

The Green-e GHG Emission Reduction Product Certification Program

DRAFT, Version 2.0

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1.0 Purpose

This is the Green-e Standard for Greenhouse Gas Emission Reduction Products (Standard). This document outlines the primary criteria for the Green-e Greenhouse Gas Emission Reduction Product Certification Program (Program). The purpose of this Program is to reduce greenhouse (GHG) emissions by providing a credible consumer protection program for GHG reductions sold in the voluntary retail GHG reduction market. The Green-e GHG Program will offer to certify GHG emission reduction products that commit to follow the principles and requirements detailed in this standard. Accordingly purchasers of Green-e certified GHG products have a quality assurance that the GHG emission reductions they purchase are real, verifiable, permanent and enforceable, and are not claimed by or sold to any other party.

Participating GHG marketers that certify products under the Green-e GHG Program commit to source GHG emission reductions from eligible sources. This standard details the process and principles by which stakeholders and the Green-e Governance Board will determine which GHG Project Certification Programs and GHG Emission Allowance Programs that will be included in this program as eligible sources of GHG reductions.

2.0 Governance

The Green-e Governance Board governs implementation of this and additional accompanying documents (provided on the program website: http://www.green-e.org/getcert_ghg_intro.shtml) that together comprise the Green-e GHG Emission Reduction Product Certification Program. The Center for Resource Solutions (CRS) serves as the program administrator for this program and is responsible for implementation of this criteria document and the accompanying program documents. Certification under this program by CRS shall be implemented via contractual agreements between CRS and Participating GHG Partner Programs and Marketers.

3.0 Eligible Sources of GHG Reductions

GHG emission reductions eligible to be included in this program must be real, verifiable, permanent, and enforceable, and must not be counted towards any GHG emission reduction caps specified in any mandatory local, state, national or international GHG

regulatory structure or cap-and-trade program, or in any voluntary but legally binding cap-and-trade program.

Only GHG emission reductions certified by or according to the protocols of a Partner GHG Program (Partner Program) are eligible to be included in Green-e certified GHG reduction products. The eligibility of potential Partner Programs will be determined by the Board following a stakeholder comment period and will be based on the Partner Program's conformance to the Principles outlined in this standard.

4.0 Principles for the Determination of Eligible GHG Programs

Program requirements and procedures used by applying GHG Project Certification and Emission Allowance Programs (GHG Programs) must be determined by the Green-e Governance Board to conform to the principles and criteria set forth in this document prior to the listing of such programs as "Partner Programs."

Program requirements and procedures consist of: (1) **procedural and technical standards** for the validation, monitoring, and verification of GHG reduction projects; (2) **contractual standards** for information disclosure and avoidance of double-issuance and double-counting of GHG emission reductions; and (3), **accounting standards** that specify consistent methods for estimating baseline emissions, accounting for emissions leakage, and establishing project additionality.

Programs applying for acceptance as partners must submit written materials that show conformance with the applicable criteria. The criteria apply differently to different types of programs as outlined below:

- **Voluntary GHG Project Certification Programs** – Written materials must demonstrate conformance with all principles and criteria listed below, *except* Principle 3(g) and 4(e), which pertain to GHG Emission Allowance Programs.
- **Voluntary GHG Cap and Trade Emission Allowance Programs** – Written materials on these programs must demonstrate conformance with all principles and criteria listed below, *except* Principle 3(e-f), 4(b), 4(d), and 5(a), which pertain to GHG Project Certification Programs.
- **Regulatory GHG Project Certification Programs** – Written materials on these programs must demonstrate conformance with the principles listed below:
 - i. Principle 1(a) and 1(e)
 - ii. Principle 3(d-f)
 - iii. Principle 4(c)
 - iv. Principle 5(a-c)

- **Regulatory GHG Cap and Trade Emission Allowance Programs** – Written materials on these programs must demonstrate conformance with:
 - v. Principle 1(a) and 1(e)
 - vi. Principle 3(d) and 3(g)
 - vii. Principle 4(c) and 4(e)
 - viii. Principle 5(b)

Principles

Principle 1: Transparent Program Development

Procedures for the development of the GHG Program requirements invite broad participation by interested parties, are transparent and require public availability of information

- a) A documented process and a record of the development of the program requirements.
- b) The public review phase of the program requirements includes public comment for a period of at least 30 days.
- c) Public comments are taken into account and a publicly available written synopsis exists of how each material issue has been addressed.
- d) The process for the development of program requirements strives for participation by and consensus among interested parties:
 - i) GHG Program administrators invite the participation of parties with relevant expertise and/or those that are materially affected by the standard.
 - ii) GHG Programs that are membership-based have transparent program requirements and a program requirement development process that allows participation by non-member parties that have relevant expertise and/or that may be materially affected by the program.
 - iii) GHG Program administrators document the participation of parties in the program requirement development process.
 - iv) Records of development activities for program requirements are maintained.
- e) The approved program requirements are publicly available online.

Principle 2: Balance and Impartiality

- a) GHG Program administrators and governance bodies that develop and administer program requirements have rules and procedures in place to prevent conflicts of interest.

- b) Program requirements for the GHG Program include (or shall include two years after the acceptance of the program as a Partner Program) a dispute resolution mechanism through which stakeholders may register questions regarding verified and certified projects that may not be in full compliance with the GHG Program requirements. The mechanism shall be designed to ensure a speedy and impartial resolution of substantive issues raised, and shall require the on-line availability of documents summarizing the dispute.

Principle 3: Environmental Integrity

GHG Program requirements ensure real, verifiable, permanent and enforceable GHG emission reductions

- a) GHG Program requirements have been developed and reviewed, and are periodically updated, through transparent and credible procedures conforming to the principles and criteria contained in this document.
- b) Processes or procedures are available to update GHG Program requirements, if material issues are identified, in order to maintain the program's conformance with the principles of real, verifiable, permanent and enforceable GHG emission reductions.
- c) GHG Program requirements specify that project development, verification and certification entities producing emission reductions or allowances shall adhere to all applicable local, state and national laws and regulations.
- d) GHG Program requirements include explicit, transparent and credible:
 - i) Procedural and technical standards for the validation, monitoring, and verification of GHG emission reduction projects and GHG emission reductions.
 - ii) Accounting standards that specify consistent methods for estimating and reporting baseline GHG emissions, annual entity emissions and emission leakage.
- e) The program shall define additionality and use best practice accepted methodologies to determine project additionality and ensure that the project is beyond business-as-usual. These methodologies shall include all tests included in Table 1:

TABLE 1: REQUIRED ADDITIONALITY TESTS

Test	General Description of the Test
Legal, Regulatory or Institutional Test	The GHG project must reduce GHG emissions below the level required by an official policy, regulations, guidance or industry standards. <i>If the project does not reduce emissions beyond these levels, the assumption is that the only real reason for pursuing the project is compliance; the project or project activities, therefore, are not additional.</i>
Timing Test	GHG reductions will only be eligible for this program if they are from projects that became operational on or later than January 1, 2000. ¹ <i>The assumption is that any project that became operational before this date was not induced by the existence of the GHG reduction market.</i> Projects that have been operational for five years without selling emission reductions or becoming validated and producing verified and certified emission reductions according to a Partner Program’s requirements do not pass the timing test. ²
Crediting Period requirement	Program must have adopted a valid “crediting period” for qualifying projects, after which time the project must be reassessed for the appropriateness of its baseline scenario and its conformance with program additionality requirements. Crediting periods must be no longer than fifteen years or seven years with the option of one renewal, with the exception of biological sequestration projects which may have crediting periods of up to twenty years.

In addition, one or more of the tests listed in Table 2 must be included by the GHG Program:

TABLE 2: ADDITIONAL ADDITIONALITY TESTS

Test	General Description of Test
Financial/ Investment Test	The project or project activity must demonstrate that it is not the least cost option to produce a good or service beyond GHG emission reductions; OR, it must demonstrate that it would have a lower than acceptable rate of return without revenue from the sale of GHG emission reductions.
Common Practice and Barriers Test (both required)	The GHG project must reduce GHG emissions below levels produced by “common practice” technologies that produce the same products and/or services as the GHG project; AND, the project or project activity must demonstrate that it faces significant implementation barriers, such as institutional, organizational, cultural or local resistance to new technologies; a lack of infrastructure or institutional capacity to implement the project or project activity; or an irregular or uncertain supply of resources required to implement the project or project activity.
Benchmark/ Performance Test	The project or project activity falls in the top ten percent of GHG emission rates for similar technologies and practices producing the same or similar goods or services.
Technology Test	The GHG project and its associated GHG reductions are considered additional if the GHG project involves a technology that is not likely to be employed for reasons other than reducing GHG emissions. May be determined on a sector or regional basis.

¹ On a case by case basis, projects with operational dates prior to 2000 may meet the timing test, if it can be demonstrated with certainty to the Green-e Governance Board that such projects were induced by the existence of the voluntary carbon market.

² Emissions reductions may include renewable energy, renewable energy certificates, or energy efficiency certificates that incorporate GHG reduction benefits.

- f) If a GHG Program permits use of forest-based or other biological carbon sequestration or removal projects, it shall contain, in addition, explicit, transparent and credible requirements regarding:
 - i) Prevention of reversibility or non-permanence of GHG emission reductions.
 - ii) Annual reporting of biological carbon stocks and emissions.
 - iii) Required use of species that are native to the region in which the project is located, or justification that any non-native species used are superior to native species for generating concrete biodiversity benefits.
- g) Emission Allowance programs must demonstrate that the procedures for the establishment of a legally binding GHG emission reductions cap or target and the creation of emission allowances under the program resulted in the creation of real emission reductions.

Principle 4: Validity of Emissions Reductions

GHG Programs ensure the validity of GHG emission reductions with respect to the program requirements

- a) The GHG Program is administered by an independent entity (program administrator)
- b) The Program Administrator receives:
 - i) Evaluations of GHG emission reduction projects that assure the project meets project eligibility and other program requirements.
 - ii) Verification reports of GHG emission reductions.
 - iii) The independent entity (program administrator) must also either certify the verified GHG emission reductions based on a review and the approval of these verification reports, or require certification of the verified GHG emission reductions from an independent third-party entity as specified in (c) below.
- c) The GHG Program administrator has appropriate guidelines that ensure oversight of and proper qualifications and independence for any third party entities involved in program administration, including in the conduct of verification and certification procedures. These may include:
 - i) Accreditation of such entities under international accreditation programs, including the International Standards Organization, the United Nations Framework Convention on Climate Change (UNFCCC); under national or

state governmental accreditation programs; or, with the approval of the Green-e Board, broadly accepted professional accreditation programs.

- d) The Program requires an initial on-site verification of GHG emission reductions originating from all validated GHG projects except those designated by program requirements as “small scale.” On-site verification must subsequently occur at minimum every five years. Programs not requiring on-site verification of emission reduction projects must provide justification for why it on-site verification is not needed. Provisions for the verification and certification of small scale projects must conform to best practices regarding random sampling and auditing procedures.
- e) The Program Administrator receives:
 - i) Annual, third party verified reports regarding capped entities’ conformance with the requirements of the cap or target.

Principle 5: Disclosure and No Double Counting

The GHG Program includes measures to require disclosure and prevent double counting

- a) GHG Program requirements include contractual standards for information disclosure and avoidance of double counting, claiming, sales and issuance of GHG emission reductions, including a system to identify and track the following information for each quantified GHG emission reduction:
 - i) Project information, including name, type and other information that allows identification of specific project.
 - ii) Project location.
 - iii) Year of initiation of project or project activities.
 - iv) Date of creation of the quantified GHG emission reduction.
 - v) Clear ownership of reduction, indicated through provisions such as the existence of legal contracts and/or serial registration of GHG reductions in an established GHG registry.
- b) Verification, certification and tracking systems are in place to prevent double counting, claims, issuance, sales, and ensure that GHG emissions are not registered more than once.

- c) Documentation on GHG emission reduction projects, such as Project Development Documents and Verification Reports, or written synopsis of such documents, are publicly available for review.

5.0 Green-e GHG Certification Program Administration

This is considered a dynamic document that may change over time to conform to changes in the greenhouse gas reduction marketplace and policy changes that impact voluntary greenhouse gas reductions. For any substantial changes to this Green-e GHG Emission Reduction Product Certification Program criteria document, the Green-e Program commits that:

- Stakeholders will be solicited in advance of Green-e Governance Board meetings for input on substantive policy change issues; and
- At least one year of notice (following the date of announcement of Board approval) will be granted to program participants before the substantive changes go into effect, unless a more timely change is necessary to respond to a significant and imminent problem threatening the integrity of voluntary greenhouse gas reduction markets.

Marketers of Green-e certified products under the Green-e GHG Emission Reduction Product Certification Program may petition Green-e for an exemption from specific changes in the criteria if they can document current contracts or other conditions that prevent them from meeting the change.³ Changes that are not limiting to marketers of Green-e certified products (i.e. will impose no burden on currently certified products) or need to be implemented in the short term to accommodate external policy changes may take effect immediately upon Board approval.

Verification procedures for the Program shall ensure that Partner Programs and Participating Marketers meet all program requirements as set forth in this document. Verification procedures shall be conducted according to these documents on an annual basis. In addition, the program administrator (CRS) will conduct a review of all certified product marketing materials (Marketing Compliance Review) biannually.

6.0 Additional Criteria

6.1 Referenced GHG Project Protocols or Standards

General GHG project protocols or standards or portions thereof are sometimes included by reference within the procedural and technical standards and/or accounting standards of

³ Note: This provision applies only to marketers currently selling Green-e certified products and only for a period of one year while a transition to the new criteria is made.

specific GHG Programs. Should GHG Programs following procedures outlined in Section 4.1 include such referenced GHG project protocols or standards, the treatment of those referenced standards shall be left to the discretion of the GHG Subcommittee of the Green-e Board within the following general recommendations:

- Where a referenced GHG project protocol or standard that meets the principles and criteria contained in this document provides general procedural guidance that is further clarified by required procedures or methodologies contained in the procedural, technical and/or accounting standards of the applying GHG Program, no further review of the referenced GHG project protocol or standard by the GHG Subcommittee shall be necessary.
- Where a referenced GHG project protocol or standard contains detailed methodological requirements for direct use as the sole procedural, technical and/or accounting requirements of a GHG Program, the program must provide information about how the development of those methodological requirements meets the principles and criteria contained herein if the referenced GHG project protocol or standard and/or program from which the methodologies are drawn has not yet applied to and partnered with the Green-e program.

6.2 Project-Specific Criteria

The intent of the Green-e GHG Program is to include in their entirety those GHG Programs that follow procedures to partner with this program and are approved by the Green-e Governance Board. However, if stakeholder comments reveal concerns relating to only a subset(s) of specific project types within an applying GHG Program, these will be relayed to the Green-e GHG Subcommittee. The Subcommittee may in turn recommend for adoption by the Green-e Governance Board only that part of the project-specific criteria that meets the Green-e Principles listed above.

6. Glossary

Additionality – A criterion applied to GHG projects stipulating that project-based GHG reductions may only be quantified if the project or project activity “would not have happened anyway” – i.e., that the project or project activity (or the same technologies or practices it employs) would not have been implemented in the project baseline scenario and/or that project activity emissions are lower than baseline emissions (See Section 4.0, Principle 3 for specific additionality requirements under this program).

Baseline Emissions – An estimate of GHG emissions, removals, or storage associated with a baseline scenario or derived using a performance standard.

Baseline Scenario – A hypothetical description of what would most likely have occurred in the absence of any considerations about climate change.

Business-as-Usual – A practice typically implemented by a given sector or industry, most frequently because it is the most cost effective option available to produce the service or good or to dispose of related waste products.

Carbon dioxide equivalent – The universal unit of measurement used to indicate the global warming potential of GHGs. Used to evaluate the impacts of releasing (or avoiding the release of) different GHGs. Conversion factors for CH₄, N₂O, SF₆, PFCs and HFCs must be based on Intergovernmental Panel on Climate Change reports.

Certify – (1) The review and approval of a verification report quantifying the number of verified GHG emission reductions that have been produced from an eligible GHG emission reduction project validated as meeting the project eligibility and other program requirements of a Partner GHG Project Certification Program. (2) The process of the review of a verification report and subsequent approval under the Green-e GHG Emission Reduction Product Certification Program that a GHG emission reduction product offered by a Participating GHG marketer meets all program requirements as specified in this and related Green-e GHG Emission Reduction Product Certification Program documents.

Common Practice – The predominant technology(ies) implemented or practice(s) undertaken in a particular region or sector.

Conflict of Interest – When a member of a governance body participates in a decision made by the body in which s/he, or the organization that s/he represents, has a material interest.

Credible – Worthy of belief or confidence from a technical and procedural perspective; trustworthy.

Crediting Period – The time period over which baseline emission estimates, derived from a baseline scenario or performance standard, are considered valid for the purpose of quantifying GHG emission reductions. Once the crediting period for the baseline scenario expires, either no further GHG reductions are recognized for the project or project activity, or a new (revised) baseline scenario or performance standard must be identified.

Double Claiming – A situation prohibited under the Green-e GHG Emission Reduction Product Certification Program in which more than one end-user claims the same GHG emission reduction benefits.

Double Counting – A situation prohibited under the Green-e GHG Emission Reduction Product Certification Program in which the same GHG emission reduction is counted more than once in any of the following: a GHG registry, towards a regulatory or voluntary emission reduction target, by an end user.

Double Sale – A situation prohibited under the Green-e GHG Emission Reduction Product Certification Program in which the same GHG emission reduction is sold more than once, resulting in a situation of double claiming or double counting.

Double Issuance – A situation prohibited under the Green-e GHG Emission Reduction Product Certification Program in which GHG emission reductions are issued at source, or along a transaction chain, more than once.

Eligible GHG Project Certification Programs – A GHG Project Certification Program identified by the Green-e Governance Board as meeting the requirements set forth in this and related documents under the Green-e GHG Emission Reduction Product Certification Program. Termed “Partner GHG Project Certification Program” once the program has partnered with the Green-e GHG Emission Reduction Product Certification Program via the completion of a memorandum of understanding with the Center for Resource Solutions.

Enforceable – One of five requirements for eligible GHG emission reductions under this program. Entails that GHG emission reductions must be backed by contracts or legal instruments that define their creation, provide for transparency, and ensure exclusive ownership.

Emission Allowance Program – The provisions of a GHG Cap and Trade Program governing all aspects of the determination of GHG emission limits, distribution of emission allowances, and oversight of the implementation of program requirements (see Regulatory GHG Cap and Trade Program and Voluntary GHG Cap and Trade Program).

Governance Bodies – Formally established boards or committees responsible for providing administrative oversight to GHG Project Certification and Emission Allowance Programs, including oversight of program administrators and/or secretariats.

Green-e GHG Subcommittee – A subcommittee of the Green-e Governance Board with primarily responsibility for the independent oversight of the Green-e GHG Emission Reduction Product Certification Program. Reviews written materials from GHG Programs wishing to partner with the Green-e GHG Emission Reduction Certification Program and stakeholder comments on those materials. Issues recommendations regarding the materials to the Green-e Governance Board. Reviews stakeholder comments on proposed revisions to the Green-e Program and provides input on such revisions to the Green-e Governance Board.

Green-e Governance Board – An independent body with primary responsibility for the oversight of all Green-e Programs.

Greenhouse Gas (GHG) – Gases that trap heat in the atmosphere and are emitted through natural processes and human activities. The Green-e GHG Emission Reduction Product Certification Program provides for GHG emission reductions to originate from

the six principal greenhouse gases included in the Kyoto Protocol, namely carbon dioxide, nitrous oxide, methane, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride (CO₂, N₂O, CH₄, HFCs, PFCs and SF₆).

GHG Emission Allowance – A legal documentation of the right to emit a specific quantity of greenhouse gases under a GHG Cap and Trade program. Sale or transfer of this right to the voluntary GHG market eliminates the right to emit the quantified amount within the designated Cap and Trade Program.

GHG Emission Reduction – Reductions, removals or the permanent storage of greenhouse gases produced by: (1) projects or project activities that have been validated, verified and certified according to the program requirements of a Partner GHG Program; or, (2) the retirement of GHG emission allowances from a Partner Emission Allowance Program. GHG emission reductions must originate from projects or parts of projects, or from emission allowances, that meet the principles and criteria contained in this document. They must meet the requirement of real, verifiable, permanent and enforceable. They may not be claimed or registered by more than one end-user. Measured in metric tons of carbon dioxide equivalent.

GHG Emission Reduction Product – A product comprised of quantified GHG emission reductions. GHG emission reductions contained in a GHG Emission Reduction Product may originate from one or more types of greenhouse gas reductions or greenhouse gas reduction projects, and must represent GHG emission reductions that are not claimed or counted by any other entity. A GHG emission reduction product may be used by an end-use consumer to claim GHG emission reductions in an amount equivalent to the product's stated GHG emission reduction value. Quantified in metric tons of carbon dioxide equivalent.

GHG Project Certification Program – A program composed of program requirements, a program administrator and related governance entities that provides oversight for the production, verification and certification of GHG emission reductions according to: (1) **procedural and technical standards** for the validation, monitoring, and verification of GHG reduction projects; (2) **contractual standards** for information disclosure and avoidance of double-issuance and double-counting of GHG emission reductions; and (3), **accounting standards** that specify consistent methods for estimating baseline emissions, accounting for emissions leakage, and establishing project additionality. Such programs are termed a “Partner GHG Project Certification Program” once such a program has entered into a memorandum of understanding with CRS.

Independent – Independent entails an absence of a financial interest in entities directly involved in the production of GHG emission reductions. A requirement for entities engaged in the development, verification and certification of GHG emission reductions, as well as the administration of GHG Program requirements.

Leakage – An indirect and/or unanticipated decrease or increase in GHG emission reductions from a project outside of the project’s accounting boundary as a result of the project.

Partner GHG Project Certification Program – A GHG Project Certification Program that has applied to and been approved by the Green-e Board to participate in the Green-e GHG Emission Reduction Product Certification Program. Has contractual agreements in place with Green-e Program Administrators (CRS).

Participating GHG Marketers -- GHG Marketers that seek and earn certification under the Green-e GHG Emission Reduction Product Certification Program of GHG emission reduction products that they transfer or retire through sales to customers. Participating GHG Marketers must adhere to disclosure, contractual and marketing requirements contained in the Green-e GHG Emission Reduction Product Program documents.

Permanent – One of five requirements for GHG emission reductions under this program. Entails that GHG emission reductions must last in perpetuity, ie, are not reversed, and that guarantees exist to ensure this.

Project Development Documents – Documents or document summaries prepared during the development phase of a GHG emission reduction project that report basic project information such as project type, location, baseline scenarios, requirements for the demonstration of additionality, accounting methodologies, monitoring plans and/or other information relevant to the production of GHG emission reductions from the project.

Real – A requirement for GHG emission reductions under this program. Entails that quantified GHG emission reductions represent actual emission reductions and are not artifacts of incomplete or technically flawed accounting. In the case of project- based GHG emission reductions, “real” emission reductions must meet the additionality criteria contained in this document.

Referenced GHG Project Protocol or Standard – A document outlining concepts, procedures and/or methodologies for the identification of GHG emission reduction projects and the creation of GHG emission reductions.

Regulatory GHG Cap and Trade Programs – An administrative approach used to control GHG emissions whereby a central authority – either a government agency or group of government agencies -- sets a limit or cap on the amount of GHGs that can be emitted within a defined geographic boundary. Such programs include the allocation to entities of emission allowances that represent the right to emit a specific quantity of GHGs. Entities may trade emission allowances.

Regulatory GHG Project Certification Programs - A GHG Project Certification program that is governed and developed by governmental or intergovernmental bodies.

Small scale project – A project producing less than 20,000 metric tons CO₂e emission reductions per year.

Third Party Independent Verification – A requirement of this program for: (1) the verification of quantified GHG emission reduction benefits emerging from a GHG project validated according to the project eligibility and program requirements of a Partner GHG Project Certification Program; and (2) the review and approval of contractual arrangements and adherence to program requirements for all GHG emission reduction products certified under the Green-e GHG Emission Reduction Product Certification Program. Entails verification by an entity independent to any of the entities that developed, certify or sell the verified emission reductions, or that administer the Partner GHG Project Certification Program requirements.

Validate/Validation-- The assessment and approval of documents describing a project's conformance with project eligibility requirements of a Participating GHG Project Certification Program, including, as applicable, information on project design, the baseline scenarios, the demonstration of additionality, and an appropriate monitoring plan. Validation of a project or project activity typically occurs prior to the verification of emission reductions.

Verifiable – This is a requirement for GHG emission reductions under this program. Entails that GHG emission reductions must result from projects whose performance can be readily monitored and verified.

Verify/Verification– (1) The review and approval of a specified quantity of GHG emission reductions as originating from a project validated according to the program requirements of a Participating GHG Project Certification Program. The process assures that a given project meets all program requirements for the production of emission reductions of a Participating GHG Project Certification Program. Includes the production of a verification report and may include on-site project inspections. (2) The review and approval that products certified under the Green-e GHG Emission Reduction Product Program standard meet the program requirements. Verification will take place on an annual basis.(3) In the case of Emission Allowance programs, refers to the review of reports regarding capped entities' conformance with the requirements of the cap or target.

Verified GHG Reduction-- A GHG emission reduction that has been verified by an independent third party entity as produced under conditions meeting the program requirements of a Participating GHG Project Certification Program.

Verification Report-- A report prepared by an independent third party entity, pursuant to a verification, which reports the findings of the verification process, including the quantity of GHG emission reductions that have been found to have been generated.

Voluntary GHG Cap and Trade Emission Allowance Programs - A GHG reporting and trading system within which entities make a legally binding commitment to meet certain GHG emission reduction targets. Such a system may include the allocation to

entities of emission allowances that represent the right to emit a specific quantity of GHGs. Entities may trade emission allowances.

Voluntary GHG Project Certification Programs – A GHG Project Certification program in which participation is voluntary.