



Standards for a
Sustainable Future

Public Consultation : Proposed Verra Unit Labels

Labels that could be used to meet market
demand

13 July 2022

Agenda

- Webinar overview
- Proposed labels
- Consultation info

Panel



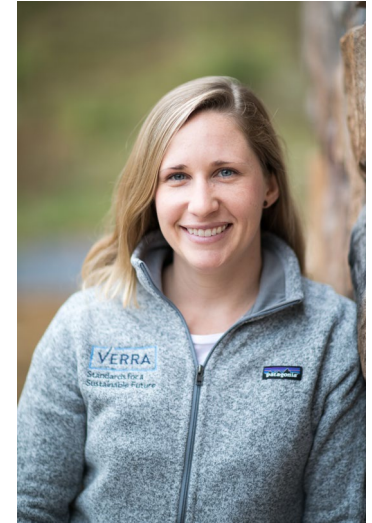
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Verra unit label

A marker on a unit representing that the unit has met specific requirements

Can apply to Verified Carbon Units, Plastic Credits & SD VSta assets

Two types: certification & market

Multiple labels can be applied per unit

Market label vetting process

1. Submit a label proposal
2. Verra vets label requirements against market label criteria
3. Public consultation
4. If approved, implementation

Motivation for this label consultation

- Increased interest in differentiating VCUUs from one another (while keeping VCUUs fungible)
- Rules for Article 6 under the Paris Agreement
- [Taskforce on Scaling Voluntary Carbon Markets](#) (VCMs) → [Integrity Council for the VCM](#): “additional attributes”
 - Gauge stakeholder feedback
 - Input on how to implement

Proposed labels

Type of mitigation outcome

- Current situation:
 - Increased interest in differentiation of reduction & removal benefits
 - No instruments, labels or registry search fields to enable such differentiation
- Proposed VCU labels:
 - Reductions
 - Removals

Activity type

- Current situation:
 - Some investors prefer to invest only in natural climate or technological and/or industrial
 - No instruments, labels or registry search fields to enable such differentiation
- Proposed VCU labels:
 - Nature-based
 - Technological/industrial

Authorization for Article 6 purposes

- Current situation:
 - No means to signal which VCUs will be accounted by countries under Article 6 as internationally transferred mitigation outcomes (ITMOs) in context of nationally determined contributions (NDCs)
 - Only ITMOs with the expressed authorization of the countries involved may be used toward NDCs, other international agreements and, in some cases, voluntary carbon market transactions

- Proposed VCU labels:

Authorized by the host government for use toward...

- 
- an NDC
 - a CORSIA offsetting requirement
 - a VCM target

Sustainable development benefits

- Current situation:
 - VCUs can be labeled with
 - VCS projects can identify contributions to the SDGs



- Proposed VCU labels:
 - Individual SDG labels
(Existing CCBS and SD VISta labels would be maintained)



Consultation info

Timeline

Date	Activity
30 June	Public consultation begins
31 July	Public consultation ends
September-December	Review comments and finalize label definitions (pending future IC-VCM decisions)
Q2 2023	Operationalize labels

Engage in the consultation

Consultation announcement: <https://verra.org/verra-announces-consultation-on-vcu-labels/>

Consultation doc

Comment template

Clarifications

through its retirement. Due to increased demand from stakeholders to differentiate VCUs that meet unique market or investment needs, Verra has developed a process to vet new VCU market labels to ensure that they benefit project investors while enabling the fungibility of the respective VCU. (Learn more about Verra's market label vetting process.)

Under this new process, Verra is launching a consultation on the following labels that are

- Type of mitigation outcome: reductions and removals
- Activity type: nature-based and technological/industrial
- Authorization for Article 6 purposes: indicating authorization by host governments for use toward an NDC, a CORSIA offsetting requirement, or (optionally) a voluntary carbon market target
- Sustainable development benefits: indicating the SDGs to which the VCU contributes

Feedback on these labels will also inform Verra's inputs on the IC-VCM requirements process.

To comment on these proposed labels please complete the comment template and email it to programupdates@verra.org by 31 July 2022.

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