

WILL's contribution to the Taskforce's Consultation document on Scaling Voluntary Carbon Markets (TSVCM)



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The global health crisis we are experiencing poses particular challenges in the face of the climate crisis and which are just as urgent. As recently as October 2018, the IPCC recommended reducing GHG emissions by 45% in 2030 compared to 2010, the reference year. This represented nearly 200 billion tons of GHG emissions to be permanently suppressed by 2030. And this is only the beginning of the path towards the global target of 2050, where several stakeholders have committed to achieving a "carbon netzero"¹. Beyond this date, all states and nations will need to remain carbon neutral for several decades and in a sustainable way. The objectives must therefore be maintained:

1. Ambitious cumulative annual reduction targets, locally, nationally and internationally;
2. Ambitious cumulative annual sequestration targets, locally, nationally and internationally for the next 100 years, at least until 2120.

In this context, the preamble of the Paris Accord² adequately responds to the challenges of our time. It is with these considerations in mind that we are submitting our comments on the blue print project, which represents, in our view, a really strong conceptualization of the structuration of the future Voluntary Carbons Markets (VCM), written by the Taskforce on Scaling Voluntary Carbon Markets (TSVCM) and published on last November.

Will Solutions (WILL) has developed its voluntary carbon markets (VCM) experience since 2007 (please refer to the Appendix 1). A first step was to assess and then develop the design of a methodology (VM0018) under the VCS program version 3.0, which operate in open source. Then, we have implemented a first group project with our first 4 quantifications (Monitoring Report) and verification completed. We realized the first sales of these verified carbon credits directly to end buyers, through

¹Netzerocarbon : <https://www.wri.org/blog/2019/09/what-does-net-zero-emissions-mean-6-common-questions-answered>

²<https://cop23.unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

international brokers (secondary market) and through new emerging digital trading platforms. We have distributed our offset credits directly to individual consumers, NGOs, corporations in several economic sectors. So, we bring to TSVCM a full, real and field experience of the life cycle management of a carbon credit³, from a methodology design, the qualification, the quantification of a GHG reduction, its verification, its serialization up to its sale to an end-buyer, who will retire it.

Our contribution to the TSCVM document, about the VCM's role, space and opportunity, is summarized in our main findings on some recommended actions:

1. Please, do not limited the climate action to regulated pricing (such as taxes, Cap & Trade, regulations) and use the complementary VCM space, by a clearer delimitation between voluntary carbon markets, avoiding double counting issue. We need both, regulated and VCM, working together, as VCM can bring larger participation and green financing beyond any regulations.
2. The importance of keeping current VCMs, those that are credible, active and quickly multiplying them by 10 or 30 times or more, is essential for achieving the targets of the Paris Agreement. This is required to obtain larger society's participation, including on the side of GHG reduction (Demand side) by citizens and Small and Medium Enterprises (SMEs), and not exclusively to larger companies which have the resources to act on the carbon markets. In fact, we think that the voluntary demand outlooks projected by the Network for Greening the Financial System (NGFS) and Taskforce survey is not sufficiently ambitious, as described in exhibit 16⁴. We should be more ambitious.
3. **Action 1** : About reduction (avoidance)/ sequestration and the GHG emission's removal: We thinks that beyond the listing of the three components as tools, the prioritization of GHG reductions should be establish, following by sequestration and finally by removals. Today, avoidance is the key elements of the three components; it is a target achievable, measurable, more secure to reach and less risky.
4. **Action 1, 2 and 3**: Regarding the attribute to the carbon offsets we recommend, in order to avoid complexity and obtain larger participation, to limit the attributes to carbon offset to no more than 5. These attributes should be considered
 - a. The nature of the project (reduction/sequestration/removal)
 - b. Location of the project (by sub-region (province, state, nation and continents) with a target of approximately 2 000 around the world
 - c. The social impacts, such as the association to the United Nations' Sustainable Development Goals (SDG)
 - d. The unit pricing, that should indicate the level of non-greenwashing and shows a fair distribution of the green money to all countries around the world
5. **Action 4** : about the Secondary market, it is a key tool and keeping in mind that the priority is to return a maximum of \$/carbon credit offset to those realizing the projects (reduction, sequestration, removals) which were converted into carbon credits. A fair % of the sale of each

³Taskforce on Scaling Voluntary Carbon Markets, November 2020, page 24

⁴Idem, page 46

VCU should be taken by the secondary market and be transparent for everyone. We believe in the future use of digital solution as a path to trade carbon offset on digital platform equivalent to Amazon, Alibaba and others emerging trading platforms.

6. **Section III⁵** about infrastructure: please not destroy everything in place which is credible (methodology, programs, VVB, others). We believe that we should do incremental improvements; we don't have the time for another round of good concepts. Don't try to redesign from zero a new kit of methodologies; we don't have time for that. It is time to act with all credible toolkits in place; we can only improve them with field experience.
7. **Action 13** :The rationale of the climate economics: sensitization by the VCM and regulated markets to the society of the different pricing used and which will be used in the next years; the carbon social cost, the regulated price, the impact price and greenwashing; in brief, assess the dark side of the humanity; greenwashing, fraud, greed, corruption.
8. **Action 15**: it is essential to train all the civil society to participate by reducing and by buying the offsets beyond any climate regulation. To achieve that the mutualisation of the expertise for all citizens and SMEs and the automatization of the data ground collection for their reductions represent a real technological and business opportunity.
9. The TSVCM should seriously examine the geopolitical movement of the economic protectionism and address the adequacy of this issue with the National determined Contributions (NDC). We anticipate an overlap between the Corresponding adjustment (CA) and economical protectionism. We don't believe that the use of « corresponding adjustment » initiatives by a fragmentation of labels will help to resolve the issues of Article 6 of the Paris Agreement and each NDC.
10. We strongly believe in the development of local initiatives to reduce and sequester GHG emissions, supported and backed by local purchases (hyper local approach). These initiatives must remain accessible and be stimulated to increase in order to complement any regulated pricing. In this respect, the possibility of using existing technologies such as Internet of Things (IoT), Artificial Intelligence (AI), Block Chain and 5G to connect locally the buildings of such a cluster is in the field of today's developments.

Hoping our comments will be useful, we remain available to discuss at your convenience.

⁵ Idem, page 63-75

About WILL

WILL Solutions Inc. (WILL) is a B Corp. certified Canadian private company headquartered in Beloeil, QC. The company is active in the voluntary carbon market sector with the Sustainable Community project. Since March 2020, WILL is part of the B Corp netzero2030 initiative⁶. WILL has a social philosophy based on sharing. It rests on two major pillars: democratizing access to carbon credits through the pooling of local GHG reduction projects by Quebec SMEs and NPOs and returning as much money as possible to these partners following the sale of carbon credits by WILL. The company has been carbon neutral since 2007 and is committed to returning 10% of its net profit to community based projects and initiatives that support sustainable development.

About Sustainable Community

Sustainable Community (SC) is a project to democratize the voluntary carbon market that is validated under the VCS program administered by VERRA. SC is the first cluster project of the 1,622 validated projects worldwide that brings together GHG reductions as a one stop solution for its members. This community business model made up of hundreds of micro-projects is intended to operate as a catalyst for local actions that engage a variety of stakeholders. On July 21, Sustainable Community was awarded the Solar Impulse Label. Internet reference: <https://solarimpulse.com/efficient-solutions/sustainable-community>.

SUSTAINABLE COMMUNITY CLIMATE SOLUTIONS

Will Solutions is helping millions of Businesses worldwide to take action on Climate Change

Get rewarded
for reducing your
GHGs emissions

Find high quality VCU to
contribute by offsetting
your GHGs emissions

Community match making
tailor made sale for Hyper
local carbon units



Small GHG emitters

> Will <



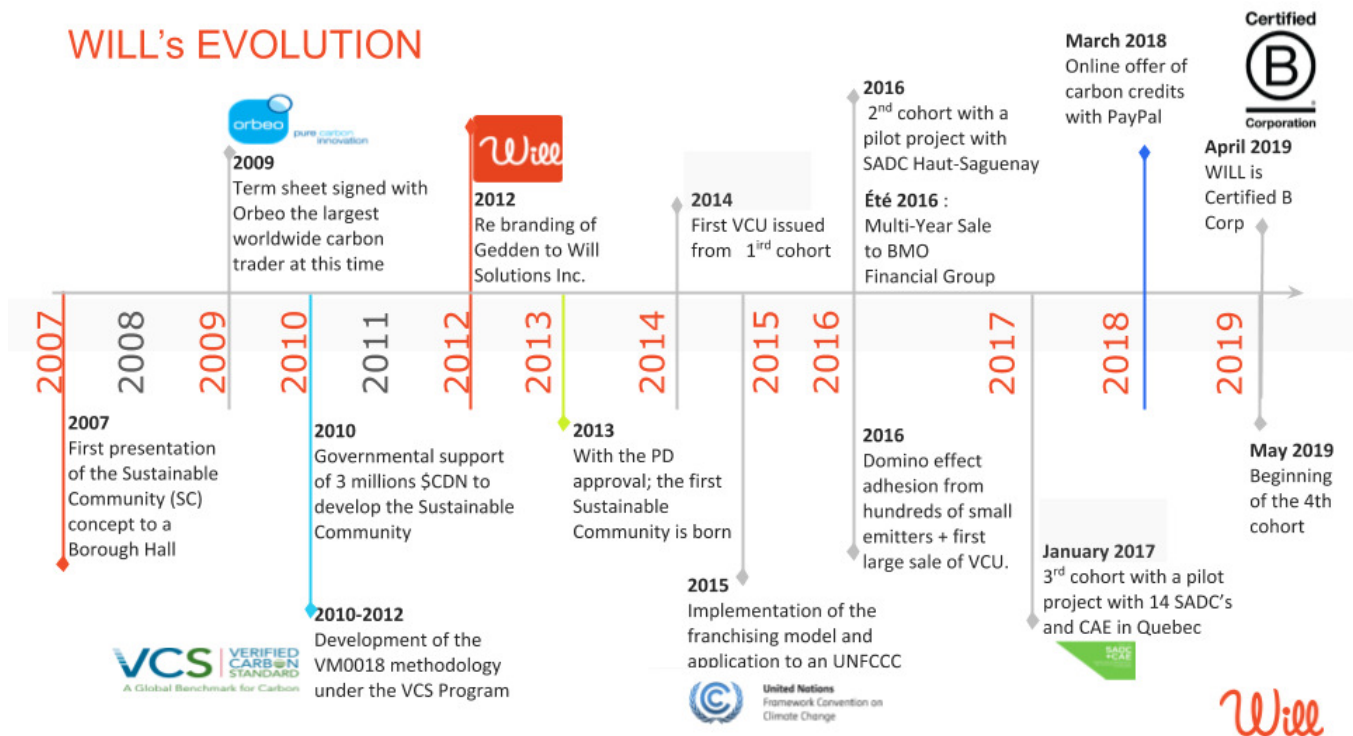
Carbon credit buyers & sponsors

Will

⁶<https://www.bcorpclimatecollective.org/net-zero-2030>

APPENDIX 1

KPI of the result for the period 2010-2020: history and the anteriority from 2007



https://www.solutionswill.com/en/blog_post/wills-social-innovation-model/

The project major steps carried out so far:

1. **May 2007:** Interest of Mr. DeSousa, mayor of the Saint-Laurent borough;
2. **Autumn 2008:** Presentation of the project to the *Agence de l'Efficacité Énergétique du Québec (AEEQ)*, under the scope of the "Technoclimat" Program;
3. **April 2010:** Selection of VCS standard, development of the technology supporting our project, online-release on the VCS's web site (Dec 2010) and double validation process (Sept. 2011);
4. **June 2010:** Signature and implementation of a contribution from AEEQ (Technoclimat Program);
5. **October 2010:** Signature of the 1st industrial park (DEL) with a financial contribution from RecycQuébec;
6. **March 2011:** First private financing from C3E;
7. **April 2011:** First pre-sale of carbon credits;
8. **June 2011:** Contribution from Emploi-Québec in the scope of "Projets d'envergure économique";
9. **January 2012:** Deposit of the 1st technological patent for the American market at USPTO;

10. **Winter 2012:** Deployment of commercial and operational activities in the Quebec territory;
11. **Winter 2012:** Completion of the first audits ex-antes;
12. **February 2012:** VCS final acceptance in February 2012 (VM0018);
13. **March 2012:** Press release and Webinar from VCS;
14. **July 2013:** First validated cluster project under the VM0018;
15. **February 2014:** First Monitoring Report (quantification of GHG reduction) verified by a third recognized party under the Quebec cluster project;
16. **November 2017:** Second Monitoring Report (quantification of GHG reduction) verified by a third recognized party under the Quebec cluster project;
17. **July 2019:** Third Monitoring Report (quantification of GHG reduction) verified by a third recognized party under the Quebec cluster project;
18. **August 2020:** Fourth Monitoring Report (quantification of GHG reduction) verified by a third recognized party under the Quebec cluster project;
19. **March-October 2020:** internal preparation for the renewal of the PD (period 2020-2029);
20. **November 2020:** PD renewal Validation process by a recognized VVB;
21. **Winter 2021 :** PD targeted registration date into the VCS/VERRA registry.

87

members from the Sustainable Community have generated carbon-credits.



1 000

buildings operating under Quebec's Sustainable Community.



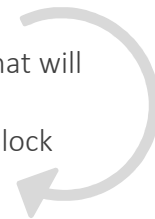
5.2

Million tCO₂e quantified, verified and available for purchase.



12

Target length of one cohort that will include GHG reductions from transportation, automation, Block Chain and 5G.



SUMMER 2020

Planned start of the 5th cohort.

