



Global Woods

Int. AG

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Information Sheet

Climate Claims When Using AR VERs

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Background

This document reflects the current understanding of applicable regulations and market practices concerning claims related to the acquisition and use of Verified Emission Reductions (VERs) of global-woods international AG (Global Woods). It is provided solely for general informational purposes and does not constitute legal advice. The Buyer of VERs remains solely responsible for the design, formulation, substantiation, and use of any claims. Global Woods makes no warranty regarding accuracy, completeness, or continued validity. Independent legal advice is strongly recommended before making any environmental claims.



The Role of AR VERs

Land-use carbon credits from activities such as afforestation and reforestation (AR) play a key role in contributing to climate change mitigations and in compensating residual emissions within corporate net-zero strategies. However, the carbon stored in biological systems like forests is inherently vulnerable to reversal (e.g., through wildfires, pests, floods, etc.). Carbon standards include mechanisms to ensure the replacement of credits in the event of such unavoidable reversal, most commonly through the maintenance of a credit buffer pool. These mechanisms provide a measure of risk management during the project's crediting period and help safeguard the integrity of issued units. However, they are only upheld for the duration of the project's crediting period (typically 45 years). Once the project's crediting period ends, the standards do not provide guarantee of permanence.



Legal and Regulatory Context

Most frameworks that can be used for environmental claims demand permanence (e.g., UNFCCC (Article 6.4), EU (Green Claims Directive, CRCF), ICVCM, VCMI, ICROA, Oxford Principles, SBTi, ISO 14068 & GHG Protocol).

Different court cases across Europe and the United States stress that CO₂ needs to persist for centuries so that certain claims (e.g., “climate-neutral”) match this permanence.

Therefore, AR VERs shall not be used for compensation or net-zero claims without additional safeguards that can secure permanence of the underlying carbon credit.



Proposed Solution: Permanence Guarantee

Permanence of AR VERs may be secured by backing (1:1) with permanent VERs from projects without reversal risks (e.g., renewable energy, biochar), which are retained in reserve to guarantee replacement if required or which are directly retired simultaneously with the retirement of AR-VERs.



Practical Guidance on Achieving a Permanence Guarantee

Global Woods supports their clients in setting up a permanence guarantee for AR-VERs by structuring 1:1 backings with permanent carbon removals, establishing reserve accounts, defining clear replacement triggers, and handling registry retirements. We provide the complete documentation and logs required for audit and disclosure. Commercial offers, including pricing and terms for permanence guarantee, are available upon request.

Good Practice for Claims

In the following, it is outlined how Climate Claims can derive from the purchase of AR VERs. Please note that these are recommendations only and that the disclaimer on these recommendations is stated on the cover page. For this purpose, the terms “Climate”, “CO₂”, or “Carbon” may be used interchangeably.

Action	Claim	Possible text (long ¹)	Possible text (short ²)
Purchase of AR-VERs	 Contribution Claim	“We contributed to the Climate Goals of the Paris Agreement by purchasing and retiring Carbon Credits equivalent to [X] tCO ₂ , see [Link to Registry Entry of Retirement].”	Label: e.g., “Supporting the UN Climate Goals”, “Climate Contribution” Display: Label + QR code or link that leads to a detailed description, including a link to the registry entry of retirement.
	 Compensation Claim	-	-
Purchase of AR-VERs + Purchase of permanent VERs	 Contribution Claim	“We contributed to the Climate Goals of the Paris Agreement by purchasing and retiring Carbon Credits equivalent to [X] tCO ₂ , see [Link to Registry Entry of Retirement].”	Label: e.g., “Supporting the UN Climate Goals”, “Climate Contribution” Display: Label + QR code / link that leads to a detailed description, including a link to the registry entry of retirement.
OR Purchase of permanent VERs	 Compensation Claim	“We compensated / balanced the emission from our [scope / product / company] by purchasing and retiring Carbon Credits ³ equivalent to [X] tCO ₂ , see [Link to Registry Entry of Retirement]. ⁴ ”	Label: e.g. “Climate Balanced” / “Climate Compensated” / “Net Zero” ⁵ Display: Label + QR code / link that leads to a detailed description, including a link to the registry entry of retirement.

¹ Suitable e.g., for website, newsletter, brochure communication.

² Suitable e.g., for product label.

³ Where permanence is secured by 1:1 backing with non-AR credits, communication should avoid implying that permanence derives from AR credits. Instead, neutral wording such as “backed by permanent carbon removals” should be used.

⁴ In the AR-VER retirement text on the registry there should be a link to the retirement of the corresponding non-permanent VERs from projects without reversal risks (e.g., renewable energy, biochar).

⁵ Should only be used when being certified under a recognized ‘Net Zero’ label (e.g. in line with SBTi or VCMi requirements), where independent verification confirms that all other emissions have been reduced in accordance with science-based pathways and only residual emissions are addressed with credits.”

Example:
Climate Contribution Label



Example:
Climate Compensation Label



Contact

Not sure which claims you can make? Send us an email. We're here to help.



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