



# ENSURING OFFSET QUALITY

Integrating High Quality  
Greenhouse Gas Offsets  
Into North American  
Cap-and-Trade Policy





# **Ensuring Offset Quality:** Integrating High Quality Greenhouse Gas Offsets into North American Cap-and-Trade Policy

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# OFFSET QUALITY INITIATIVE

A partnership promoting effective greenhouse gas offset policy

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# Key Offset Quality Criteria

- Real
- Additional
- Based on a realistic baseline
- Quantified and monitored
- Independently verified
- Unambiguously owned
- Address leakage
- Address permanence
- Do no net harm

# Offset Policy Design Principles and Recommendations

## Environmental Integrity

- Ensure high environmental integrity
- Ensure that offsets are not double counted

## Coverage

- Include multiple GHGs
- Include broad sector coverage

## Geographic and Quantitative Restrictions

- Avoid quantitative restrictions on offset supply and use
- Do not restrict offset eligibility by geographic source
- Allow both offset projects and programs of activities (PoA's)

## **Offset Crediting**

- Incorporate hybrid offset project assessment approach
- Exclude forward crediting but allow forward selling
- Establish reasonable offset crediting periods
- Establish a reasonable start date for offset project crediting

## **Offset Program Administration**

- Be transparent
- Have a centralized offset program administrator
- Allow for adaptation and adjustment
- Include mechanism for addition of new project types

## **Linkage**

- Consistent methodologies/rules
- Link with other GHG trading and offset systems
- Consider diverse geopolitical contexts



# GHG Reduction Project Categories and Considerations

- Direct Emission Reductions
- Indirect Emission Reductions
- Biological Sequestration

# What Next?

- Currently working on a series of short briefs addressing:
  - The CDM and international offsets
  - Issues and Options regarding quantitative and geographic limits
  - Definition and treatment of various environmental commodities (e.g. Offsets, RECs, white tags)
  - Sequestration and offsets



# Thank You!

For a copy of the report or for more information  
please visit:

[www.offsetqualityinitiative.org](http://www.offsetqualityinitiative.org)