Reductions:** 230,000 tCO_2e (wind portion).
- **Market Impact:**
  - Current market value for non-CCP wind credits in Asia: approximately USD 4.10/tCO_2e.
  - Estimated CCP premium: USD 1.10/tCO_2e.
  - Potential lost revenue: approximately USD 253,000 annually.
- **Co-Benefits at Risk:** Electrification of 60 rural villages and direct employment for more than 150 local workers.

Case Study 3: Biomass Cogeneration at Sugar Mill – Kenya

- **Project Description:** Bagasse-based biomass cogeneration facility combined with energy efficiency measures.
- **Standard and Validation Date:** Gold Standard, 2015.
- **CCP Alignment:** Biomass cogeneration methodology is CCP-approved; energy efficiency component is not.
- **Annual Eligible Emission Reductions:** 92,000 tCO_2e (biomass portion).
- **Market Impact:**

Project Developer Forum Ltd.
First Floor, Waterside House
Waterside Drive, Wigan,
England, WN3 5AZ
Europe: +49 171 279 8223
office@pd-forum.net
www.pd-forum.net

  - Current market value: approximately USD 4.50/tCO_2e.
  - Estimated CCP premium: USD 0.90–1.50/tCO_2e.
  - Potential lost revenue: USD 82,800–138,000 annually.
- **Co-Benefits at Risk:** Displacement of fossil fuel generation on the local grid and avoidance of open burning of agricultural waste.

Aggregate Impact Across a Sample of PDF Member Projects

- **Total Annual Eligible Emission Reductions at Risk:** ~4.1 million tCO_2e.
- **Aggregate Potential Lost Premium:** USD 2.87 million to USD 7.38 million annually.
- **Implications:** Loss of premium revenues threatens financial stability, increases the risk of project underperformance or early termination, and jeopardises climate benefits equivalent to avoiding the emissions of approximately 880,000 passenger vehicles per year.

Conclusion

These case studies illustrate that the current CCP eligibility approach inadvertently excludes significant volumes of high-integrity credits from premium market segments. Introducing a targeted flexibility mechanism would safeguard these climate benefits, maintain the credibility of the CCP label, and ensure equitable treatment of projects developed in good faith under pre-existing methodologies.