

UN AVIATION BODY ACCEPTS REDD+ CREDITS IN GLOBAL CARBON MARKET: Summary of November 2020 ICAO Council Decision on Eligible Offset Programs

Emissions from international aviation are governed by the **United Nations International Civil Aviation Organization (ICAO)**. Under ICAO, countries have agreed to cap emissions from global aviation at 2020 levels, requiring airlines to use more efficient aircraft, better operational practices and alternative jet fuels. However, even with these improvements, a large emissions gap will remain before the sector can reach its goal of delivering “carbon neutral growth from 2020.”

To fill the global aviation sector’s emissions gap, ICAO created a carbon market where airlines can buy carbon credits from approved “greenhouse gas programs.” This market is officially known as the **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)**.

In March 2020, [ICAO approved the first set of greenhouse gas programs](#) deemed eligible for airlines to purchase in meeting their climate goals, several of which include nature-based solutions. This means that the international civil aviation industry created the first global market to accept nature-based credits. Regarding REDD+ credits specifically, ICAO also agreed in March on a pathway for their inclusion upon meeting specific conditions linked to ICAO’s requirements for offsets (known as the Emissions Unit Criteria).

In November 2020, ICAO approved two REDD+ greenhouse programs in recognition that they fully meet ICAO’s Emissions Unit Criteria—the Verified Carbon Standard’s Jurisdictional and Nested REDD+ (VCS JNR) methodology and the Architecture for REDD+ Transactions’ The REDD+ Environmental Excellency Standard (ART TREES). **REDD+ units from these two programs are now eligible for airlines to purchase in meeting their climate goals.** ICAO’s November decision sends an important signal to countries that halting deforestation and restoring degraded ecosystems is an urgent, global priority and that the international aviation industry will be a leader in investing in nature-based solutions to climate change through the purchase of high-quality carbon offsets.

Eligible Greenhouse Gas Programs (as of November 2020)

Starting in January 2021, airlines flying between countries¹ that signed up for the voluntary phase of CORSIA (2021-2023) are required to reduce emissions from international flights that exceed their 2019 emission levels.² With each subsequent three-year phase of CORSIA, additional countries will be required to participate as they meet the minimum threshold for international emissions.

Airlines can use credits from one of the **seven** greenhouse gas programs approved as immediately eligible under CORSIA:

- American Carbon Registry (ACR)
- Architecture for REDD+ Transactions’ The REDD+ Environmental Excellency Standard (ART TREES)
- China GHG Voluntary Emission Reduction Program
- Clean Development Mechanism (CDM)
- Climate Action Reserve (CAR)
- The Gold Standard (GS)
- Verified Carbon Standard Program (VCS)

¹ List of countries participating in voluntary phase: <https://www.icao.int/environmental-protection/CORSIA/Pages/state-pairs.aspx>.

² To reflect the impact of COVID-19 on the aviation industry, in June 2020, the ICAO Council changed the CORSIA baseline from an average of airlines’ 2019 and 2020 international aviation emissions to a baseline based on 2019 international aviation emission levels only. The true impact of the baseline change on offset demand cannot be known for a few years, as it will largely depend on the airline industry’s rate of economic recovery.

No credits from standalone REDD+ projects are eligible under CORSIA, with the exception of “micro-scale activities” that generate fewer than 7,000 tCO₂e per annum. Therefore, all REDD+ projects above the “micro-scale” threshold must be nested under a national or subnational REDD+ program and verified against one of the approved offset standards—VCS JNR³ or ART TREES.

The World Bank’s Forest Carbon Partnership Facility (FCPF) has also applied for recognition under CORSIA but has not yet fulfilled all of the [specific conditions](#) outlined by ICAO in March 2020. FCPF is expected to be approved in 2021 upon meeting these conditions.

Additionally, ICAO has set limits on the vintage of eligible credits across all offset types. Only projects that started to issue credits after 2016 will be eligible. Additionally, for the time being, only units generated between 2016 through 2020 will be accepted. Each greenhouse gas program can “unlock” post-2020 vintages upon demonstrating additional requirements to prevent double counting of emission reductions with countries’ national commitments under the Paris Agreement.

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³ REDD+ Verified Carbon Units (VCUs) following Scenarios 2 and 3 of the VCS JNR framework are eligible under CORSIA. Units following Scenario 1 of the VCS JNR framework are not eligible under CORSIA.