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# Argus Voluntary Carbon Markets

Market prices, news and analysis

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## REDD+ MARKET COMMENTARY

### Selling interest spikes in Latam, Africa

A surge of offers surfaced for credits generated by projects based in Latin America and Sub-Saharan Africa.

Ample selling interest was reported for holders of Brazilian credits. One offer was heard for 36,000 credits of 2018 vintage from the Resguardo Indigena Unificado Selva de Mataven project at \$2.30/t CO<sub>2</sub>e, a substantial drop from \$3.25/t CO<sub>2</sub>e previously. Sellers were also looking to offload a larger batch of 50,000 credits of the project's 2019 vintage at \$3.80/t CO<sub>2</sub>e. And a third offer for an undisclosed number of credits of both vintages 2018 and 2019 was placed at \$3.25/t CO<sub>2</sub>e.

Elsewhere in Brazil, three offers were heard for the Rio Anapu-Pacaja project. The first was seen at \$2.10/t CO<sub>2</sub>e for credits of 2020 vintage, the second at \$1.10/t CO<sub>2</sub>e for credits of 2018 vintage and the third at \$0.85/t CO<sub>2</sub>e for credits of 2017 vintage. Credits from the Rio Anapu-Pacaja project have not traded since February, when 40,000 of its 2020 vintage changed hands at \$1.80/t CO<sub>2</sub>e. One offer was also reported at \$0.20/t CO<sub>2</sub>e for a large lot of 110,000 credits of 2017 vintage from the Pacajai project located in the same country.

Meanwhile in Peru, selling interest for credits from the Tambopata project looked to be re-emerging. One offer was reported at \$9.50/t CO<sub>2</sub>e for 30,000 credits of 2020 vintage, with a second coming in at \$6.50/t CO<sub>2</sub>e for a larger lot of 75,000t of its 2016 and 2017 vintages. Credits generated by the Tambopata project last traded back in mid-July, when an unknown quantity of its 2020 vintage changed hands at \$9.80/t CO<sub>2</sub>e.

Lastly in Sub-Saharan Africa, offer levels for credits from the Mai Ndombe project in Congo Kinshasa appeared to be diverging. One offer was seen at \$0.85/t CO<sub>2</sub>e for credits of 2019 vintage, up by \$0.05/t CO<sub>2</sub>e from last week, while another was reported at \$0.45/t CO<sub>2</sub>e for credits of 2018 vintage, down by the same amount. Sellers were otherwise looking to tap into demand for 19,000 credits of 2018 vintage from the Luangwa project in Zambia at \$1.85/t CO<sub>2</sub>e.

No activity on credits generated by projects based in Southeast Asia was reported this week.

## PRICES

REDD+ CCB prices	\$/t CO <sub>2</sub> e		
	10 Oct	3 Oct	Change
<b>Latin America</b>			
REDD+ v2018	3.40	3.45	-0.05
REDD+ v2019	3.70	3.70	nc
REDD+ v2020	4.00	4.00	nc
REDD+ v2021	4.85	4.85	nc
REDD+ v2022	5.40	5.40	nc
<b>Southeast Asia</b>			
REDD+ v2018	3.55	3.55	nc
REDD+ v2019	3.95	3.95	nc
REDD+ v2020	4.70	4.70	nc
REDD+ v2021	5.10	5.10	nc
REDD+ v2022	5.90	5.90	nc
<b>Sub-Saharan Africa</b>			
REDD+ v2018	0.70	0.70	nc
REDD+ v2019	1.05	1.05	nc
REDD+ v2020	1.45	1.45	nc
REDD+ v2021	2.05	2.05	nc
REDD+ v2022	2.75	2.75	nc

## REDD+ CREDIT

REDD issuances	
Rio Madeira Grouped REDD+ Project - V22 ID "VCS 2878" - VM0015 - Brazil	495,805
Manoa REDD+ Project - V20, V22 ID "VCS 1571" - VM0015 - Brazil	174,212
REDD retirements	
The Kasigau Corridor REDD Project - Phase II The Community Ranches - V18 ID "VCS 612" - VM0009 - Kenya	93,000
Katingan Peatland Restoration and Conservation Project - V17, V18, V19, V20 ID "VCS 1477" - VM0007 - Indonesia	45,759

\*last week updates (source: Verra registry)

## RENEWABLE ENERGY MARKET COMMENTARY

### Activity recedes

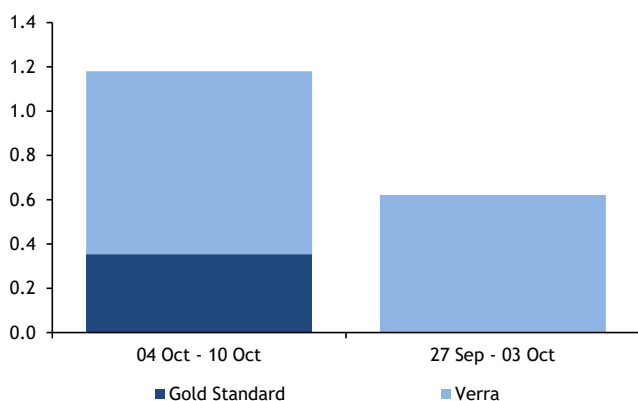
Activity on renewable energy credits from Brazil, China, India and Turkey was broadly muted over the week, with only a couple of fresh offers emerging.

On Indian credits, market focus this week was on solar tonnes, with an offer for an undisclosed volume of 2019-vintage credits from the Verra-hosted 1792 project at \$0.75/t CO2e. Prices for the project’s credits have slid over the past months, with a bid-offer spread for roughly 30,000t of its 2018 vintage seen at the end of August at \$0.60 - \$0.90/t CO2e, suggesting a notional midpoint of \$0.75/t CO2e. Such midpoint compares with the \$0.90/t CO2e paid back in mid-Jan for 50,000 credits of the project’s same 2018 vintage. In the past two weeks, large batches of 500,000 or more credits from the project’s 2021 and 2022 vintages have been offered at \$2/t CO2e.

In China, an offer was circulated at \$0.60/t CO2e for an undisclosed volume of credits of 2017 vintage onwards from the Verra-hosted 883 project. Credits of the project’s 2013 vintage were last seen offered at as low as \$0.45/t CO2e at the end of September.

No bids or trades emerged for either country’s credits, while no market information was reported for tonnes from Brazil or Turkey.

Renewable energy credit issuances mn tCO<sub>2</sub>



## PRICES

Renewable energy Brazil prices			\$/t CO <sub>2</sub> e
	10 Oct	3 Oct	Change
<b>Wind</b>			
Wind v2020	4.20	4.20	nc
Wind v2021	4.25	4.25	nc
Wind v2022	4.50	4.50	nc
<b>Solar</b>			
Solar v2020	4.75	4.75	nc
Solar v2021	4.85	4.85	nc
Solar v2022	5.05	5.05	nc
<b>Hydro</b>			
Hydro v2020	2.20	2.20	nc
Hydro v2021	2.30	2.30	nc
Hydro v2022	2.40	2.40	nc
Renewable energy China prices			\$/t CO <sub>2</sub> e
	10 Oct	3 Oct	Change
<b>Wind</b>			
Wind v2020	0.60	0.60	nc
Wind v2021	0.65	0.65	nc
Wind v2022	0.75	0.75	nc
<b>Solar</b>			
Solar v2020	0.70	0.70	nc
Solar v2021	0.80	0.80	nc
Solar v2022	0.90	0.90	nc
<b>Hydro</b>			
Hydro v2020	0.55	0.55	nc
Hydro v2021	0.65	0.65	nc
Hydro v2022	0.75	0.75	nc
Renewable energy India prices			\$/t CO <sub>2</sub> e
	10 Oct	3 Oct	Change
<b>Wind</b>			
Wind v2020	0.80	0.80	nc
Wind v2021	0.85	0.85	nc
Wind v2022	0.90	0.90	nc
<b>Solar</b>			
Solar v2020	0.75	0.75	nc
Solar v2021	0.90	0.90	nc
Solar v2022	0.95	0.95	nc
<b>Hydro</b>			
Hydro v2020	0.65	0.65	nc
Hydro v2021	0.75	0.75	nc
Hydro v2022	0.85	0.85	nc
Renewable energy Turkey prices			\$/t CO <sub>2</sub> e
	10 Oct	3 Oct	Change
<b>Wind</b>			
Wind v2020	1.20	1.20	nc
Wind v2021	1.25	1.25	nc
Wind v2022	1.30	1.30	nc
<b>Solar</b>			
Solar v2020	1.95	1.95	nc
Solar v2021	2.25	2.25	nc
Solar v2022	2.45	2.45	nc
<b>Hydro</b>			
Hydro v2020	0.50	0.50	nc
Hydro v2021	0.55	0.55	nc
Hydro v2022	0.70	0.70	nc

## CLEAN COOKSTOVES MARKET COMMENTARY

### Activity slows

Activity was subdued this week, with just a handful of offers emerging in Africa.

Sellers were looking to secure buyers for a large batch of 100,000 credits of vintages 2021, 2022 and 2023 from Gold Standard's 10790 project located in Somalia at \$4/t CO<sub>2</sub>e, a drop of \$0.15/t CO<sub>2</sub>e from previous indications. Credits from the project have traded only once this year, towards the end of August, when an undisclosed amount of its 2021 vintage changed hands at \$4.50/t CO<sub>2</sub>e.

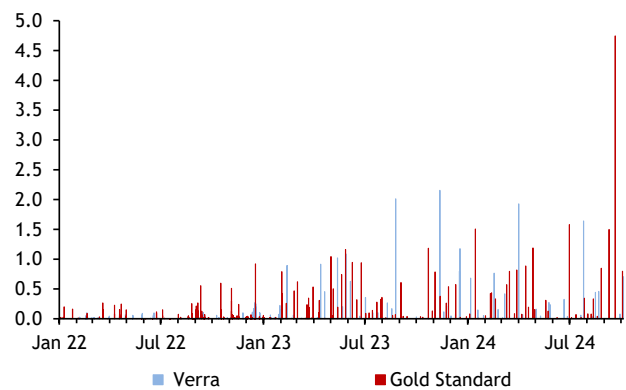
Elsewhere in Africa, selling interest was placed for credits from Gold Standard's 11433 project based in Congo Kinshasa. An offer was made at \$4.40/t CO<sub>2</sub>e for 65,000 credits of the project's 2021 and 2022 vintages. Meanwhile in Uganda, 76,000 credits of solely 2023 vintage from Verra's 4226 project were offered at \$7.50/t CO<sub>2</sub>e. No deals for credits generated by projects based in Congo Kinshasa or Uganda have been heard so far in 2024, with the bulk of trade centred in Kenya and Nigeria.

No activity on project based in Latin America or Asia was reported this week.

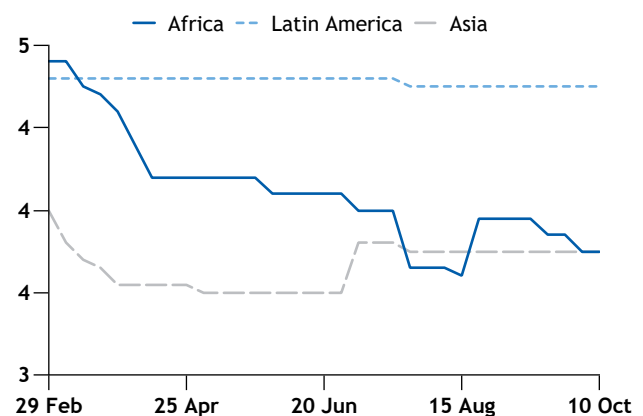
Verra this week released its new cookstoves methodology "VM0050 Energy Efficiency and Fuel-Switch Measures in Cookstoves v1.0". It said that its latest version provides "a high-integrity approach to quantifying emissions reductions" from cookstoves projects. More details available in the news section.

Clean cookstoves prices		\$/t CO <sub>2</sub> e	
	10 Oct	3 Oct	Change
<b>Africa</b>			
Clean cookstoves v2019+	3.75	3.75	nc
<b>Asia</b>			
Clean cookstoves v2019+	3.75	3.75	nc
<b>Latin America</b>			
Clean cookstoves v2019+	4.75	4.75	nc

### Clean Cookstove issuances year to date mn t/CO<sub>2</sub>e

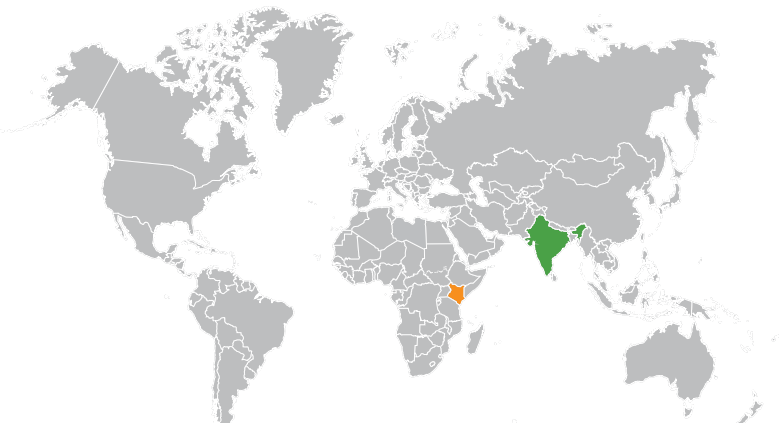


### Cookstoves V2019+ \$/t CO<sub>2</sub>e



## CLEAN COOKSTOVES CREDIT

Clean cookstoves issuances	
Clean Cookstoves for Rural India - V23 ID "VCS 2944" - VMR0006 - India	705,715
Improved cook stoves and sustainable charcoal initiative CPA 1 - V23 ID "GS 10716" - AMS-II.G. - India	642,578
Clean cookstoves retirements	
Energy Efficient Cook Stove Implementation in India - V20, V21, V22 ID "VCS 2336" - VMR0006 - India	39,996
Burn Stoves Project in Kenya - V20, V21 ID "GS 5642" - GS TPDDTEC v3.1 - Kenya	15,483



\*last week updates (source: Verra & Gold Standard registries)

## PROJECT SPECIFIC CARBON COMMENTARY

### Southern Cardamom values firm

Values for Cambodian Southern Cardamom rose this week, following a fresh trade, while credits from Indonesia's Katingan project also changed hands at slightly stronger levels.

Around 20,000 credits of 2018 vintage from the Cambodian Southern Cardamom project traded at \$0.20/t CO2e. The trade level matches the offer level of a previous bid-offer spread at \$0.10 - \$0.20/t CO2e seen last week. A separate fresh offer for roughly 35,000 credits of the same vintage emerged this week at same \$0.20/t CO2e. Offers for slightly more recent vintages were coming in at much higher levels, with an undisclosed volume of 2019 vintage seen offered at \$0.65/t CO2e, which is well above the \$0.20 - \$0.35/t CO2e bid-offer spread reported last week for up to 10,000 credits of the same vintage. The \$0.65/t CO2e offer matches the level paid for 5,000 credits of the same vintage the week prior. On the project's older vintages, an offer for an undisclosed volume of credits of 2016 and 2017 vintages was seen at \$0.40/t CO2e.

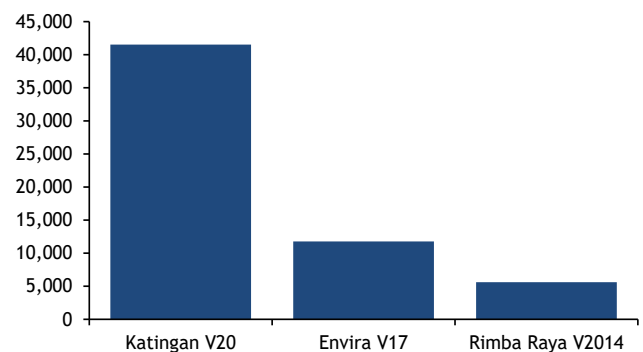
On Katingan credits, a trade was reported at \$4.65/t CO2e for an undisclosed volume of 2020-vintage tonnes. On the same vintage, a bid was recently seen at \$4.50/t CO2e for an unknown number of credits. And the market was also rather active on relatively older vintages, with bid and offers emerging for vintages between 2015 and 2017. On the 2017 vintage, a bid-offer spread for 5,000t - 25,000t was reported at \$3.25 - \$3.85/t CO2e, with buyers raising their bid by \$0.25/t CO2e from the previous week. Buyers were also seeking 50,000 credits of 2016 vintage at \$2.50/t CO2e. The bid compares with a separate offer for 31,000 credits at \$3.75/t CO2e. Lastly, an undisclosed volume of 2015-2016 vintages was bid at \$3/t CO2e and offered at \$3.30/t CO2e.

In Brazil, sellers were actively seeking outlets for credits of the Envira project, with two offers for 2019 and 2010 vintages. An offer for 30,000 credits of the project's 2020 vintage was seen at \$4.35/t CO2e, while sellers were asking \$3.25/t CO2e for 100,000 credits of 2019 vintage. Last week, an offer for roughly 25,000 credits of Envira's 2021 vintage were on offer at \$5.70/t CO2e.

Project specific prices		\$/t CO2e		
	10 Oct	3 Oct	Change	
<b>Envira (Brazil) VCS 1382</b>				
Envira v2018	2.55	2.55	nc	
Envira v2019	3.15	3.15	nc	
Envira v2020	4.05	4.05	nc	
Envira v2021	4.50	4.50	nc	
Envira v2022	5.25	5.25	nc	
<b>Kariba (Zimbabwe) VCS 902</b>				
Kariba v2018	0.25	0.25	nc	
Kariba v2019	0.45	0.45	nc	
Kariba v2020	0.65	0.65	nc	
Kariba v2021	1.15	1.15	nc	
Kariba v2022	1.65	1.65	nc	
<b>Katingan (Indonesia) VCS 1477</b>				
Katingan v2018	3.50	3.50	nc	
Katingan v2019	3.80	3.80	nc	
Katingan v2020	4.65	4.60	+0.05	
Katingan v2021	5.00	5.00	nc	
Katingan v2022	5.50	5.50	nc	
<b>Rimba Raya (Indonesia) VCS 674</b>				
Rimba Raya v2018	5.95	5.95	nc	
Rimba Raya v2019	6.45	6.45	nc	
Rimba Raya v2020	6.95	6.95	nc	
Rimba Raya v2021	7.45	7.45	nc	
Rimba Raya v2022	7.95	7.95	nc	
<b>South Cardamom (Cambodia) VCS 1748</b>				
Southern Cardamom v2018	0.20	0.15	+0.05	
Southern Cardamom v2019	0.30	0.25	+0.05	
Southern Cardamom v2020	0.70	0.65	+0.05	
Southern Cardamom v2021	1.30	1.25	+0.05	
Southern Cardamom v2022	1.80	1.75	+0.05	

Top three retirements

tCO2



## ARR, IFM & BLUE CARBON

### ARR offers slide in Uruguay

Sellers were trimming offer levels for ARR credits from projects located in Uruguay.

An offer for a batch of 100,000 credits of vintages 2019, 2020 and 2021 from Verra's 1543 ARR project based in Uruguay was seen at \$13.40/t CO<sub>2</sub>e, down from \$13.50/t CO<sub>2</sub>e last week. About half that amount of credits of 2019 vintage from the same registry's 960 project were otherwise offered at \$11.10/t CO<sub>2</sub>e, down by \$0.05/t CO<sub>2</sub>e from last week.

Three fresh offers for Uruguayan ARR credits were also reported. The first came in at \$13.50/t CO<sub>2</sub>e for 100,000 credits of vintages 2019, 2020 and 2021 from Verra's 1543 project. The second was seen at \$9/t CO<sub>2</sub>e for 50,000 credits of vintages 2019 and 2020 from the same registry's 2576 project. And the third was reported at \$7.50/t CO<sub>2</sub>e for 50,000 credits of vintages 2016, 2017 and 2018 from the same project. No deals for ARR credits from Uruguay have been heard for several months. The last trade was reported in mid-February, when 20,000 of 2020 vintage from Verra's 2576 project changed hands at \$17.15/t CO<sub>2</sub>e.

Elsewhere in China, sellers were trying to find buyers for just shy of 20,000 credits of 2018 vintage from the Verra-hosted 1542 IFM project at \$1/t CO<sub>2</sub>e. A separate offer was seen for 32,000 credits of 2017 vintage from the same registry's 1935 IFM project based in the same country at \$1.55/t CO<sub>2</sub>e.

And lastly on Pakistan's Delta Blue Carbon project, one offer for credits of 2022 vintage was reported at \$29.50/t CO<sub>2</sub>e, with a second seen for credits generated the year prior at \$27.40/t CO<sub>2</sub>e.

ARR	\$/t CO <sub>2</sub> e		
	10 Oct	3 Oct	Change
China			
China ARR v2018	2.15	2.15	nc
China ARR v2019	2.65	2.65	nc
China ARR v2020	3.15	3.15	nc
China ARR v2021	3.75	3.75	nc
China ARR v2022	4.55	4.55	nc
China ARR v2023	5.35	5.35	nc
Colombia			
Colombia ARR v2018	11.75	11.75	nc
Colombia ARR v2019	12.45	12.45	nc
Colombia ARR v2020	13.45	13.45	nc
Colombia ARR v2021	13.85	13.85	nc
Colombia ARR v2022	14.45	14.45	nc
Colombia ARR v2023	14.95	14.95	nc
Uruguay			
Uruguay ARR v2018	7.45	7.45	nc
Uruguay ARR v2019	8.25	8.25	nc
Uruguay ARR v2020	8.95	8.95	nc
Uruguay ARR v2021	9.75	9.75	nc
Uruguay ARR v2022	10.45	10.45	nc
Uruguay ARR v2023	11.25	11.25	nc

IFM	\$/t CO <sub>2</sub> e		
	10 Oct	3 Oct	Change
China			
China IFM v2018	0.95	0.95	nc
China IFM v2019	1.55	1.55	nc
China IFM v2020	2.15	2.15	nc
China IFM v2021	2.75	2.75	nc
China IFM v2022	3.65	3.65	nc
China IFM v2023	4.15	4.15	nc
US			
US IFM v2018	10.65	10.65	nc
US IFM v2019	11.45	11.45	nc
US IFM v2020	12.20	12.20	nc
US IFM v2021	12.80	12.80	nc
US IFM v2022	13.20	13.20	nc
US IFM v2023	13.50	13.50	nc

Delta Blue Carbon	\$/t CO <sub>2</sub> e		
	10 Oct	3 Oct	Change
Delta Blue Carbon			
Delta Blue Carbon v2018	26.00	26.00	nc
Delta Blue Carbon v2019	26.95	26.95	nc
Delta Blue Carbon v2020	27.05	27.05	nc
Delta Blue Carbon v2021	27.15	27.15	nc
Delta Blue Carbon v2022	28.00	28.00	nc
Delta Blue Carbon v2023	28.50	28.50	nc

WIDER CARBON COMMENTARY

Brazilian LFG credits on offer

Several offers for landfill gas credits from Brazil emerged this week, as activity slowed elsewhere.

One offer was reported at \$4.50/t CO2e for an undisclosed amount of CCP-eligible credits of vintages 2017, 2018, 2019 and 2020 from the Verra-hosted 3010 landfill gas project based in Brazil. Meanwhile, two offers were heard for credits from Gold Standard’s 3434 landfill gas project located in the same country, which does not operate under a CCP-approved methodology. The first was made at \$4.80/t CO2e for 140,000 credits of the project’s 2020 vintage, with the second coming in at \$4.50/t CO2e for a much smaller lot of just 8,000 credits of its 2016, 2017 and 2018 vintages.

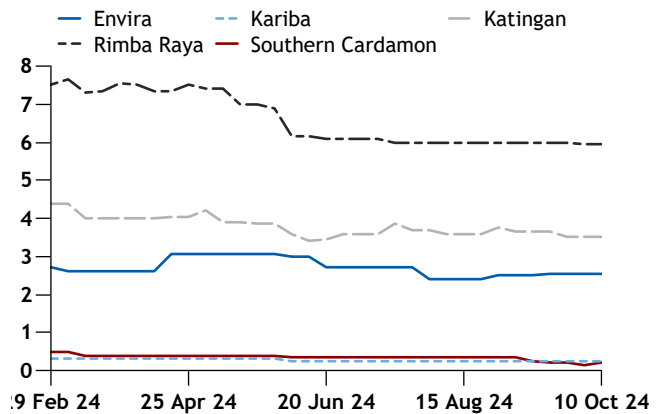
Three offers for wind credits from various countries were also heard this week. Sellers were seeking to tap into demand for credits of vintages 2022 and 2023 from Verra’s 1950 project in South Africa. A separate offer came in at \$5/t CO2e for credits of vintages 2018, 2019 and 2020 from Gold Standard’s 5073 project in Morocco. And another offer was otherwise seen for credits generated over the same three years from the same registry’s 4300 project located in Somalia at \$4.75/t CO2e.

The only other offer for tech-based credits reported this week was in China, where credits of 2021 vintage onwards from the Verra-hosted 3898 gas reduction project where available at \$1.60/t CO2e. And the only offer for nature-based credits heard this week emerged in Canada, where sellers were attempting to offload 50,000 or more credits of 2018 and 2019 vintages from the Verra-hosted 3018 IFM project at \$15.40/t CO2e.

Elsewhere, Verra this week registered its first biochar project (ID 4679) under the VM044 methodology, located in the Indian state of Odisha. More details available in the news section.

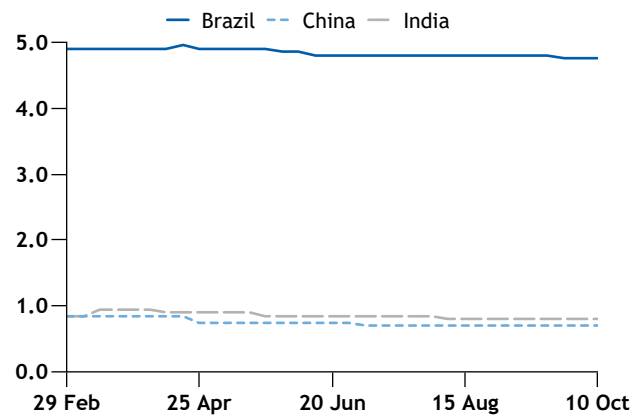
Project specific v2018

\$/t CO2e



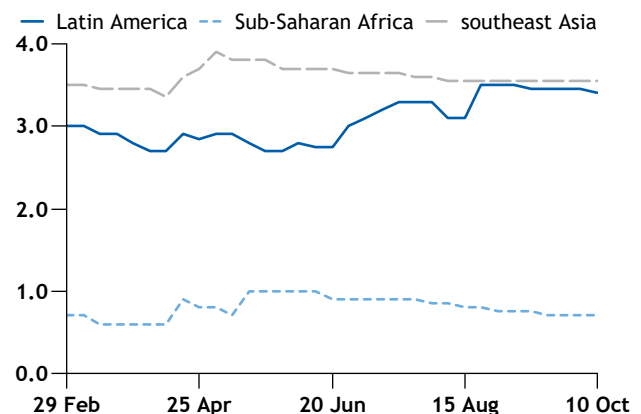
Renewable Energy (RE) V2020

\$/t CO2e



REDD+ CCB V2018

\$/t CO2e



## NEWS AND ANALYSIS

### Verra launches new cookstoves methodology

The world's largest carbon registry Verra has released a new version of its methodology for clean cookstoves carbon projects.

Verra said its VM0050 Energy Efficiency and Fuel-Switch Measures in Cookstoves v1.0 methodology provides "a high-integrity approach to quantifying emissions reductions" from cookstoves projects. The firm said it has consolidated various elements of several similar methodologies, making a new, streamlined version that allows for better measurement techniques such as fuel weight sensors and electricity metres to improve the accuracy of carbon credit calculation and allocation.

Any upcoming projects and projects that are set to renew their crediting period after May next year must complete their validation process under the VM0050 methodology. Verra said that it has submitted VM0050 for assessment by the Integrity Council for the Voluntary Carbon Market, which will decide whether the new methodology will be eligible for its Core Carbon Principles certification.

*By Felix Todd*

### Verra registers first biochar carbon project

The world's largest carbon registry, Verra, this week registered its first biochar project.

The project (ID 4679) operates under Verra's VM044 methodology and is located in the Indian state of Odisha. It produces carbon removal credits by co-ordinating rural farmers in the area and preventing the open burning of agricultural waste, instead producing biochar, which can then be used as an enhancement for soil.

Carbon removal credits typically command a higher price on the spot market than their avoidance/reduction counterparts because of the longer permanence associated with their climate impact. Verra said the credits generated by its 4679 project will serve to maintain and scale its operations.

Verra is currently revising its VM044 methodology, primarily with a view to increasing the number of eligible projects. A public consultation is expected in the coming months, the registry said. Verra said that if biochar projects could be deployed on a global scale they have the potential to remove a minimum of 1bn t of CO<sub>2</sub>e annually by 2050.

*By Felix Todd*

### US accuses offset developer of fraud

The US is taking legal action against a carbon offset developer and three former company representatives for allegedly overstating the emissions reductions from its projects in

order to receive millions of excess credits.

The Commodity Futures Trading Commission (CFTC) filed a complaint against former CQC Impact Investors (CQC) chief executive officer and founder Kenneth Newcombe and a sanctions order for former chief operating officer Jason Steele on Wednesday as part of a larger case against the Washington, DC-based developer. The Securities and Exchange Commission (SEC) and the US District Attorney for the Southern District of New York filed a parallel complaint.

The agencies claim that CQC operated a multi-year scheme starting in 2019 in which it submitted false and misleading data to at least one US-based carbon offset registry, as well as third party verifiers, receiving millions of carbon credits beyond the actual reductions achieved by its cookstove and LED lighting projects. The misleading data included cookstoves installed outside designated project locations or cookstoves that had not operated during an entire project period, according to a federal indictment filed in the US District Court for the Southern District of New York.

The developer received up to \$250mn in equity investment, with \$170mn paid out, on offering materials featuring the manipulated project and issuance data, according to the SEC filing. It included the investor purchasing a portion of Newcombe's shares in the company for more than \$16mn, according to the indictment.

CQC developed the cookstove and LED projects in roughly 20 countries and sold the resulting credits in the voluntary carbon market. The offsets are typically equal to one metric tonne of emissions removed or reduced by a project.

The developer's efforts to install more-efficient cookstoves "accounted for a significant portion of the world's supply of carbon credits" from such projects during the period of the alleged fraud, the CFTC said.

An external review commissioned in December 2023 by some members of the CQC board of directors revealed the fraud.

CQC determined it must cancel approximately 6mn credits related its cookstove projects, according to an SEC order issued on Tuesday.

Federal officials say Newcombe and Steele intentionally and knowingly provided and directed the reporting of false and misleading information and data collection to enhance the perception of the quality of the company's cookstove projects. The fraud began after initial estimates showed lower GHG emissions reductions than they wanted from the projects. The developer's LED projects also had altered data, according to the CFTC.

The agency finalized guidance last month to standardize

## NEWS AND ANALYSIS

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and promote best practices for the voluntary carbon market and minimize fraud, as part of a move to enhance integrity in the voluntary carbon market.

Carbon offset registry Verra in June said it would suspend 27 cookstove projects from the company while it reviewed the claims against CQC, ultimately putting at least 19 projects on hold.

Newcombe, after other CQC officials learned of this activity, “took steps to deny or minimize his involvement in the scheme and to provide pretextual explanations for the fraud,” federal officials said.

CQC’s current chief executive office Jules Kortenhorst replaced Newcombe in February.

Newcombe described his removal from CQC as part of a “hostile takeover over of my company by a private equity firm”, in a Facebook post earlier this week, echoing in part his earlier denial of the allegations.

CFTC accepted a settlement offer from CQC, with a civil penalty of \$1mn, in addition to post-judgement interest. CQC will also need to provide a detailed report on cancelled and retired credits to address the over crediting, a personnel methodology training review along with implementation of comprehensive data testing system.

CQC could not be reached for comment.

Steele has admitted his part in the fraud and is cooperating with the government.

The SEC is pursuing sanctions against CQC, while the US attorney is pursuing charges of wire fraud conspiracy, wire fraud, commodities fraud conspiracy, and commodities fraud among other charges against Newcombe and Tridip Goswami, the head of CQC’s carbon and sustainability accounting team.

CQC created the position of chief carbon officer, hiring Donee Alexander who joined CQC in August to oversee the company’s asset management, methodology, carbon accounting and quality control.

*By Denise Cathey*



## Voluntary Carbon Market Glossary

- ACCU – Australian Carbon Credit Unit. 1 ACCU = 1t of CO<sub>2</sub>e.
- ACR – American Carbon Registry.
- Additionality – confirmation that a project would not have been financially feasible without carbon credit revenues.
- Afforestation – planting of new plants/trees/forests on land that has not previously hosted forests.
- ARR – Afforestation, Reforestation and Revegetation.
- Article 6 – a Paris Agreement provision that allows countries to co-operate with each other to achieve their NDCs.
- Avoidance/Reduction – credits generated by projects that reduce GHG emissions by using nature- or tech-based methods.
- BECCS – Bioenergy with Carbon Capture and Storage: a technology to capture and store CO<sub>2</sub> from industrial processes turning biomass into fuels or directly burning it to generate energy.
- Biochar – charcoal-like carbon-rich material produced by heating biomass in an oxygen-limited environment (pyrolysis).
- Blue Carbon – carbon captured by living organisms, such as mangroves, in coastal and marine areas.
- CA – Corresponding adjustment: a label to ensure offsets are not double-counted by two countries towards their own NDCs.
- CAR – Climate Action Reserve, a carbon registry.
- Carbon Insetting – financing of climate protection projects across a company's own value chain.
- CCB – Climate, Community, and Biodiversity standards certifying a project is tackling climate change, while supporting local communities and biodiversity.
- CCP + AF – Core Carbon Principles + Assessment Framework: threshold standards (CCPs) and guidance (AF) set by the ICVCM to promote high-quality carbon credits.
- CCS – Carbon Capture and Storage: process to separate and store CO<sub>2</sub> from industrial and energy sources.
- CDM - Clean Development Mechanism: Kyoto Protocol's article 12 mechanism for supplying CERs to investors funding carbon projects in developing countries.
- CDR – Carbon Dioxide Removal.
- CER – Certified Emission Reduction: emission reduction certificate generated by CDM projects.
- COP – Conference of the Parties: annual conference of the parties to the UN Framework Convention on Climate Change.
- CORSIA – Carbon Offsetting and Reduction Scheme for International Aviation.
- DACC+S – Direct Air Carbon Capture and Storage: a process to extract CO<sub>2</sub> from the atmosphere and permanently store it in geological formations.
- ERPA – Emission Reduction Purchase Agreement.
- ETS – emissions trading system; EU ETS – European Union Emissions Trading System.
- EUA - European Union Allowance: Europe's emission allowances which are tradable under the EU ETS. 1 EUA = 1t of CO<sub>2</sub>e.
- GHG – greenhouse gas.
- GS – Gold Standard, a carbon registry.
- HFC – hydrofluorocarbon, a greenhouse gas
- ICVCM – Integrity Council for the Voluntary Carbon Market: an initiative to enforce standards of ethics, sustainability and transparency.
- ICROA – International Carbon Reduction and Offset Alliance.
- IETA – International Emissions Trading Association.
- IFM –Improved Forest Management.
- LDC – least developed country, classified by the United Nations.
- MRV – Monitoring, Reporting and Verification on carbon projects
- N<sub>2</sub>O – nitrous oxide, a greenhouse gas.
- Nature-based carbon credit – generated from projects seeking to protect, restore or manage natural ecosystems.
- NDC – Nationally Determined Contribution: a climate action plan to cut emissions that applies to the Paris Agreement's parties.
- Permanence – The indefinite longevity of a project's emission reduction or removal as well as the guarantee that should there be any reversal this will be fully compensated.
- REDD+ – Reducing Emissions from Deforestation and Forest Degradation.
- Reforestation – restoration of existing forests via tree planting on areas where the number of trees has been decreasing.
- Removal – credits generated from nature- or tech-based projects that remove GHG emissions from the atmosphere.
- Revegetation – replanting/rebuilding the soil of distressed land.
- Scope 1,2 & 3 Emissions – the scopes categorise/measure a company's greenhouse gas emissions.
- Scope 1 – direct emissions from sources owned or controlled by the organisation, such as a fleet of vehicles.
- Scope 2 – indirect emissions from the production of electricity purchased/consumed by the company.
- Scope 3 – any other indirect emissions not produced by the company or as a result of activities from assets owned by it.
- SDGs – Sustainable Development Goals: UN's 17 objectives to end poverty, reduce inequality and tackle climate change, for which carbon projects can apply to receive additional accreditation.
- t/CO<sub>2</sub>e – tonne of carbon dioxide equivalent. 1 credit = 1t of CO<sub>2</sub>e.
- Technology-based carbon credit – generated by the reduction or removal of emissions through the use of technologies.
- VCM – Voluntary Carbon Markets.
- VCMI – Voluntary Carbon Markets Integrity Initiative: aims to enhance integrity by providing guidelines on carbon credits' use.
- VCS – Verified Carbon Standard, a credit programme managed by Verra.
- VER – Voluntary Emissions Reduction.
- Verified Carbon Unit (VCU) – credit listed on the Verra registry.
- Verra – Non-profit organisation hosting VCS programme and a carbon registry.
- Vintage – year of CO<sub>2</sub>e emission reduction or removal.
- VVB – Validation/ Verification Body, used by carbon registries.

## Proposed changes to voluntary carbon coverage

Argus proposes to change the way in which regional REDD+ CCB prices are assessed, because of expanded coverage of individual projects and illiquidity of more recent product vintages.

Under this proposal, the regional prices would be the average of relevant project-specific prices.

As of 24 October, the projects included in the regional averages would be:

### Latin America

- Envira (Brazil) VCS 1382
- Rio Anapu-Pacaja (Brazil) VCS 2252
- Mataven (Colombia) VCS 1566
- Cordillera Azul (Peru) VCS 985
- Tambopata (Peru) VCS 1067

### Southeast Asia

- Katingan (Indonesia) VCS 1477
- Rimba Raya (Indonesia) VCS 674
- Keo Seima (Cambodia) VCS 1650
- South Cardamom (Cambodia) VCS 1748

## Sub-Saharan Africa

- Kasigau (Kenya) VCS 612
- Mai Ndombe (DRC) VCS 934

Under this proposal, any new REDD+ CCB project-specific price assessments introduced by Argus would be included in the relevant regional average.

At the same time, Argus proposes that for all products, coverage of new vintages is only initiated when liquidity allows. Accordingly, the cessation of coverage of a specific vintage will only occur following consultation.

Argus will accept comments on this proposed change until 24 October. To discuss comments on this proposal, please contact Nicola De Sanctis at [Nicola.desanctis@argusmedia.com](mailto:Nicola.desanctis@argusmedia.com). Formal comments should be marked as such and may be submitted by email to [vcm@argusmedia.com](mailto:vcm@argusmedia.com) and received by 24 October. Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.

## Proposal to end voluntary carbon credit Kariba v2018-22

Argus proposes to discontinue assessments for 2018-22 vintage credits of the Kariba project in Zimbabwe because of illiquidity.

Argus will accept comments on this proposed change until 10 October. To discuss comments on this proposal, please contact Nicola De Sanctis at [nicola.desanctis@argusmedia.com](mailto:nicola.desanctis@argusmedia.com). Formal comments should be marked as such and may be submitted by email to [vcm@argusmedia.com](mailto:vcm@argusmedia.com) and received by 10 October. Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.



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