



OBSERVATIONS IN RELATION TO CATEGORY ASSESSMENT

AFFORESTATION, REFORESTATION AND REVEGETATION – PART II

JULY 2025

1. Purpose of these observations

The Governing Board (the Board) of the Integrity Council for the Voluntary Carbon Market (ICVCM), when considering the assessment of methodologies related to Afforestation, Reforestation, and Revegetation (ARR) identified that it would be beneficial to make available the ICVCM's observations for the purpose of supporting the future development of methodologies in this Category.

These observations are non-binding and do not impact or form any part of the Assessment Framework, Assessment Procedure, or any Decision (as defined under the Assessment Framework) and are published by the ICVCM for the purpose of information only.

The ICVCM may, from time to time, publish other observations for other Categories where it considers this may be useful for CCP-Eligible Programs and other stakeholders, and may update and revise its observations from time to time based on further assessment processes or information. Observations are not an exhaustive set of views of the ICVCM, and not all aspects addressed in assessment processes are included. No reliance may be placed on observations, as they are for the purpose of information only, and observations published are without prejudice to other ongoing assessments.

The Governing Board would like to express its gratitude to the experts and other stakeholders engaged in the assessment process who provided input to the ICVCM regarding this Category.

2. Observations relating to ARR methodologies

The Governing Board's observations regarding the assessment of ARR methodologies against the ICVCM Assessment Framework and its Core Carbon Principles generally relate to robust quantification and additionality.

The methodology within this Category considered by the Board at its May 22, 2025, meeting and to which these observations relate is Afforestation & Reforestation of Degraded Lands versions 1-1.2 applied under ACR. The remaining methodologies in this Category remain under assessment by the ICVCM.

3. Robust Quantification

The ACR Afforestation & Reforestation of Degraded Lands methodology provides several approaches to estimate carbon stocks (including Forest Vegetation Simulator, Biomass

expansion factor (BEF) and allometric equation method) and therefore provides several ways to conduct field measurements. As per 3.5 of version 1.2 of the methodology, project developers are guided to choose key values or make important assumptions (including but not limited to selection of optional carbon pools and allometric equations) that will lead to an accurate estimation of net GHG removals by sinks, taking into account uncertainties. Further, if uncertainty is significant, choices should be made such that it tends to under-estimate, rather than over-estimate, net GHG removals. It is understood that this optionality is overseen by validation and verification bodies (VVBs) and ACR.

The ICVCM assessment process highlighted that the methodology allows the use of a conservative global default value¹ for the carbon fraction of dry biomass. The Governing Board notes that use of more specific data should generally be used, if available, and further notes that an overarching approach to adopt conservative assumptions is an expectation of the methodology and is subject to assessment by VVBs and overseen by ACR.

4. Additionality

Emission reductions under an ARR mitigation activity are additional if the activity sequesters carbon dioxide at higher levels than would have occurred in its absence.

The assessment process highlighted that there are potential additionality risks for large-scale commercial ARR mitigation activities, which would also comprise monoculture plantations, including those using non-native species.

Methodologies that rely on use of the Clean Development Mechanism (CDM) Tool for the Demonstration and Assessment of Additionality in A/R CDM Project Activities (published 2007)² do not strictly comply with the additionality requirements of the ICVCM Assessment Framework. However, the Assessment Framework also recognizes³ a number of ways to demonstrate additionality. The assessment process determined that the risk that natural forest establishment/ restoration activities on degraded lands are non-additional is sufficiently limited and that the Assessment Framework requirements are therefore met.

The Governing Board encourages CCP-Eligible Programs using the above A/R CDM Additionality Tool to consider reviewing and/or updating their methodologies/tools to be in line with Assessment Framework requirements on additionality. In addition, the Governing Board observes that the Paris Agreement Crediting Mechanism (Article 6.4's PACM) supervisory body is reviewing CDM methodological tools and methodologies, including these CDM Tools for potential use in the PACM. The ICVCM will closely monitor those processes and expects CCP-Eligible Programs to remain informed about that work and review and/or revise the use of these tools, as appropriate. CCP-Eligible Programs are required to submit information to the ICVCM

¹ In line with 2006 IPCC Guidelines for National Greenhouse Gas Inventories

² <https://cdm.unfccc.int/methodologies/ARmethodologies/tools/ar-am-tool-01-v2.pdf>

³ Please refer to ICVCM Assessment Framework Criterion 8.1: Additionality Demonstration, as well as to Paragraph 3.3 and footnote 6 of the ICVCM Assessment Procedure.

on changes to their program rules and revisions to CCP-Approved methodologies must be submitted for assessment against the Assessment Framework. The Governing Board will use the oversight and assurance processes as set out in the Assessment Procedure to ensure that CCP-Eligible Programs undertake reviews of CDM methodological tools and methodologies where necessary.

5. Environmental and Social Safeguards

The Board underlines the importance of compliance with social and environmental safeguards throughout ARR projects, and notes that robust oversight mechanisms are important components of effective social and environmental protections in ARR, particularly in large-scale commercial plantations involving non-native species in high-biodiversity areas.