



Publication Date:
14/11/2023

Methodology:
M001

Version:
V1.0

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TEMPLATE

Additionality Sheet

SUMMARY

The Additionality Sheet is required to provide complementary information about the additionality of a proposed Project.

Throughout the Feasibility Study, additionality has been established both from legal and environmental standpoints. The purpose of this document is to complement the initial analysis by showcasing that the Project encounters obstacles that could not be resolved without the utilisation of carbon finance.




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Feasibility *Phase*

REGULATORY SURPLUS

 ERS-certified Projects must not be under obligation to restore the area. In cases where such obligation exists, the Developer must show there is no enforcement of said obligations. This exception can not be applied to high-income countries.

1. The Developer must identify and report any applicable law or regulation that oblige them to implement restoration work in the Project Area.
 - 1.1. If such applications are in place, the Developer must prove how this is not enforced.
2. If such an obligation does not exist, the Developer must prove it.

Provide evidence proving that the Project Developer does not hold a legal obligation to restore the area concerned by the Project.

Legislation and regulations.	List the applicable laws and regulations.
Explain how this obligation is not enforced.	In this section, you can include: <ul style="list-style-type: none">- Sectoral studies, surveys, and research from reputable sources.- Data from national and international statistics.- Written documentation of expert judgments.



Please note that for high-income countries 'non-enforcement' can't be used as a justification.

ENVIRONMENTAL SURPLUS

💡 ERS verifies environmental additionality using satellite imagery to assess land cover degradation over the past ten years preceding the Project origination.

1. The Developer must demonstrate that ecosystem restoration, and consequent GHG emission removals and ecological recovery, would not have occurred at the same level without the Project.
2. If the Project Area has undergone significant anthropogenic deforestation in the last ten years, the Developer must prove the deforestation was not done with the intention to benefit from revenues from the voluntary carbon market.
 - 2.1. Accepted deforestation activities are:
 - 2.1.1. Timber trading;
 - 2.1.2. Cattle farming;
 - 2.1.3. Mining;
 - 2.1.4. Cellulose production;
 - 2.1.5. Intensive crop farming;
 - 2.1.6. Civil construction.
 - 2.2. Accepted proofs:
 - 2.2.1. Incorporation certificate with operations address in the Projects' site;



- 2.2.2. Invoices;
- 2.2.3. Reports (assessment, annual, activity);
- 2.2.4. Aerial pictures showing infrastructure development.

Provide evidence proving that ecological restoration, and consequent GHG emission removal, would not occur to this level without the Project.	
Land cover changes over the last ten years.	<p>Describe the Project Area deforestation drivers, what anthropogenic activities in the last ten years led to the current land cover, and, most importantly, explain how these changes were not done purposefully to obtain benefits from the VCM.</p> <p><i>In this section, you can include:</i></p> <ul style="list-style-type: none">-Sectoral studies, surveys, and research from reputable sources.-Data from national and international statistics.-Written documentation of expert judgments from relevant government/non-government bodies, educational institutions, and professional associations.
Land cover natural recovery.	<p>Demonstrate that the biophysical properties of the land¹ could not allow the ecosystem to regenerate on its own, to the project's level, and thus interventions are necessary.</p>

¹ Limited productivity land types include drylands, lands of low productivity/degraded soils and of contaminated soils. See [UNFCCC methodologies](#) (pp.6-7) for more information.



	<p><i>Enter results and justifications, observations through the years and previous tests/projects if applicable.</i></p>
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Assessment *Phase*

1. BARRIER ANALYSIS

💡 ERS-certified Projects assess existing ecological, socio-economic and institutional barriers that hinder the intended restoration activities. It is up to Developers to establish a clear strategy outlining how the identified barriers can be overcome by resorting to carbon finance.

The Developer must identify barriers preventing Project activities from taking place and demonstrate how they can be overcome through carbon finance. Justifications must be informed in the tables below. Any supporting documents must be included in the [Appendix](#) section.

1. Financial barriers. For example, lack of funding, high upfront costs, or difficulty accessing finance can stall or prevent a Project from starting.	
Identified barrier(s)	List of all financial elements experienced as barriers against implementation or continuation of proposed intervention, <i>E.g. Lack of financial resources, starting capital, patience capital, economic long-term commitment, connection to funders, etc.</i>
Verifiable evidence of barrier(s)	<i>Eg. Statements of account, Notice of refusal of subsidies. Where possible, should include verifiable figures to quantify the barrier.</i>
Verifiable evidence of carbon credit necessity	Description of how carbon finance would be an enabling tool to fund the Project's costs.



2. Technical barriers. These include challenges related to technology, methodology, expertise, site-specific conditions, and other technical aspects of the Project. It can involve anything from lack of necessary equipment to difficulties in measuring carbon sequestration.

Identified barrier(s)	List of all technical elements experienced as barriers preventing or difficulting the implementation or continuation of proposed interventions. <i>E.g. Lack of technical knowledge, lack of human resources to implement and manage the Project, lack of exchange of information with knowledgeable actors, lack of accessibility to technological solutions, etc.</i>
Verifiable evidence of barrier(s)	<i>Eg. List of staff, relevant job descriptions, expertise, knowledge and logistics that are lacking in the organisation to enable the Project to be implemented and maintained. Where possible, should include verifiable figures to quantify the barrier.</i>
Verifiable evidence of carbon credit necessity	Description of how carbon funding would solve the technical barriers specified above and enable the implementation and maintenance of the Project.

3. Cultural and social barriers. These encompass challenges in the collective movement of local communities towards implementing, maintaining and monitoring restoration projects due to, for example, lack of information, threats to the safety of community members, existing social structures and norms.

Identified barrier(s)	List of all socio-cultural elements experienced as barriers preventing the implementation or continuation of the proposed intervention. <i>E.g. beliefs and values related to the land, wildlife, and conflicts with the use of natural resources that overlap with the Project</i>
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<p>Verifiable evidence of barrier(s)</p>	<p><i>E.g. Minutes of meetings with Stakeholders or their representatives. Where possible, should include verifiable figures to quantify the barrier.</i></p>
<p>Verifiable evidence of carbon credit necessity</p>	<p>Description of how carbon credits will enable methods that meet collective requirements and benefits in local communities while following their local beliefs and values</p>
<p>4. Regulatory and institutional barriers. These refer to limitations within the regulatory framework and its relevant institution, such as limited staff capacity, lack of necessary skills, local regulations, complex permitting processes, ineffective bureaucratic processes or challenges in meeting specific compliance standards.</p>	
<p>Identified barrier(s)</p>	<p>List of all regulatory and institutional elements experienced as barriers preventing the implementation or continuation of the proposed intervention.</p> <p><i>E.g. complex regulations, inaccessibility to the knowledge of legal and regulatory frameworks, political instability, challenges in the acquisition of regulation and policy requirements, etc</i></p>
<p>Verifiable evidence of barrier(s)</p>	<p><i>Eg. Benchmark of legal counsel fees.</i> Where possible, should include verifiable figures to quantify the barrier.</p>
<p>Verifiable evidence of carbon credit necessity</p>	<p>Description of how carbon finance could solve the regulatory and institutional barriers specified above.</p>



2. COMMON PRACTICE ANALYSIS

💡 Common practice refers to the adoption or utilisation of a specific practice within a given market. It is determined in terms of both recent uptake, reflecting current trends and inclinations, and the existing diffusion across the market.

When a practice achieves a significant threshold in terms of adoption percentage, it can be considered as common or standard practice within that particular setting or industry.

Developers must demonstrate that the project type is not common practice within its specific region when compared with projects that have not received carbon finance.

1. Scope definition: define the parameters for searching similar projects.

Geographic area	Specify the region in which the Project is located, considering relevant ecological and administrative boundaries.
Project activity	Clearly identify the Project activity, e.g., 'tropical rainforest restoration using the direct seeding technique'
Temporal Scale	Temporal scale is set to the last five years; it means that only projects that have begun in the last five years can be considered as similar.

💡 The initial definition of the geographic area is the national boundary. However, if there are national or subnational programs offering incentives for restoration activities at the subnational level, the geographic domain should be defined accordingly



2. Data collection: Identify similar projects that correspond to the defined project activity, geographic area and temporal scale.

Primary Data	Conduct surveys or interviews with developers, local communities, and relevant stakeholders.
Secondary Data	Review project databases, other carbon registries, literature, and governmental or NGO reports to identify projects that have/have not received carbon finance.

3. Project classification: split the data collected between two project classes.

Class n°1	Enter the projects that received carbon finance. <ol style="list-style-type: none">1. Name of the project; location.2. Name of the project; location.
Class n°2	Enter the projects that have not received carbon finance. <ol style="list-style-type: none">1. Name of the project; location.2. Name of the project; location.

4. Calculation: calculate the Cumulative Adoption Rate

$$\text{Cumulative Adoption Rate} = \left(\frac{\text{Number of projects Class n}^\circ 2}{\text{Total number of projects found}} \right) \times 100$$

Calculation	Enter the results of the calculation.
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5. Demonstration: compare against threshold.

Comparison	If the calculated cumulative adoption rate is equal to or below 49%, it indicates that the project type is not common practice in the area. If the adoption rate equals or exceeds 51%, the project activity is common practice and is not additional.
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Appendix 1 *Regulatory Surplus*

Supporting Documents

Enter here the supporting documents for the Regulatory Surplus



Appendix 2 *Environmental* *Additionality* Supporting Documents

Enter here the supporting documents for the Environmental Additionality



Appendix 3 *Barrier Analysis*

Supporting Documents

Enter here the supporting documents for the Barrier Analysis



Appendix 4 *Common Practice*

Supporting Documents

Enter here the supporting documents for Market Penetration/Common Practice.



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