



CLIMATE
ACTION
RESERVE

To: **ALL PROJECT DEVELOPERS AND VERIFICATION BODIES**
Date: **May 1, 2018**
Re: **USE OF GLOBAL WARMING POTENTIALS FOR ALL PROJECT PROTOCOLS**

Under the Climate Action Reserve's offset project protocols, projects convert quantities of non-CO₂ greenhouse gases (GHGs) into a quantity of CO₂-equivalent (CO₂e) using the 100-year global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC).¹ With the exception of the Ozone Depleting Substances protocols, the Reserve currently references the Second Assessment Report (AR2) of the IPCC, released in 1995. At the time that the Reserve was launched, the AR2 was the most widely-used source for GWP values, underpinning activities under the Kyoto Protocol, as well as the US EPA's GHG reporting and inventory efforts. At this time, the IPCC Fourth Assessment Report (AR4), released in 2007, has become the industry standard for most applications relevant to the Reserve's voluntary offset protocols. The Reserve has previously delayed adoption of AR4 GWP values for several reasons, but this memo marks the beginning of the transition to these new values.

The most relevant 100-year GWP values are those for methane and nitrous oxide:

	Current (AR2)	New policy (AR4)
Methane (CH₄)	21	25
Nitrous oxide (N₂O)	310	298

This policy is effective immediately (as of May 1, 2018) for projects where a verification body has not yet submitted a Notice of Verification Activities/Conflict of Interest (NOVA/COI) form to the Reserve for the most recent reporting period. For those projects that have a NOVA/COI form on file for the most recent reporting period and are thus considered to be in the process of verification, the policy shall be effective and implemented in the next reporting period. Note that this policy may be superseded by a future Policy Memo as GHG accounting practices progress.

In future protocol updates, the Reserve will make clear that GWP values are not fixed and may be updated at a later date. This approach has already been implemented in recent protocols, as seen in the opening to Section 5 of the Grassland Project Protocol.

¹ Assessment Reports of the IPCC may be accessed at:
https://ipcc.ch/publications_and_data/publications_and_data_reports.shtml.