

VCS PROGRAM UPDATE

RELEASE DATE: 9 JANUARY 2014

EXCLUSION OF HFC-23 FROM THE SCOPE OF VCS PROGRAM

Introduction

There are indications of progress under the Montreal Protocol, G-20 and other bilateral government discussions on the international regulation of HFC emissions, particularly as they pertain to HFC-23. Due in large part to these developments, VCS will no longer approve or accept for consideration new HFC-23 methodologies or projects. Should there be little progress towards international regulation over the coming years VCS can consider whether market incentives should play a role in this area.

In keeping with all updates to the VCS rules, registered VCS projects remain eligible for crediting until the end of their project crediting periods.

Program Update

VCSA hereby updates the scope of the VCS Program to exclude projects that reduce hydrofluorocarbon-23 (HFC-23) emissions. Specifically, the scope of the *VCS Standard* (v3.4) is amended to read as follows (revised text in red):

2.1 SCOPE OF VCS PROGRAM

2.1.1 The scope of the VCS Program includes:

- 1) The six Kyoto Protocol greenhouse gases.
- 2) Ozone-depleting substances as set out in VCS document *ODS Requirements*.
- 3) Project activities supported by a methodology approved under the VCS Program through the methodology approval process.
- 4) Project activities supported by a methodology approved under a VCS approved GHG program, unless explicitly excluded under the terms of VCS approval.
- 5) Jurisdictional REDD+ programs and nested REDD+ projects as set out in VCS document *JNR Requirements*.

The scope of the VCS Program excludes:

- 1) Projects that can reasonably be assumed to have generated GHG emissions primarily for the purpose of their subsequent reduction, removal or destruction.
- 2) **Projects that reduce hydrofluorocarbon-23 (HFC-23) emissions.**

Effective Date

The program update set out above is effective from 9 January 2014. Any projects listed on the project pipeline prior to 9 January 2014 are granted six months to complete validation. Besides this, new projects are not eligible under the VCS Program. CDM methodology AM0001 may no longer be applied, and new methodologies addressing HFC-23 emissions may not be proposed under the program.

Projects which are already registered remain eligible until the end of the project crediting period. Such projects are not eligible to renew their project crediting periods.