

Program Requirements for Global Carbon Standard

Global Carbon Standard is dedicated to certifying quality program proponents. As such, there are strict requirements that must be adhered to in order to qualify for certification. This document serves to list these requirements.

Assessment and Management of Environmental and Social Risks

Compliance

Compliance ensures that projects are legally sound and socially responsible, preventing legal conflicts and promoting sustainable development. Ensuring compliance with local, national, and international laws and agreements is fundamental to maintaining the integrity and legality of mitigation activities. Adhering to these regulations not only avoids legal repercussions but also promotes sustainable development and social responsibility. International conventions like the UNDRIP and the International Bill of Human Rights provide a universal standard that helps protect human rights and environmental sustainability.

Regular, continuous **Monitoring, Reporting and Verification (MRV)** of activities ensures ongoing compliance with environmental and social safeguards. This involves tracking key performance indicators (KPIs) to measure the project's impact and progress. Regular monitoring helps detect and address any issues promptly, maintaining the integrity and effectiveness of the project.

Transparent and accurate reporting is crucial for accountability. Mitigation activity proponents must submit regular reports detailing their activities, impacts, and compliance with safeguards. These reports should be accessible to stakeholders and include information on environmental and social performance, as well as any corrective actions taken.

Independent verification by accredited third-party bodies ensures the credibility and reliability of the reported data. Verification involves an in-depth review of the project's monitoring data, methodologies, and compliance with standards. This process confirms that the emission reductions or removals claimed are accurate and meets all regulatory requirements.

- Mitigation activity proponents must comply with all applicable national and local laws, regulations, and policies. This includes environmental regulations, social policies, and any other relevant legal frameworks.
- Where relevant, proponents must also adhere to international conventions and agreements, such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the International Bill of Human Rights. This alignment helps maintain global standards for human rights and environmental protection.
- Proponents must validate their monitoring plans and methodologies in the design documents. This includes detailing how they will monitor environmental and social impacts and how often they will report these findings.



Risk Assessment

Conducting a thorough risk assessment allows project proponents to identify potential negative impacts early on. By identifying and understanding these risks, they can implement measures to mitigate harm, ensuring that the projects do not inadvertently cause environmental degradation, social injustice, social displacement, or cultural disruption. This proactive approach helps in maintaining the balance between development and conservation.

Assessment Scope: Proponents must conduct a comprehensive risk assessment to identify potential negative environmental and social impacts. This assessment should consider the safeguards listed below and be proportional to the scope and scale of the mitigation activity.

- FPIC Processes
- Labor Rights and Working Conditions
- Resource Efficiency and Pollution Prevention Measures
- Land Acquisition
- Biodiversity Conservation
- Indigenous Peoples, Local Communities and Cultural Heritage
- Respect for Human Rights
- Gender Equality

Mitigation Measures: Activities will develop and implement measures to mitigate identified risks. This may include adjusting project designs, implementing safety protocols, or engaging with affected communities to address their concerns. Proposed mitigations will be confirmed in validated design documents and submitted prior to registration into the GCS Registry.

Free, Prior and Informed Consent (FPIC) Processes

Free, Prior and Informed Consent (FPIC) is crucial for protecting the rights of Indigenous Peoples and Local Communities (LCs). This process ensures that these communities are fully informed about the projects that may affect them and have the power to agree or refuse consent without coercion. Proponents must ensure FPIC processes are implemented for Indigenous Peoples (IPs) and Local Communities (LCs) where applicable.

- Proponents are required to engage with local stakeholders as part of project design and implementation. These consultations should be inclusive, culturally appropriate, and respectful of local knowledge. Proponents must take these consultations into account and respond to stakeholders' views to foster trust, cooperation, and long-term success of the projects.

Labor Rights and Working Conditions

Ensuring safe and healthy working conditions is vital for protecting workers from occupational hazards. This promotes a healthy workforce, which is essential for the smooth operation and success of any project. Proponents must ensure that all employees work in safe and healthy conditions, following occupational safety and health regulations. This includes providing necessary safety equipment, training, and maintaining a safe work environment.



Promoting the well-being of workers leads to a more productive and committed workforce. Fair treatment and equal opportunities help create an inclusive work environment free from discrimination by ensuring all employees are treated fairly, with no discrimination based on race, gender, religion, or other characteristic. An inclusive workplace and equal opportunities must be provided to all employees to enhance job satisfaction and productivity, contributing to the overall success of the project.

The use of forced labor, child labor and trafficked persons is strictly prohibited. This includes ensuring that third-party contractors also adhere to these standards. Upholding human rights and ethical standards is paramount to ensuring that projects contribute positively to societal well-being.

Resource Efficiency and Pollution Prevention

Minimizing emissions and waste is essential for reducing the environmental footprint of mitigation activities. Effective pollution control measures help protect air and water quality, reduce noise pollution, and manage waste responsibly. This is crucial for preserving ecosystems and safeguarding public health.

- Proponents must minimize emissions to air, discharges to water, noise and vibration, and the generation of waste. They must also control the release of hazardous materials, chemical pesticides, and fertilizers.
- Proponents must confirm adherence to these pollution minimization safeguards in validated design documents. If any risks are identified, appropriate measures to mitigate these risks must be outlined and describe the measures they have put in place to address these impacts

Land Acquisition and Involuntary Resettlement

Avoiding or minimizing forced physical and economic displacement is crucial for protecting the livelihoods and homes of local communities. When displacement is unavoidable, implementing fair and adequate measures to address its impacts ensures social stability and maintains community support for the project.

- Proponents must avoid or minimize forced physical and/or economic displacement. When displacement is unavoidable, appropriate measures must be taken to address the impacts. Ensuring that local communities are not unfairly impacted by mitigation activities helps maintain social stability and community support for the projects. Proponents must confirm in validated design documents whether their activities result in displacement and, if so, detail the mitigation measures taken to address this.

Biodiversity Conservation

Protecting biodiversity is essential for maintaining healthy ecosystems. Avoiding negative impacts on terrestrial and marine biodiversity, safeguarding habitats of rare and endangered species, and preventing the conversion of high conservation value areas are key actions in preserving the natural environment. Biodiversity and ecosystem protection ensures the conservation of species and habitats essential for ecological balance. This enhances the resilience of ecosystems to climate change and other threats. These efforts contribute to the resilience of ecosystems against climate change and other threats.



- Proponents must avoid or minimise negative impacts on biodiversity and ecosystems. This includes protecting habitats of rare, threatened, and endangered species, avoiding the conversion of high conservation value habitats, and minimizing soil degradation and water stress.
- Proponents must confirm in validated design documents whether their activities have negative impacts on biodiversity and ecosystems, and outline the mitigation measures taken to address any negative impacts discovered.

Indigenous Peoples, Local Communities, and Cultural Heritage

Recognizing and protecting the rights of Indigenous Peoples and Local Communities (IPs & LCs) ensures that their cultural heritage, knowledge, and livelihoods are respected and preserved. This approach promotes social justice, prevents conflicts, and supports sustainable development. Ensuring that the FPIC process is applied where relevant further strengthens these protections.

- Proponents must recognize and protect the rights of IPs and LCs according to international human rights laws, including UNDRIP and ILO Convention 169. They must identify potentially affected rights-holders and apply the FPIC process when relevant.
- Proponents must not force eviction or displacement of IPs and LCs without agreement, and must protect cultural heritage according to local protocols and UNESCO conventions.
- Proponents must confirm in validated design documents that the mitigation activity adheres to these safeguards or detail the measures taken to address any incidents found to violate these safeguards.

Respect for Human Rights, Stakeholder Engagement

Respecting human rights and avoiding discrimination are fundamental to ethical project implementation. Abiding by international human rights laws and considering local stakeholders' views ensures that projects are socially responsible and gain broader support from the community and the global audience.

- Proponents must avoid discrimination and respect human rights, following the International Bill of Human Rights and any instruments ratified by the host country. They must consider and respond to local stakeholders' views.
- Proponents must confirm in validated design documents that the mitigation activity adheres to these safeguards or detail the measures taken to address any violation.

Gender Equality

Promoting gender equality and protecting against violence towards women and girls are essential for creating fair and inclusive projects. Ensuring equal opportunities and equal pay for equal work enhances the project's impact on social development and fosters a diverse and effective workforce.

- Proponents must provide equal opportunities regardless of gender, protect against violence towards women and girls, and ensure equal pay for equal work.



- Proponents must confirm in validated design documents that the mitigation activity adheres to these safeguards or detail the measures taken to address any violation.

Robust Benefit-Sharing

Implementing benefit-sharing arrangements ensures that local communities, especially Indigenous Peoples, receive fair compensation and benefits from mitigation activities. Transparent and inclusive benefit-sharing plans foster goodwill and support, making communities more likely to cooperate with and support project activities.

- Proponents must include information on benefit-sharing arrangements with IPs and LCs in validated design documents. The plan must be appropriate to the context and consistent with national rules and regulations. The draft and final benefit-sharing plans must be shared with the affected communities in an understandable manner, and the outcomes made publicly available, subject to legal restrictions.

Cancun Safeguards

Ensuring that REDD+ activities comply with the Cancun Safeguards guarantees that these projects contribute to sustainable forest management and climate change mitigation. This alignment with international climate goals enhances the credibility and effectiveness of the projects.

- All REDD+ mitigation activities must be consistent with the relevant Cancun Safeguards as outlined in paragraph 71 of decision 1/CP.16 of the UN Framework Convention on Climate Change. This guarantees that projects contribute to sustainable forest management and climate change mitigation, aligning with international climate goals.

Ensuring Positive SDG Impacts

Aligning mitigation activities with the Sustainable Development Goals (SDGs) ensures that projects contribute to broader development objectives, including poverty alleviation, health, education, and environmental sustainability. Demonstrating positive impacts on specific SDGs highlights the project's contribution to global development efforts.

- Proponents must provide information on how the mitigation activity aligns with the Sustainable Development Goals (SDGs) of the host country, where relevant. They must qualitatively assess and demonstrate positive impacts on specific SDGs (excluding SDG 13), and provide details on the tools and methods used to assess these impacts..

Permanence

Permanence is a crucial concept in carbon afforestation projects because it ensures that the carbon sequestration achieved through tree planting and growth is maintained over the long term. Some key points highlighting its importance are noted below:

Long-Term Carbon Storage: Permanence ensures that the trees planted in an afforestation project continue to grow and sequester carbon for an extended period. Global Carbon Standard requires afforestation projects to remain for 40 years or more. This long-term storage is essential for effectively mitigating climate change. The Carbon crediting period for the GCS Program is 20 years.



Avoiding Reversal of Benefits: Without permanence, there is a risk that the carbon stored in trees could be released back into the atmosphere if the trees are cut down, burned, or affected by natural disasters like wildfires or pests. Ensuring permanence minimizes this risk.

Market Confidence: Projects with strong permanence measures are more likely to gain the confidence of investors and buyers of carbon credits. This confidence is crucial for the financial sustainability of the project and the overall carbon market.

Regulatory Compliance: Many carbon programs and standards require projects to demonstrate permanence to qualify for carbon credits. Meeting these requirements helps projects comply with regulations and achieve certification.

Environmental Co-Benefits: Permanence also supports other environmental benefits, such as biodiversity conservation, soil stabilization, and water regulation. These co-benefits contribute to the overall sustainability and resilience of ecosystems.

Emissions Sectors Supported by the GCS Program with Potential Risk of Reversals

Global Carbon Standard (GCS) supports a variety of emissions reduction projects, with a focus on afforestation and composting. These projects are based on methodologies derived from CDM methodologies (Clean Development Mechanism) such as CDM 12 for afforestation/reforestation and CDM 13 for composting activities. Both sectors present a potential risk of reversal in emissions reductions, avoidance, or carbon sequestration due to factors such as natural disasters, deforestation, or unintentional project damage.

Minimum Scale of Reversal

GCS does not enforce a minimum scale for reversals, as we aim to onboard all types of projects regardless of size. However, the program mandates a backup system. This requires that ten (10) percent of the trees and the corresponding CO₂ sequestration estimates are fully backed up. Specifically: 10% of the trees planted under the project are left as backup and cannot be used for carbon offsets.

All CO₂ estimates made in the early years of the project are also fully backed up, ensuring a safety margin until precise field data is collected. This provides a high level of security and prevents material impacts from potential reversals, ensuring the program operates with full transparency and safety margins.

Risk Assessment Procedures

GCS employs a structured risk assessment process to evaluate and monitor potential causes of carbon reversals. For all projects, particularly in the afforestation and composting sectors, risk assessments account for:

- Natural events (e.g., fires, floods, pests)
- Project-level challenges (e.g., reforestation setbacks, soil erosion)
- Leakage risks from surrounding agricultural or industrial activities.

These assessments are carried out during project enrollment, and all projects are required to undergo third-party validation in the second year to build trust and transparency in risk monitoring.



Monitoring of Identified Risks

GCS has in place continuous monitoring procedures for identified risks of reversals. For afforestation projects, methods include the use of satellite imagery, GPS surveys, and drone mapping to track tree health and growth. For both afforestation and composting projects, GCS also provides guidelines for project owners to monitor their projects using appropriate tools and methods. Monitoring is conducted annually, with more frequent evaluations for higher-risk projects.

Mitigation of Identified Risks

Mitigation measures are a core aspect of GCS's project management, particularly for afforestation projects.

These include:

- The mandatory backup of trees and CO2 sequestration properties, ensuring a safeguard against potential loss or damage.
- Establishment of buffer zones or natural barriers to prevent risks such as soil erosion or external leakage.
- In the case of composting, general mitigation measures involve maintaining high-quality control and compliance with environmental guidelines to minimize the potential for leakage.

Full Compensation for Material Reversals

GCS ensures that all projects have mechanisms in place for full compensation of material reversals. Should an event lead to a significant reversal of carbon sequestration, GCS requires that:

- The backup CO2 and trees are activated to cover the loss.
- Additional CO2 offset units are generated or acquired to ensure full compensation for reversals used toward offsetting obligations

This ensures that all reversals are addressed and offset, maintaining the integrity of the issued credits.

Liability on Activity Proponents for Reversals

Under GCS's program, activity proponents are contractually liable for monitoring, mitigating, and responding to carbon reversals. This liability is clearly outlined in the enrollment agreements, and proponents are required to maintain adequate systems to ensure compliance with the program's provisions.

Notification of Reversals

GCS mandates that activity proponents notify the program within 7 days of discovering any material reversal event. This ensures a prompt response and allows the program to implement mitigation strategies immediately.

Program's Responsibility for Compensation

Upon receiving notification of a material reversal event, GCS is responsible for ensuring and confirming that the reversal is fully compensated in line with the program's procedures. This includes verifying the use of backup systems and ensuring the issuance of new emissions units if necessary.



Sustainable Development Benefits and Safeguards

Sustainable Development Benefits (SDBs) and Safeguards are essential components of carbon afforestation projects, including those under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Sustainable Development Benefits (SDBs) refer to the positive social, economic, and environmental impacts that a project brings to the local community and broader society. In the context of carbon afforestation, these benefits can include:

- **Biodiversity Conservation:** Afforestation projects can create habitats for various plant and animal species, promoting biodiversity.
- **Economic Development:** These projects can provide jobs and income for local communities through activities like tree planting, maintenance, and eco-tourism.
- **Soil and Water Conservation:** Trees help stabilize soil, reduce erosion, and improve water quality by filtering pollutants.
- **Climate Resilience:** Afforestation can enhance climate resilience by providing shade, reducing temperatures, and mitigating the impacts of extreme weather events.

Safeguards are measures put in place to ensure that the project does not cause harm to the environment or local communities. They are designed to address potential risks and ensure that the project's benefits are sustainable. Key safeguards for carbon afforestation projects include:

- **Environmental Safeguards:** Ensuring that the project does not lead to deforestation, habitat destruction, or other negative environmental impacts.
- **Social Safeguards:** Protecting the rights and well-being of local communities, including ensuring their free, prior, and informed consent (FPIC) and respecting their traditional knowledge and practices.
- **Economic Safeguards:** Ensuring that the project does not negatively impact local economies or lead to land grabs and displacement of communities.
- **Monitoring and Reporting:** Implementing robust monitoring and reporting systems to track the project's progress and ensure compliance with environmental and social standards.

CORSIA-Specific Considerations

Under CORSIA, carbon afforestation projects must meet specific sustainability criteria to be eligible for carbon credits. These criteria include:

- **Greenhouse Gas Emissions Reduction:** The project must achieve net greenhouse gas emissions reductions on a life cycle basis.
- **High Carbon Stock Land:** The project should not involve converting land with high carbon stocks, such as primary forests, wetlands, or peatlands.
- **Permanence:** Ensuring that the carbon sequestration achieved by the project is maintained over the long term.
- **Additionality:** The project must demonstrate that the carbon sequestration would not have occurred without the support of carbon credits.



Procedures to Ensure Compliance with Regulations

Global Carbon Standard (GCS) requires individual projects to comply with local, state, provincial, national, or international regulations. GCS emphasizes that project developers are accountable for compliance with relevant laws governing land use, environmental protection, and social obligations.

To promote regulatory compliance, the GCS Program adheres to a variety of guidelines:

- Requires that projects undergo legal audits at key stages of project development.
- Encourages regular reviews to ensure adherence to evolving local, state, and international legal frameworks.
- Provides guidance to ensure that projects are aligned with both environmental and social regulations.

Following these guidelines and requirements ensures that its projects contribute positively to sustainable development while avoiding legal or regulatory violations.

Social and Environmental Safeguards

The GCS Program is committed to ensuring that its projects comply with established social and environmental safeguards. To this end, the program requires that projects adhere to principles such as:

- **Environmental Impact Assessments (EIAs):** These assessments help identify and mitigate potential environmental risks, ensuring that projects minimize harm to biodiversity, natural ecosystems, and community health.
- **Community Engagement:** Projects are expected to involve local stakeholders and ensure the equitable distribution of benefits. This includes promoting fair labor practices and safeguarding indigenous rights, where applicable.

Furthermore, Global Carbon Standard aligns its projects with the United Nations Sustainable Development Goals (SDGs), ensuring that projects contribute to goals such as poverty reduction, gender equality, clean energy, and climate action. This alignment helps ensure that GCS projects deliver positive environmental and social outcomes, both locally and globally.

Public Disclosure of Safeguards Implementation

Global Carbon Standard requires that all projects publicly disclose the processes and procedures used to identify, assess, and manage environmental and social risks. The GCS Program requires activities to comply with local, state, provincial, national and international regulations and provide information documenting compliance, including:

- List the institutions or partners they engage with for monitoring and enforcement of safeguards. GCS provides a curated list of third-party verifiers that project developers can choose from to ensure transparency and accountability.
- Publicly disclose their progress on environmental and social commitments, including the completion of Environmental Impact Assessments and any community consultations conducted during the project lifecycle.

