

Considerations for Future Scope

Full Description

Further due diligence and technical review

As this Guideline is intended as a preliminary exercise to assess the value and preliminary viability of ERC projects with strong potential of fetching high value and attracting high demand, the assessment process does not include a full due diligence that covers transaction and business activity legality. The assessment also does not involve undertaking a technical review of a given project's carbon integrity. In future, a more in-depth review can be built into this Guideline to expand the scope of the assessment to include these analyses, where more resources and expertise will be required. Conducting due diligence on the project's transaction and business activity legality, for example, could involve the use of third-party services. The inclusion of this scope could be important in scenarios where countries are looking to invest into ERC projects or create financing instruments for ERC projects where counterparty risks should be more thoroughly assessed. On the other hand, conducting a technical review of a given project's carbon integrity will require carbon accounting and methodology expertise with experience in the MRV of ERC projects, in addition to the review by VVBs, that might be more impactful for countries looking to support the development of high-quality ERC projects to build capability and increase knowledge and expertise in-country.

Based on new or updated requirements and criteria stemming from Article 6

Similar to the considerations around Article 6 developments for rating strategic national alignment inputs, the scope of the project assessment process may also need to evolve alongside such policy changes. For example, additional factors may be important for [Country inputs \(S1\)](#) used for Step One (Initial profiling). ERC projects with CA eligibility may also fetch a higher price or set a market standard for credit quality that should be reflected in the [Project ERC value \(F1\)](#) and [Carbon integrity \(C1\)](#) criteria.

Related Content

[Guidance for Countries in Assessing ERC Projects \(Download PDF version\) - coming soon!](#)

Additional Resources

[Other PPP Toolkits](#)

[Due Diligence Process in Asset Recycling](#)

Page Specific Disclaimer

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