

ASES ON-CHAIN PROTOCOL

PERMANENCE, ADDITIONALITY, AND AVOIDANCE OF DOUBLE COUNTING STANDARD

Version 1.0



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ACRONYMS

aOCP	ASES nature-positive climate action on-chain protocol
GHG	Greenhouse Gas
ITTE	Internal Team of Technical Experts
MVR	Monitoring, Verification and Reporting
PSF	Project Submission Form
VBBC	Verified Biodiversity-Based Credit
VCC	Verified Carbon Credit
VNPC	Verified Nature Positive Credit
VSC	Verified Soil Credits
VWC	Verified Water Credits

INTRODUCTION

The certification of Nature-Positive Credits is a process that verifies and credits greenhouse gas (GHG) emission reductions, or benefits generated for biodiversity, water, or soil, achieved by a specific project. For the certification to be credible and reliable, it is essential to have solid mechanisms that establish the criteria for determining and evaluating the permanence, additionality, and avoidance of double counting of the project's benefits.

The present Standard of Permanence, Additionality, and Avoidance of Double Counting is a necessary instrument for the certification of projects under the aOCP Program framework, providing credibility and reliability to the generated credits.

I. SCOPE AND APPLICABILITY

This document addresses the issue of evaluating and ensuring the permanence and additionality of projects, as well as avoiding double counting. This Standard applies to all aOCP projects that voluntarily seek to be eligible for certification under the Standard framework.

This document is intended to be used by all stakeholders, including Project Developers, Independent Validation and Verification Bodies, the aOCP Internal Team of Technical Experts, the Steering Committee, and the Scientific Committee.

II. PERMANENCE

Permanence is a crucial component in project certification. This principle refers to the guarantee that emission reductions or benefits to biodiversity, water, and soil achieved by a project are maintained in the long term.

II.1. ELIGIBILITY CRITERIA

To ensure permanence, aOCP has established a minimum project duration of 40 years as an eligibility criterion. To demonstrate this, the project developer must sign the **Contract for carbon removals, biodiversity, soil, and water credits certifications** with the landowner, which establishes in **Section 10** a contract duration of 40 years.

II.2. MONITORING, VERIFICATION AND REPORTING (MVR)

Another measure implemented to ensure the permanence of projects certified under the aOCP framework is Monitoring, Verification, and Reporting (MRV), which will be carried out using satellite technology as established in the Monitoring Plan of each project. This will allow for the verification of the project's permanence.

II.3. BUFFER POOL

The buffer pool is another mechanism implemented by aOCP to guarantee project permanence. 20% of the credits generated by each project (VCC, VBBC, VWC, and VSC) are allocated to this reserve to cover potential future losses in case the project cannot maintain permanence or meet the expected objectives.

III. ADDITIONALITY

Additionality is a fundamental principle in the certification of carbon, biodiversity, water, and soil credits. It ensures that emission reductions or improvements in biodiversity, water infiltration, and/or soil erosion reduction are only credited if they are additional to what would have happened without the project.

III.1. ECOLOGICAL ADDITIONALITY

Ecological additionality refers to the improvement in the natural/biotic component that a project generates beyond what would have happened without it. This means that the project must have a positive ecological impact that would not have been achieved otherwise.

Projects registered under the aOCP framework must demonstrate ecological additionality, which will be evaluated based on the following parameters:

1. **Quality of habitat Pre-project (QH-pre):** Quality of habitat before project implementation;
2. **Quality of habitat Post-project (QH-post):** Quality of habitat after project implementation;
3. **Direct Project Impact (DPI):** Direct improvements attributable to the project, such as habitat restoration;
4. **Leakage (L):** Negative impact outside the project area caused by project implementation.

III.2. FINANCIAL ADDITIONALITY

Financial additionality refers to the additional investment that is needed to implement a project that generates ecological benefits. This means that the project would not have been implemented without the additional funding that comes from the sale of carbon, biodiversity, water or soil credits.

Projects registered under the aOCP must demonstrate financial additionality, which will be evaluated based on the following parameters:

1. **Avoided Costs (EC):** Costs that would have been incurred in the baseline scenario, but are avoided due to the implementation of the project.
2. **Additional Income (IA):** Income that is only generated due to project implementation.
3. **Project Costs (PC):** All costs associated with the planning, implementation, and monitoring of the project.
4. **Net Additional Benefits (NAB):** Indicates the net financial additionality of the project, i.e., the total financial value added by the project over and above the costs incurred for its implementation.

IV. DOUBLE COUNTING

The aOCP is committed to providing controversy-free VNPCs and therefore strives for straightforward, simple, and transparent procedures from registration to issuance. Acknowledging potential concerns regarding the additionality of remaining credits and the risk of double counting ecological benefits for projects previously registered and issued carbon credits elsewhere, the aOCP opts for a policy of exclusive acceptance of projects that have not been previously registered in another program.

The aOCP holds the commitment to maintaining the integrity and transparency of its project registration procedures and safeguarding against any form of double counting. Upon reception of the Project Submission Form (PSF), the aOCP ITTE diligently reviews the registries of major carbon credit programs to verify the absence of duplicate registrations or issuances for the same activity. If a Project activity, proposed by the same or a different Project proponent, situated in the same location, and consisting of the same activities, is identified as registered or previously issued credits under another carbon credit program, it will be promptly rejected and excluded from aOCP registration.

Furthermore, should it be discovered at any point during an aOCP-registered project's lifespan that it is registered with another program, the aOCP will initiate communication with the respective program to take appropriate measures to ensure that claimed ecological benefits are not subject to double counting. These measures may include but are not limited to: the cancellation of credits issued, potentially including those in the buffer pool, to make up for any double issuance for a single mitigation outcome, termination of the project's participation in the aOCP, communication with stakeholders to avoid integrity issues and reputational damage to the aOCP.

DOCUMENT HISTORY		
Version	Date	Comments
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