



# BeZero Carbon Rating Qualifying Criteria

6th July 2022



This section outlines the information and data required for a project to be eligible for a BeZero Carbon Rating. It also contains elements recommended as best practice for project reporting.

## Primary Criteria

A project must fulfill the following criteria to be eligible for a BeZero Carbon Rating:

- A. The project must have applied an additionality test or provide sufficient information on how it is deemed additional (see below for more details).
- B. The project must have sufficient publicly available information to enable BeZero Carbon to assign a rating (see below for more details).
- C. The project must be audited by a recognised third party auditor in order to ensure the robustness of the data and information published.

It is pertinent to note that BeZero Carbon Ratings are based on publicly available information on the project and the underlying credits being issued.

## Test for Additionality

A project must apply an additionality test as part of the accreditation process in order to be eligible for a BeZero Carbon Rating. There must be sufficient information available to assess how the test is applied and subsequent results. In the case where a project has been deemed automatically additional, there must be sufficient information on the criteria for this assessment, available either through the accreditation agency or from the project documentation.

## Minimum public information

In order for sufficient information to be gathered to rate a project, the following data elements must be available in the public domain for ex-post vintages:

- Change in project carbon stocks
- Baseline assumptions
- Leakage assumptions (if any)
- Risk buffer allocation (if any)

Any retrospective changes to these data elements must be published, with the justification for any amendments and its impact on the credits issued clearly defined. Examples include but are not limited to any loss events, exceptions to leakage or buffer accountancy and credit cancellations.

## Further public information

Transparency on project related information is a critical pillar of our analytical approach. It follows therefore that projects sharing more information in the public domain will be viewed more favourably in the ratings process as compared to those publishing the minimum information. The following additional information will contribute to a positive view on the transparency of the project developer:

- Any assumptions and calculations used to derive the data elements listed in the minimum public information
- Reconciliation between published calculation and assumptions and final total issuance
- Ex ante data for the elements listed in the minimum public information
- Data available at a reasonable frequency and presented on an annual basis
- Data on credit retirements available from a single source and at a reasonable frequency.

### **Continuous Monitoring of Eligibility Criteria**

To ensure that our ratings remain up to date, we monitor if a project meets our eligibility criteria on an ongoing basis. This ensures that minimum criteria around project transparency and disclosure are continuously met.

Should the availability of documentation change once a project has been rated, BeZero Carbon has a robust due diligence process to understand the reason and if such changes are permanent. This includes the following steps:

- (1) BeZero Carbon will contact the registry, certification bodies and the project developer to identify underlying reasons for change in document disclosure, if data will be shared publicly again and within what timeframe.
- (2) BeZero provides these organisations two weeks to restore the availability and disclosure to levels consistent with our eligibility criteria.
- (3) If documents remain unavailable after this two week period, the rating will be placed on 'rating watch'.
- (4) BeZero will continue to make reasonable efforts to follow up with the project developer, registry and certification bodies to determine if and when the documents will be made available in public domain. We will allow another four weeks for this process.
- (5) If during this period, the relevant data and documents are shared again in the public domain, we will verify that these documents contain required information to meet our eligibility criteria. Where projects meet our criteria again, the rating will be removed from rating watch.
- (6) If the relevant documents and information are not restored in public domain within the aforementioned timeframe, the project will no longer be eligible for a BeZero Carbon Rating. Accordingly, BeZero Carbon will 'withdraw' the rating.

**Updates and Reviews**

<b>Version number</b>	<b>Date</b>	<b>Description</b>
1.00	04/04/22	Initial release
1.01	06/07/22	Addition regarding continuous monitoring process



## Disclaimer

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