



The Community Carbon Marketplace – Background and How it Works

Background

The Community Carbon Marketplace (CCM) is a community-based carbon exchange initiative to enable local governments, businesses and individuals to meet carbon-neutral objectives by purchasing carbon offsets from community-based projects that reduce greenhouse gas (GHG) emissions and build community resilience. By directing offsetting dollars back to the communities where they originate and monetizing locally-generated carbon credits, the CCM will create additional value for initiatives that reduce GHGs and create a multiplier effect that supports ongoing growth of the local low-carbon economy.

Mission: To support the development of a sustainable local low-carbon economy by directing offsetting dollars to quantifiable, community-based GHG reduction initiatives.

The CCM aims to create an alternative carbon exchange model achieving the following benefits:

- A community-based carbon exchange system that is accountable and accessible.
- Local control over carbon offsetting dollars, how and where these funds are directed.
- Public and private sector carbon offsetting dollars are directed to investments in local energy and emissions reductions strategies and infrastructure.
- Smaller community-based organizations, which formerly experienced barriers to participating in carbon market, can now access this new source of revenue to support the valuable services they provide and job growth in their communities.
- Long-term benefits to the community that supports organizations and small businesses, resulting in the growth of the local low-carbon economy and community resilience

Prior to the CCM initiative, knowledge and cost barriers prevented locally-based projects and businesses from being able to account for, and realize the value of carbon credits generated from GHG reductions. This initiative, launched in 2012 by CEA in consultation with community organizations, local governments and the Climate Action Secretariat, creates a community-based alternative to existing carbon offset registries that is based on international protocols and works within the Green Communities Committee guidelines outlined in “Becoming Carbon Neutral: Guidebook for BC Local Governments” (GCC BCN Guidebook).

By providing (1) a community-scale, local trading system, (2) education, and (3) carbon footprint assessments at reduced rates, CEA will make it possible for local organizations and businesses undertaking GHG reduction projects to realise an additional source of revenue that would have otherwise been unavailable. Municipalities, businesses and individuals now have an alternative carbon market model to invest in community-based carbon reduction projects, in places of their choosing, as a way of offsetting their carbon footprint.



An Overview of How the CCM Works:

- GHG Reduction projects are assessed for carbon credit eligibility by qualified third-party assessors.
- Smaller organizations can apply for a bursary to help cover this cost, and can pay their share in the form of carbon credits, making the CCM accessible to agencies with limited budgets.
- Eligible credits, as per international protocols and GCC guidelines, are assigned a unique number and listed by organization, project and community of origin on the CCM website.
- Buyers wishing to offset their carbon footprints select credits from those listed. Once a credit is purchased as an offset its unique identifier number is permanently retired.
- Buyers, such as local municipalities wishing to become carbon neutral or meet other Official Community Plan objectives, may also issue a “request for carbon credits” that can stimulate new projects that might otherwise not occur.
- A small fee from each sale will contribute to sustaining and growing the CCM initiative. Excess revenue can be used to help provide additional assessments for eligible projects by organizations that would otherwise not be able to afford the assessments.
- The CCM model, and its economic benefits, is scalable to communities throughout the North Island-Coast Development Initiative Trust area and eventually BC.

Cowichan Energy Alternatives serves as the third-party educator, facilitator and assessor; however, assessments can be carried out by any qualified third party. These third-party assessments are necessary to prove the amount of carbon credits generated by a project that can be sold as offsets. Eligible carbon credits can then be listed on the CCM where entities can purchase them as offsets. Alternatively, CEA also works with municipalities and local businesses to match demand for carbon credits with appropriate GHG offsetting projects, thus creating and facilitating partnership opportunities.

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Additionally, municipalities can choose to support projects undertaken by third-party organizations in their community with financial contributions (often through a grant-in-aid) in return for the carbon credits generated. Such projects may simultaneously meet objectives of Official Community Plans and Climate and Energy Plans. This will create a double-benefit by both enabling a valuable community organization/initiative and by reducing the Municipality’s long-term carbon footprint in following years, depending on the duration of the project and its benefits. With such community project investments, Municipalities will create a multiplier effect for organizations and businesses - generating ongoing cash flow from offsetting projects over the long-term while helping Municipalities achieve carbon neutrality.

