

Ratings eligibility and information required for BeZero Carbon Ratings

Governance



BeZero

Rating eligibility

For projects to qualify for a BeZero Carbon Rating, they must meet our primary qualifying criteria. These criteria are centred around quality and transparency. These basic criteria, alongside the BeZero Carbon Accounting Template, allow us to build a standardised starting point for any project, registered with any standards body.

The primary criterion is that the project has applied an [additionality test](#), or has otherwise provided sufficient information on how it is additional. The other criteria centre on third-party auditing and public disclosure of sufficient information to assess the project's claims. All three act as limiting factors to whether BeZero accepts a project to be rated at all.

Additionality - i.e. whether, in the absence of carbon revenues, the avoidance or removal activity would be viable - is the founding principle of a carbon credit project. Consistent with this, additionality is a limiting factor for the BeZero Carbon Rating from the outset of the analytical process.

For all projects, sufficient public disclosure of project claims includes crediting calculations, registry issuance (inclusive of buffer pool allocations), project boundaries, and applied methodologies (and their versioning).

Through these primary eligibility criteria, we ensure that all project validation and verification documentation as well as registry operations related to the project are traceable and are governed by standards body processes for oversight. Where a project fails to be transparent or conduct a third-party audit, these projects are considered ineligible for a rating.

Continuous monitoring of eligibility criteria

To ensure that our ratings remain up to date, we monitor if a project meets our eligibility criteria on an ongoing basis. This ensures that minimum criteria around project transparency and disclosure are continuously met.

Should the availability of documentation change once a project has been rated, BeZero Carbon has a robust due-diligence process to understand the reason and whether such changes are permanent. This includes the following steps:

- BeZero Carbon will contact the registry, certification bodies, and the project developer to identify underlying reasons for changes in document disclosure, if data will be shared publicly again, and within what timeframe.
- BeZero allows these organisations two weeks to restore the information availability and disclosure to levels consistent with our eligibility criteria.
- If documents remain unavailable after this two-week period, the rating will be placed on 'rating watch'.
- BeZero will continue to make reasonable efforts to follow up with the project developer, registry, and certification bodies to determine if and when the documents will be made available in the public domain. We will allow another four weeks for this process.
- If during this period, the relevant data and documents are shared again in the public domain, we will verify that these documents contain required information to meet our eligibility criteria. Where projects meet our criteria again, the rating will be removed from 'rating watch'.
- If the relevant documents and information are not restored in the public domain within the aforementioned timeframe, the project will no longer be eligible for a BeZero Carbon Rating. Accordingly, BeZero will 'withdraw' the rating.

BeZero's approach to non-public information

BeZero Carbon strongly advocates for disclosure and transparency in the voluntary carbon market. Our eligibility criteria for a project to be rated acts as an important driver of transparency; if there is insufficient public information on a project's additionality test or third-party audits, BeZero Carbon will not rate the project.

In some instances, there are legitimate reasons for including private information where it improves the accuracy of the rating.

These types of information include:

- That which is non-public for legal, data protection, competitive, practical, or other reasons
- Nature-Based Solutions (NBS) landowner boundaries
- Technical IP (including carbon models)
- Financial data and disclosures
- Early access to information due to be published

BeZero uses non-public information with the following principles in mind:

- Justify conclusions with analytical insights or analysis
- Do not disclose the specifics or details of the private information
- Use to mitigate uncertainty
- Seek to test, evidence, and corroborate independently
- Explain our opinion and conclusion at all times

This flexible approach allows for more accurate ratings. BeZero does not operate in a black box however; we continue to combine many data sources, and all opinions need to be evidenced and explained.

Updates and reviews*

Version number	Date	Description
1.00	01/06/22	Initial release
1.01	23/02/24	Updated to reflect use of non-public information

* Content extracted from the BeZero Carbon ex post Ratings methodology.

Disclaimer

The BeZero Carbon Rating of voluntary carbon credits represents BeZero Carbon's current opinion on the likelihood that carbon credits issued by a project achieve a tonne of CO₂e avoided or removed. The BeZero Carbon Rating and other information made publicly available or available through the BeZero Carbon Markets platform ("Content") is made available for information purposes only. The Content and in particular the BeZero Carbon Rating sets out BeZero Carbon's opinion on a particular carbon credit or project based on publicly available information as at the date expressed and BeZero Carbon shall have no liability to anyone in respect of the Content, opinion and BeZero Carbon Rating. The Content is made available for information purposes only and you should not construe such Content as legal, tax, financial or investment advice. The Content is a statement of opinion as at the date expressed and does not constitute a solicitation, recommendation or endorsement by BeZero Carbon or any third party to invest, buy, hold or sell a carbon credit. The Content is not a statement of fact and should not be relied upon in isolation. The Content is one of many inputs used by stakeholders to understand the overall quality of any given carbon credit. BeZero Carbon shall have no liability to you for any decisions you make in respect of the Content. If you have any questions about BeZero Carbon, the BeZero Carbon Rating, the BeZero Carbon Rating methodology, qualifying criteria, rating process, any element of Content, the BeZero Carbon Markets platform or otherwise please contact us at: commercial@bezerocarbon.com.