

Application of the Oeko-Institut/WWF-US/ EDF methodology for assessing the quality of carbon credits

This document presents results from the application of version 3.0 of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF-US) and Environmental Defense Fund (EDF), for assessing the quality of carbon credits. The methodology is applied by Oeko-Institut with support by Carbon Limits, Greenhouse Gas Management Institute (GHGMI), INFRAS, Stockholm Environment Institute, and individual carbon market experts. This document evaluates one specific criterion or sub-criterion with respect to a specific carbon crediting program, project type, quantification methodology and/or host country, as specified in the below table. Please note that the CCQI website [Site terms and Privacy Policy](#) apply with respect to any use of the information provided in this document. Further information on the project and the methodology can be found here: www.carboncreditquality.org

Criterion:	4.1 Enhancing adoption of low, zero or negative emissions technologies and practices
Project type:	Recovery of associated gas from oil fields
Date of final assessment:	31 January 2023
Score:	3

Contact

info@oeko.de
www.oeko.de

Head Office Freiburg

P. O. Box 17 71
 79017 Freiburg

Street address

Merzhauser Straße 173
 79100 Freiburg
 Phone +49 761 45295-0

Office Berlin

Borkumstraße 2
 13189 Berlin
 Phone +49 30 405085-0

Office Darmstadt

Rheinstraße 95
 64295 Darmstadt
 Phone +49 6151 8191-0

Assessment

Relevant scoring methodology provisions

The scoring approach assesses the degree to which the technologies or practices applied under the project type facilitate the transition towards net zero emissions. The main consideration is whether the project type employs negative, zero or low emissions technologies or practices. Moreover, it is considered whether the project type poses risks for locking-in technologies or practices that may result in an increase in GHG emissions in the long-term, thereby undermining the achievement of net zero emissions, or whether the project type employs innovative technologies or practices which may accelerate the transition to net zero emissions. See further details on the scoring in the methodology.

Assessment outcome

The project type is assigned a score of 3.

Justification of assessment

This assessment refers to the following project type:

“Recovery and utilization of associated gas from oil fields. This includes the installation of infrastructure to gather and transport the recovered gas to a transmission pipeline or a gas processing plant. Part of the recovered gas may be used to meet on-site energy demands. In the baseline scenario, the associated gas would be vented or flared. The project type reduces emissions by (i) displacing the use of fossil fuels and, where applicable, (ii) reducing venting of methane.”

According to the scoring methodology, the reduction of methane emissions from oil exploration counts among technologies and practices that emit comparatively lower levels of GHG emissions during their operation. These technologies or practices lead to continuous GHG emissions and could thus compromise the goal of achieving net zero emissions in the future. The methodology assigns a default score of 3 to these technologies or practices.

The scoring methodology applies a score of 4 to technologies or practices that use best available technology, and for which the risk of locking-in investments that lead to continuous GHG emissions is low. A score of 2 applies to technologies or practices that do not use best available technology and for which the risk of locking in investments which lead to continuous GHG emissions is significant.

We do not consider the continued operation of oil and gas operations and the recovery of associated gas as best available technology, as renewable energies offer a better alternative. At the same time, the risk of locking in oil and natural infrastructure is low given that the revenues from implementing this project type are very small compared to revenues from oil and gas operations.