

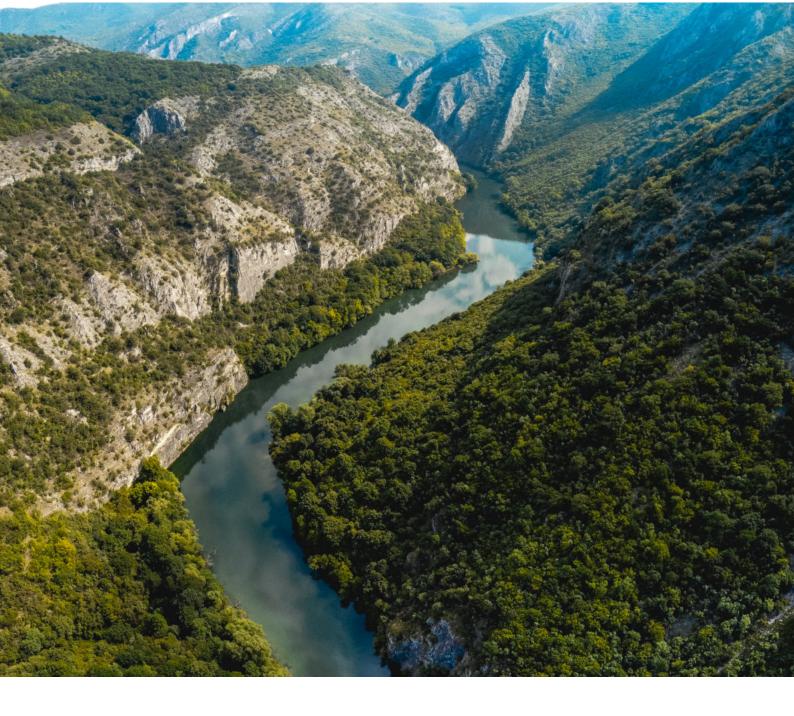
BCR GUIDELINES

BASELINE AND ADDITIONALITY

BCR projects generate verified carbon credits (VCC) that represent emissions reductions, avoidance, or removals that are additional

BIOCARBON CERT®

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1 Introduction

BCR STANDARD define that the issuance of VCC shall be based on a realistic and credible baseline. In addition, the rule related with the VCC quantification includes the demonstration that the project holder applies a reasonable, justifiable, and conservative baseline estimation of emissions.

In consequence, GHG project holders shall establish a baseline or reference scenario, meaning the situation representing the GHG emissions that would occur in the absence of a GHG project, fulfilling with the methodology applicable to the GHG emission reductions or removal activities.

The baseline is the scenario for the GHG mitigation project that reasonably represents the anthropogenic emissions by sources of GHGs that would occur in the absence of the GHG mitigation project activity. The baseline shall be described assuming a conservative "business as usual" emissions level.

The additionality is the effect of the GHG project activity to reduce anthropogenic GHG emissions below the level that would have occurred in the absence of the GHG project activity. Considerations of additionality and details on the demonstration of additionality are in BCR methodological documents.

On the other hand, GHG project holders shall demonstrate that emission reductions (or removals) do not correspond to emission reductions attributable to the implementation of legally required actions.



¹ Adapted from Glossary CDM terms. Version 10.0



2 Objectives

The objectives of these guidelines are:

- a) establish the requirements applicable to the GHG projects, to baseline identification;
- b) provide the requirements to demonstrate additionality of the mitigation activities and results;
- c) require the necessary conditions to ensure quality in the quantification of the GHG emission reductions;
- d) support projects conformity within the rules and application procedures for the demonstrate additionality of the GHG projects.

3 Version

This document constitutes Version 1.3. March 1, 2024.

This version of the document may be adjusted periodically. Intended users should ensure that they are using the updated version.

4 General terms

The following general terms apply:

- a) "Shall" is used to indicate that the requirement shall be met;
- b) "Should" is used to suggest that, among several possibilities, a course of action recommended as particularly appropriate;
- c) "May" is used to indicate that it is permitted.

5 Scope

This document provides the set of requirements necessary for the baseline identification and demonstration of additionality of GHG projects, ensuring that they comply with the conditions established in the BCR STANDARD.

In this sense, additionality signifies that the verified carbon credits represent GHG emissions reductions or carbon sequestration or removals that exceed any GHG reduction or removals: (a) required by law, regulation, or legally binding mandate, and (b) that exceed any GHG reductions or removals that would then occur in a conservative manner in the absence of the project activities.

The scope of these guidelines is limited to:



- a) GHG projects using a methodology developed or accepted by BIOCARBON, applicable to GHG emissions reductions or GHG emissions removals; and,
- b) GHG projects using a methodology developed or accepted by BIOCARBON, applicable to activities in the AFOLU, energy, transportation, and waste handling and disposal sectors.

These guidelines set out the requirements for establishing baseline and demonstrating additionality of projects that aim to reduce GHG emissions and/or increase removals under the BCR STANDARD.

These guidelines contain only additional or also referred information. The project holder shall apply the rules and protocols that constitute the methodologies² for the quantification of GHG emission reductions and removals, defined by sector and/or type of project (See section 9 of BCR STANDARD).

6 Baseline scenario and additionality

GHG project holders shall establish a baseline or reference scenario, meaning the situation representing the GHG emissions that would occur in the absence of a GHG project, and they comply with the methodology applicable to the GHG emission reductions or removal activities.

Definition of the reference scenario shall follow the provisions contained in the BIOCARBON methodological documents and the other methodologies applicable to projects, in their most recent version and:

- a) transparently regarding assumptions, methods, parameters, data sources, and factors;
- b) considering uncertainty and using prudential assumptions;
- c) specifically, for each GHG project activity;
- d) considering relevant national as also when applicable to sectoral policies and circumstances;
- e) maintaining consistency with the emission factors, activity data, projection variables of GHG emissions, and the other parameters used for the construction of the reference scenario;

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² Methodological documents or guidance



- f) implementing procedures to ensure data quality under ISO 14064-2 and the requirements of the selected methodology;
- g) in such a way that no GHG reductions or removals can obtain, due to decreases in an activity outside the project business;
- h) covering emissions and removals of all gases, defined in the applied methodologies, included in the project boundary under consideration.

The project holders shall clearly demonstrate that the project consider procedures to demonstrate additionality. The criteria for the additionality demonstration are publicly disclosed and conservative. BCR STANDARD does not include activities that are automatically additional. That mean, in BCR STANDARD are not considered "positive list" of eligible project types.

The basis, data, assumptions, and information related for demonstrate additionality and baseline setting shall be assessed by an accredited and independent third-party verification entity (Conformity Assessment Body) and reviewed by the technical committee of BIOCARBON, including the criterion that requires procedures for ensuring legal additionality.

7 AFOLU projects

BIOCARBON requires the use of the CDM Tools that provide a reasonable assurance that the emission reductions/removals would not have occurred in the absence of the project activities.

For AFOLU projects, the project holders shall apply shall use the Tool developed by the Executive Board of the Clean Development Mechanism (CDM – UNFCCC), the Tool for the demonstration and assessment of additionality (am-tool-01-v7.0.0.pdf)³, or the document which modifies or updates it.



https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-02-v7.0.pdf



8 Other sectors

Project holders in sectors other than AFOLU, such as energy, transport, and waste, shall use the Tool provided by the Executive Board of the Clean Development Mechanism (CDM – UNFCCC). Specifically, they shall use either the Tool for the demonstration and assessment of additionality (am-tool-01-v7.0.0.pdf)⁴ or the Tool Demonstration of additionality of small-scale project activities v.13.1⁵, or the document which modifies or updates it.

Available in: https://cdm.unfccc.int/methodologies/index.html.

9 Methodological documents

The BIOCARBON projects shall comply with the methodologies developed or approved by BCR, as well as with the other relevant documents under the BCR PROGRAM, considering that the BCR STANDARD includes methodological documents for quantifying GHG emission reductions or removals, at the project level.

The methodological documents contain the applicability criteria and detailed steps for quantifying and monitoring results against design and implementation of GHG projects, by a given project type.

Although the methodological documents contain specific guidance for each type of GHG project, what describes these documents adheres to the general principles and requirements in this Standard.

All methodological documents developed by BIOCARBON and approved by the BIOCARBON Technical Committee are available on www.biocarbonstandard.com.

The current versions of the methodological documents are the following:

- (a) METHODOLOGICAL DOCUMENT. AFOLU SECTOR. Quantification of GHG Removals. Afforestation, Reforestation and Revegetation. Version 4.0 February 9, 2024. In: https://biocarbonstandard.com/wp-content/uploads/BCR0001_Methodological-document-ARR.pdf
- (b) METHODOLOGICAL DOCUMENT AFOLU SECTOR. Quantification of GHG Emission Reductions. REDD+ Projects. Version 3.1. September 15, 2022. In: https://biocarbonstandard.com/wp-

⁵ Available in https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-21-v13.1.pdf

⁴ Available in https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-01-v7.0.0.pdf



- content/uploads/BCR0002_Methodological-document-REDD-projects.pdf
- (c) Methodological Document AFOLU SECTOR. BCR0003 Quantification of GHG Emissions Reduction. Activities that prevent land use change and improve management practices for peatlands and other wetlands in high mountain ecosystems. Version 3.0. August 31, 2022. In: https://biocarbonstandard.com/wp-content/uploads/BCR0003_Methodological-document-HME.pdf
- (d) METHODOLOGICAL DOCUMENT SECTOR AFOLU. BCR0004. Quantification Emission Reduction and GHG removal. Activities that avoid land use change in Continental Wetlands. Version 2.0. June 23, 2022. In: https://biocarbonstandard.com/wp-content/uploads/BCR0004_Methodological-document-Continental-Wetlands.pdf
- (e) Methodological Document AFOLU SECTOR. Quantification of GHG Emissions Reduction. Activities that prevent land use change in natural savannas. BCR0005. Version 1.0. October 21, 2022. In: https://biocarbonstandard.com/wp-content/uploads/BCR0005_Methodological-document-savannas.pdf





History of document

Type of document

BCR Guidelines. Baseline and Additionality

Version	Date	Nature of the document
Version 1.0	February 17, 2023	First version of the Tool.
		Change of type of document. Tool, actualized to guideline.
Version 1.1	July 27, 2023	Specified reference to other sectors in section 9. Before it was considered as a text in section 7.
		Addition of Transport sector in section 5(b)
		Section 8 adjusted
Version 1.2	September 27, 2023	Section 9 adjusted
		Minor editorial changes
		Section 8 adjusted
Version 1.3	March 1, 2024	Section 9 adjusted
		Minor editorial changes

