



Baseline and Additionality for CO2

Baseline is a term that takes into account the amount of CO₂ in a particular project, organization, or country emits. This emission level must be offset to the legislated level. Only the amount of CO₂ absorbed above this level can be used as tradable carbon credits. These tradable or additional carbon credits created are called additionality.

The Baseline amount of emission reduction depends on the emissions that would have occurred without the project minus the emissions of the project. The construction of such a hypothetical scenario is known as the baseline of the project. The baseline may be estimated through reference to emissions from similar activities and technologies in the same country or other countries, or to actual emissions prior to project implementation. The partners involved in the project could have an interest in establishing a baseline with high emissions, which would yield a risk of awarding spurious credits. Independent third-party verification is meant to avoid this potential problem.

To avoid giving credits to projects that would have happened anyway, rules have been specified to ensure additionality of the project. That is, to ensure the project reduces emissions more than would have occurred in the absence of the project. At present, the CDM Executive Board deems a project additional if its proponents can document that realistic alternative scenarios to the proposed project would be more economically attractive or that the project faces barriers that CDM helps it overcome. Current Guidance from the EB is available at the UNFCCC website.