



Requirements for the quality of emission reduction credits

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Only when greenhouse gases can no longer be avoided and reduced in the direct life cycle of a product or service should their compensation through offset projects be considered. Certificates can be purchased - and subsequently cancelled - to compensate for this, based on various approaches.

In its criteria, the Blue Angel eco-label aims to reduce and mitigate greenhouse gases. The subsequent compensation of greenhouse gas emissions concerns only very few Blue Angel product groups. Only emission reduction credits from projects that comply with the requirements listed below are eligible for offsetting. These requirements include quality criteria, accepted standards and a negative list.

This document is regularly updated and adapted to current technical and political developments.

What should I look for when purchasing emission reduction credits?

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The following criteria are decisive for the quality of emission reduction credits of ambitious climate protection projects and should be requested from the offset providers:

- a) a verified record of additionality of supported projects,
- b) verified evidence of the sustainable co-benefit of the measure,
- c) a transparent identification, monitoring and reporting of the emission reductions or removals achieved by the mitigation projects against a reputable standard,
- d) the permanence of the reductions achieved,
- e) the consideration of any emissions leakage as well as any project emissions incurred in the determination of emissions reductions,
- f) the avoidance of double counting,
- g) authorization by the states in which the projects are implemented, including a commitment not to use the resulting climate change mitigation effects for its national climate change mitigation obligations; and
- h) verification of the project and emission reductions by independent experts.

You can find more information on the above criteria here:

- Guidebook of the Federal Environment Agency
<https://www.umweltbundesamt.de/publikationen/voluntary-co2-offsetting-through-climate-protection>

Which standards are accepted for the Blue Angel?

Only credits that relate to emission reductions realized after 31.12.2020 are to be accepted.

Emission credits of the following standards are accepted under consideration of the negative list:



- Registered projects still under the Clean Development Mechanism (CDM) or at least classified as so-called temporary measures by the CDM Executive Board (CDM EB), these projects should also carry the gold standard¹,
- Registered projects under the gold standard (GS VER - Voluntary Emission Reductions).

Negative list - carbon credits from the following projects will not be accepted:

- Energy efficiency projects from so-called lighting programs where lamps contain mercury;
- Biogas utilization projects from palm oil mills;
- Biological CO₂ sequestration projects (storage of CO₂ in biological material);
- Geological CO₂ sequestration projects (capture of CO₂ and storage in geological formations);
- Trifluoromethane (HFC-23) and nitrous oxide (N₂O) destruction projects from adipic acid production;
- Projects that accompany the extraction and processing of fossil fuels or in which fossil fuels are primarily used, excluding energy efficiency measures in households;
- Renewable energy projects that have an installed capacity of more than 15 MW;
- Projects from countries belonging to the group of "Upper-Middle-Income Economies" (as defined by the World Bank²) with a gross domestic product at market prices above US\$ 3 trillion in 2021³. Program-of-Activities projects from these countries are excluded from the negative list.

How can emission reduction credits be acquired?

An overview of offset providers (without claim to completeness or qualitative assessment) can be found here:

- <https://www.dehst.de/SharedDocs/downloads/DE/projektmechanismen/Anbieter.html>

How are emission reduction credits cancelled?

The offset provider deletes the emission reduction credits acquired for offsetting on behalf of the client and prepares the deletion certificates to be submitted to obtain the "Blue Angel".

More information on voluntary compensation:

- German Emissions Trading Authority (DEHSt) at the Federal Environment Agency: https://www.dehst.de/EN/climate-projects_maritime-transport/carbon-offsetting/carbon-offsetting-node.html

¹ Providers of these credits should undertake to submit an application for registration of these projects as project activities under the Paris Agreement (Paris Agreement, Article 6, paragraph 4). These projects are thus to be considered as transitioning projects into the new Paris Agreement system. Obtain a Letter of Commitment.

² List of the World Bank's "Upper-Middle-Income Economies" can be found here, among other places: <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

³ Siehe dazu: <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=XT>



- Study from the German Federal Environment Agency on the future role of voluntary carbon markets in the Paris era (in English): <https://www.umweltbundesamt.de/publikationen/future-role-for-voluntary-carbon-markets-in-the>
- Carbon Credit Quality Initiative: <https://carboncreditquality.org>
- Carbon Offset Guide: <https://www.offsetguide.org>