

**APPENDIX U4**  
*CARB Compliance Offset Program*





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# Compliance Offset Program

## What's New?

- [U.S. Department of Interior Letter on NIFRMA Legal Constraint](#) **New!**
- [Livestock Projects Compliance Offset Protocol 2011 FAQs](#)
- [Livestock Projects Compliance Offset Protocol 2014 FAQs](#)
- [Draft Guidance for the Compliance Offset Protocol U.S. Forest Projects \(June 25, 2015\)](#)

## Quick Links:

[Registries](#)

[Verification](#)

[Operators](#)

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## ARB Offset Credits Issued [\(click for more information\)](#)

Project Type	ODS	Livestock	U.S. Forest	Urban Forest	MMC	Rice Cultivation
<b>Compliance</b>	12,577,266	3,912,332	102,333,660	--	2,983,324	--
<b>Early Action</b>	6,336,710	1,695,029	13,276,494	--	2,879,684	--

*Table includes all offset credits issued including offset credits placed in ARB's Forest Buffer Account, offset credits returned to an Early Action Offset Program's forest buffer pool, and offset credits subsequently invalidated.*

## NOTICES:

- [Early Action Offset Program Guidance - June 2013](#)
- [Attestations - February 2016](#)

## Compliance Offset Protocols

ARB has adopted the following Compliance Offset Protocols that may be used to generate ARB offset credits. Projects may list under only the most recent version, once effective. Livestock and Ozone Depleting Substances offset projects listed on or after January 1, 2015 must use the November 14, 2014 Compliance Offset Protocol and all associated documents. U.S. Forest offset projects listed on or after November 1, 2015 must use the June 25, 2015 Compliance Offset Protocol and all associated documents.

- [U.S. Forest Projects \(October 20, 2011\)](#)
- [U.S. Forest Projects \(November 14, 2014\)](#)
- [U.S. Forest Projects \(June 25, 2015\)](#)
- [Urban Forest Projects \(October 20, 2011\)](#)
- [Livestock Projects \(October 20, 2011\)](#)
- [Livestock Projects \(November 14, 2014\)](#)
- [Ozone Depleting Substances \(ODS\) Projects \(October 20, 2011\)](#)
- [Ozone Depleting Substances \(ODS\) Projects \(November 14, 2014\)](#)
- [Mine Methane Capture \(MMC\) Projects \(April 25, 2014\)](#)
- [Rice Cultivation Projects \(June 25, 2015\)](#)

***Note: Additional Compliance Offset Protocols will be considered as part of future rulemaking activities.***

See [ARB's Process for the Review and Approval of Compliance Offset Protocols](#).



## Compliance Offset Projects

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All compliance offset projects must be developed according to ARB approved Compliance Offset Protocols. [Offset Project Operators](#) must list their offset projects with an approved [Offset Project Registry](#) to be eligible for ARB offset credits. Please see the [Climate Action Reserve](#), [American Carbon Registry](#), or [Verra](#) webpages for information on proposed compliance offset projects. Once projects are issued ARB credits, information about the projects can be found on ARB's [Offset Credit Issuance webpage](#).

### Project Types - Webpages

- [U.S. Forest Projects - October 20, 2011](#)
- [U.S. Forest Projects - November 14, 2014](#)
- [U.S. Forest Projects - June 25, 2015](#)
- [Urban Forest Projects](#)
- [Livestock Projects](#)
- [Ozone Depleting Substances \(ODS\) Projects](#)
- [Mine Methane Capture \(MMC\) Projects](#)
- [Rice Cultivation Projects](#)



### Early Action Offset Credits

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The Cap-and-Trade Regulation allows for the transition of eligible existing offset credits developed under approved voluntary quantification methodologies to ARB offset credits for use in the Cap-and-

Trade Program. Additional information about early action offset credits is available on the [Early Action Offset Credit web page](#).

## Offset Credit Invalidation

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Section 95985 of the Cap-and-Trade Regulation establishes a process for ARB to investigate and invalidate issued compliance offset credits.

- [ARB Offset Credit Regulatory Conformance and Invalidation Guidance](#) 

Information related to invalidated offset credits can be found below.

- [Livestock Offset Investigation Final Determination](#)
- [Livestock Offset Investigation FAQ](#)
- [Livestock Offset Investigation Market Notice](#)
- [ODS Investigation Final Determination](#)
- [ODS Investigation Preliminary Determination](#)
  - [Attachment A](#)
  - [Attachment B](#)
  - [View Comments](#)
- [ODS Offset Investigation FAQs](#)

## Offset Project Registries

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The Cap-and-Trade Regulation allows ARB to approve Offset Project Registries to help administer parts of the Compliance Offset Program. Offset Project Registries must meet specific regulatory criteria to be approved under the regulation. Offset Project Registries will help facilitate the listing, reporting, and verification of offset projects developed using the Compliance Offset Protocols.

However, only ARB can issue compliance offset credits for use in the Cap-and-Trade Program. For more information please see the [Offset Project Registry web page](#).

Information and documentation for listed compliance offset projects can be viewed on the registry websites below.

- [American Carbon Registry](#)
- [Climate Action Reserve](#)
- [Verra](#) (formerly Verified Carbon Standard)

## Offset Verification Program

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The Cap-and-Trade Regulation requires the third-party verification of all GHG emission reductions or removal enhancements before any ARB offset credits may be issued. Only ARB-accredited offset verification bodies and offset verifiers may provide offset verification services under the Compliance Offset Program. More information about offset verification, including a list of approved offset verifiers and verification bodies, may be found on the [Offset Verification Program web page](#).

## Offset Project Operators

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Offset Project Operators (OPOs) may use Compliance Offset Protocols to develop compliance offset projects under the Cap-and-Trade Program. The Regulation includes specific requirements that OPOs must meet including listing offset projects, reporting GHG reductions and removal enhancements annually, contracting with an ARB-accredited verification body to conduct offset verification, and submitting attestations to ARB. More information on specific requirements and compliance offset projects can be found on the [Offset Project Operators web page](#).

## Offset Project Listing Requirements for Native American Tribes

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Tribes, because of their unique status as sovereign nations, must include a limited waiver of sovereign immunity that is legally binding under the Tribe's laws as part of the offset project listing requirements to participate in the Compliance Offset Program. Tribes must meet the requirements of sections 95975(c)(1) through (5), and the requirements of section 95975(l) of the Cap-and-Trade Regulation before any offset project located on the categories of land specified in section 95973(d) of the Cap-and-Trade Regulation can be listed under ARB's Compliance Offset Program. For more information please see the [Offset Project Listing Requirements for Native American Tribes web page](#).

## Forms

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ARB has developed forms for use in the Compliance Offset Program. These forms may be used by program participants for submitting information related to listing, reporting, verification, and issuance of ARB offset credits. These forms can be found on the [Compliance Offset Program Forms web page](#). In addition, each approved [Offset Project Registry](#) will make forms available on its own web page.

## Offset Program Guidance and Frequently Asked Questions (FAQs)

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ARB has developed general guidance on the compliance offset program. In addition, ARB will develop FAQs that address general questions related to the offsets program.

- [Compliance Offset Project Implementation Webinar with Audio](#)
- [Early Action FAQs](#)
- [Guidance for CITSS Registration for Offset Project Operators and Authorized Project Designees](#)
- [Technical Guidance for Offset Verifiers](#)
- [Guidance for Verifying Forest Carbon Inventories Posted](#)
- [U.S. Forest Projects Compliance Offset Protocol FAQs](#)
- [Ozone Depleting Substances Projects Compliance Offset Protocol 2011 FAQs](#)
- [Ozone Depleting Substances Projects Compliance Offset Protocol 2014 FAQs](#)
- [Mine Methane Capture Projects Compliance Offset Protocol FAQs](#)
- [Offset Program FAQs](#) *Coming Soon!*

For questions or comments, please contact Stephen Shelby at (916) 327-8228 or via email at [sshelby@arb.ca.gov](mailto:sshelby@arb.ca.gov).



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