

Climate Protection through a Circular Economy

fairrecycling*

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The SWISS CHARTER

1.1 Preface

The Paris Agreement, an international treaty concluded in 2015, saw 195 signatory states acknowledging climate change as one of the most urgent challenges of our time. In some countries, global warming has already exceeded 2°C compared to pre-industrial times, and the consequences of climate change are evident worldwide. While Europe has primarily experienced agricultural setbacks in the form of crop losses, millions of people in the global South are losing their livelihoods. The impacts of global warming are massive and diverse, including natural disasters, hunger, refugee migrations, and conflicts, all of which jeopardize the coexistence and survival of future generations.

However, the responsibility for climate change, felt globally, does not solely lie with the greenhouse gases emitted in local environments. Instead, it represents a global challenge, as the cumulative greenhouse gas emissions globally contribute to the observable climate change in various regions. Therefore, adopting a global perspective is essential to effectively combat climate change and use resources as efficiently as possible to achieve emission reductions.

With this perspective, the United Nations Framework Convention on Climate Change (UNFCCC) established a framework in the Paris Agreement, outlining how international cooperation should promote climate protection. This includes, in particular, Article 6 of the Convention, which regulates transnational cooperation in the implementation of project-based climate protection.

Switzerland and its institutions are at the forefront concerning the Paris Agreement. This is evident in Switzerland being one of the few developed nations globally to engage in bilateral cooperation with various countries in relation to Article 6 of the Paris Agreement. Switzerland is undertaking crucial pioneering work in operationalizing these agreements through concrete projects. Given the ongoing lack of guidance and clear specifications for the practical implementation of cooperation under Article 6, establishing initial project benchmarks is invaluable. These benchmarks can act as a catalyst, encouraging broader commitment from important stakeholder countries in the battle against climate change.

However, the commitment of public and political institutions within the framework of these

agreements is not sufficient to ensure that our human habitat and way of life do not undergo irreversible, fundamental changes. For this reason, there is a growing momentum in private sector engagement, which adopts public frameworks and conventions and implements them through agile, private climate protection initiatives.

The SWISS CHARTER, titled “Climate Protection through a Circular Economy”, embraces this concept. It formulates a code of principles and rules that ensures real, additional, permanently secured, measurable, identifiable, traceable, and verifiable emission reductions in the implementation of circular economy-based climate protection projects. Furthermore, the set of rules aims to guarantee that the implementation of projects generates real, identifiable, measurable, and verifiable ecological, economic, and social development impulses in the project environment.

This document describes how projects are to be implemented in accordance with the SWISS CHARTER. It defines principles and rules to be followed in the development of climate protection activities and specifies the form in which evidence and documentation on sustainable ecological, social, economic, and technological development impulses are to be provided by project operators.

Climate protection projects conforming to the principles and rules outlined in the SWISS CHARTER represent initiatives making an outstanding and verifiable contribution to climate protection and sustainable development. These projects, due to their strict additionality, are in need of financing. The SWISS CHARTER defines two climate protection certificate classes for the financing of project activities:

SWISS CHARTER Units - Global Scope (SCU-GS):

SCU-GS measures in tons of carbon dioxide equivalents (t CO₂e) and signify greenhouse gas emission reductions, considering the climate impact of all scientifically proven greenhouse gases in accordance with the Assessment Reports of the United Nations Framework Convention on Climate Change (UNFCCC). Non-governmental organizations, companies, and private individuals can use SCU-GS certificates voluntarily to offset their greenhouse gas emissions, support a strategy towards climate neutrality, or take a leadership role and responsibility in the fight against climate change.

SWISS CHARTER Units - Paris Scope (SCU-PS):

SCU-PS measures in tons of carbon dioxide equivalents (t CO₂e) and represents greenhouse gas emission reductions, accounting for the climate impact of all greenhouse gases regulated and covered under the Paris Agreement. The methodology, design, and monitoring of the projects in this certificate class are structured to align with currently known and existing regulations within the framework of Article 6 of the Paris Agreement, as well as national regulations of numerous countries concerning the definition of requirements for the recognition of emission reduction certificates from climate protection projects within the framework of national foreign compensation programs. SCU-PS certificates are intended for use by companies aiming to meet their reduction obligations under-regulated obligations to reduce greenhouse gas emissions by acquiring climate protection certificates from projects abroad, either presently or in the future.

1.2 Changes & Amendments

The SWISS CHARTER underwent several changes and updates during the revision cycle, upon which this document is based. The key modifications are outlined below:

- The guiding principle and objective of the SWISS CHARTER were expanded to include contextualization of the challenges posed by climate change and the motivation for international cooperation in the introductory chapter;
- The Code of Principles of the SWISS CHARTER, forming the basis of the climate protection certificates, was slightly amended to explicit reference real, additional, permanently secured, measurable, identifiable, traceable, and verifiable emission reductions, align with the formulation of these principles;
- With the creation of the two climate protection certificate classes SCU-GS and SCU-PS, the fact that not all relevant greenhouse gases are covered by the Paris Agreement was taken into account. Thus, the SWISS CHARTER defines SCU-PS, which are particularly relevant in connection with Article 6 of the Paris Agreement, and SCU-GS, which pursue a purely scientific approach to determining emission reductions;
- The SWISS CHARTER introduces the concept of strict additionality, which excludes the use of investment analysis to check the plausibility of additionality and therefore raises the requirements for climate protection projects even further;
- The formal separation between the methodology document and the project design document was eliminated, consolidating the content of both into a single Mitigation Activity Design Document (MADD). This simplifies audit processes and strengthens a focused, transparent analysis of projects by all stakeholders;
- Organizations accredited by the Swiss Federal Office for the Environment for the auditing of climate protection projects have been included in the circle of potential validators and verifiers;
- The SWISS CHARTER was supplemented with an explicit section with requirements for the re-validation of projects as part of follow-up certifications after the first certification cycle;
- Several new requirements were added to the categories and framework conditions for project-based sustainable development, particularly in the sustainability impulse category;
- A glossary has been incorporated into the SWISS CHARTER to ensure clear terminology and conventions for interpreting content.

It is important to note that the SWISS CHARTER, titled "Climate Protection through a Circular Economy", is endorsed by the Fair Recycling Foundation, located at Obstgartenstrasse 28, 8006 Zurich, Switzerland. Any updates to this document must receive approval from the Fair Recycling Foundation.

1.3 Supported by FEON, SDC and SECO

The project and the SWISS CHARTER were supported by the Federal Office for the Environment (FOEN), the State Secretariat for Economic Affairs (SECO), and the Swiss Agency for Development and Cooperation (SDC) during their development and implementation.

1.4 Statement by EBP Schweiz AG

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Zürich, 06.05.2024

SWISS CHARTER "Climate protection through a Circular economy"- Statement as a validation and verification body for compensation activities

As an international engineering and consulting company, EBP Schweiz AG strives to develop strategies and solutions for a sustainable future. As a validation and verification body accredited by the Swiss Federal Office for the Environment (FOEN) and the Swiss Federal Office of Energy (SFOE), it conducts independent audits of compensation activities.

The SWISS CHARTER sets out principles that can be applied by project developers when planning and implementing recycling-based compensation activities to create environmental, economic and social added value. It also defines the details and information to be included in project descriptions and the documents that must be submitted to the validation and verification bodies as part of an assessment process.

EBP Schweiz AG highly appreciates the guidelines and rules of the SWISS CHARTER and considers them helpful and useful for project development as well as for subsequent validation and verification. It particularly welcomes the definition of priorities for the critical aspects of offset projects, namely "strong additionality", the measurability of measures, the transparency of documentation and, last but not least, the conservative calculation of emission reductions.

EBP Schweiz AG hereby confirms that the SWISS CHARTER and the audited project "End-of-Life Management of Refrigeration Equipment and Metal-Containing Foam Insulation Panels" comply with the current federal requirements for compensation activities and appreciates the exemplary character of the Fair Recycling Foundation and its commitment to a more sustainable future in emerging and developing countries on a voluntary basis. For the development of new compensation activities in countries with a bilateral agreement with Switzerland, EBP Schweiz AG encourages the Fair Recycling Foundation to have them audited by an accredited validation and verification body for offset projects to confirm compatibility with the federal requirements.

EBP Schweiz AG

A handwritten signature in black ink, appearing to read 'Denise Fussen'.

Denise Fussen
Overall coordinator
Compensation Activities

A handwritten signature in black ink, appearing to read 'P. Hamböck'.

Philipp Hamböck
Project Manager
Compensation Activities



2 General Principles

2.1 Definition of Greenhouse Gases and Global Warming Potentials

The SWISS CHARTER defines greenhouse gases (GHGs) and global warming potentials (GWPs) in accordance with the recognized state of international scientific research. The continuously published assessment reports of the United Nations Intergovernmental Panel on Climate Change (IPCC) serve as the scientific basis for the SWISS CHARTER.

2.2 Strict Additionality for Emission Reductions

Projects aiming to generate climate protection certificates under the SWISS CHARTER adhere to the concept of "strict additionality". Proof of additionality must be provided in accordance with the guidelines and instruments of the United Nations Framework Convention on Climate Change (UNFCCC). The UNFCCC provides tools for this purpose, such as the "Tool for the Demonstration and Assessment of Additionality (V7.0.0)" and the "Combined tool to identify the baseline scenario and demonstrate additionality (V7.0)", along with any subsequent updates following the publication of this version of the SWISS CHARTER. "Strict additionality" in connection with the use of these tools means that the proof of additionality is provided in such a way that:

- the project is characterized as the first and only one of its kind in the host country ("first-of-its-kind approach", "Step 0");
- or that there are significant, transparently comprehensible technological or economic barriers that exclude the operationalization of the project against the background of the identified basic scenario. Simultaneously, this exclusion can be clearly substantiated in the context of a "common practice" analysis of the implementation environment (combination of "Step 2 + Step 4").

"Strictly additional" also implies that the investment analysis ("Step 3") may support the determination of base scenarios but cannot be used to justify the additionality of the project scenario. Given the ease with which working hypotheses and parameters can be manipulated, as well as the frequent lack of market transparency and difficult access to data for auditors to evaluate investment considerations and analyses, the use of this step for the verification of project additionality within the framework of the SWISS CHARTER is excluded.

2.3 Real and permanently secured GHG Emission Reductions

All GHG emission reductions registered by project operators under the SWISS CHARTER must have actually been achieved (“real”) before they can be securitized as carbon credits. This means that “expected future emission reductions” or “projected emission reduction yields” are excluded from securitization as climate protection certificates under the SWISS CHARTER.

Furthermore, GHG emission reductions registered by project operators under the SWISS CHARTER must not be reversible (“permanently secured”). This implies that there is no risk in connection with the project that associated greenhouse gas emissions will occur in the further course of the project or after its conclusion due to natural events or management errors, for example. The emission reductions of the project will not be reversed at a later date. Projects for which the sustainability of GHG emission reductions is not assured are therefore not accepted under the SWISS CHARTER.

2.4 Measurable and validatable GHG Emission Reductions

GHG emission reductions must be determined using a methodology for measuring and monitoring GHG emissions for a baseline and a project scenario (“measurable”). This methodology must be based on ISO 14064-2:2019 and corresponding updates after the publication of this version of the SWISS CHARTER. Furthermore, the emission reductions must be realized on the basis of specific, identifiable projects that are comprehensively described with the help of a Mitigation Activity Design Document (MADD). In this context, all legal persons or legal entities that are entitled to the climate protection certificates generated as part of the project must be identified.

In addition to the methodology and project design presented in the MADD, a monitoring report must be prepared by the project operator for each period in which emission reductions have been achieved. This report provides information on the progress of the project and describes the activities realized within the period. The content and structure of the monitoring report are specified by the MADD (“validatable”).

To operationalize projects within the framework of the SWISS CHARTER, both the MADD with measurement methodology and project design, as well as the periodic monitoring reports must be validated and approved by independent auditors. To validate the MADDs and the monitoring reports, an audit must be carried out based on the requirements of ISO 14064-3:2019 and corresponding updates after the publication of this version of the SWISS CHARTER. In this context, the auditor prepares a validation report on the methodology and project documentation (MADD) and a verification report on the respective monitoring period (monitoring report). Validation and verification reports must be submitted by the project operator when registering emission reductions for securitization under the SWISS CHARTER.

To act as auditors, institutions must be independent of all persons named in the MADD with a claim to the climate protection certificates generated, and must either

- be accredited as Designated Operational Entities (DOEs) under the UNFCCC,
- or approved by the Swiss Federal Office for the Environment (FOEN) as auditors under the corresponding project type.

2.5 Identifiable and traceable GHG Emission Reductions

Climate protection certificates, once validated and verified under the SWISS CHARTER, must undergo digital securitization by a registry and be assigned a unique serial number for clear identification. This unique identifier ensures that all certificates are easily distinguishable ("identifiable"). Furthermore, the registry is responsible for documenting the entire life cycle of the climate protection certificates, including issuance, transfers between market participants, and certificate utilization with corresponding "retirement", in a transaction log accessible on a transparency portal of the registry ("traceable").

As per these requirements, identified certificates must be directly linked to a project and a monitoring period, and must be technically feasible to query these attributes in the registry database through search or filter functions using climate protection certificate UUIDs. Moreover, the legal owner of the certificate must be determinable at any point during the entire certificate life cycle. The registry employs formalized process workflows, incorporating role-based workflow definitions and role-based access control, to ensure the issuance, transfer, and utilization (decommissioning) of certificates. This guarantees the enforcement of the rights and authorizations of the climate protection certificate stakeholders outlined in the project design, preventing unauthorized access to the registry's transaction mechanisms.

Additionally, all documents related to the methodology, project design, monitoring, validation, and verification of the climate protection activities must be stored on the transparency portal. At least the auditors must be granted access rights to all of these documents as part of their review processes. This includes a legally valid declaration signed by the project operator confirming that the activity is not registered or operated under other climate protection programs or standards.



Approval and Operationalization of Projects

3.1 Initial Certification

For the first-time certification of projects, a “Mitigation Activity Design Document” (MADD) must be prepared, containing the methodology for measuring emission reductions and documentation on the specific design and planned implementation of the project. The document must adhere to ISO 14064-2:2019 and corresponding updates after publication of this version of the SWISS CHARTER. Subsequently, the MADD must be audited by an institution accredited in accordance with Chapter 1.4, taking into account ISO 14064-3:2019 and corresponding updates after the publication of this version of the SWISS CHARTER. The audit must be documented in a validation report that confirms the fulfillment of all SWISS CHARTER-defined requirements and recommends project registration. Generally, the project cannot commence before the completion and submission of the audit report for both documents. A recommendation for registration can only be made if the project and activities leading to emission reductions have not begun before the audit report is received, except when explicitly confirmed by the auditor, with the audit report addressing implications regarding the strict additionality of the project.

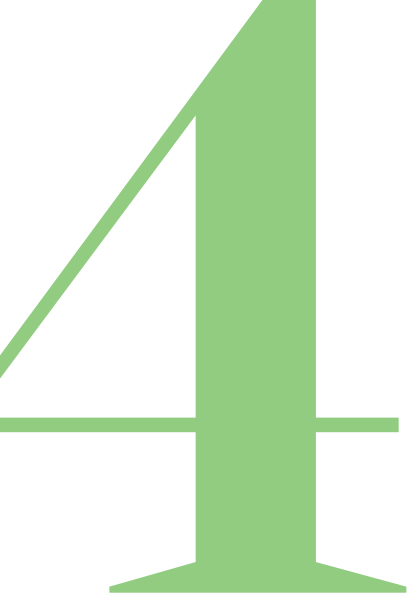
Based on the initial certification, project activities and the generation of climate protection certificates may occur for a period of 10 years. The start date of this period is determined by the first monitoring period’s start date, which must begin within 12 months of the validation report. During the project term, the project operator must define monitoring periods. At the end of each period, a monitoring report must be prepared within 3 months, and an auditor must be appointed within 6 months to audit the monitoring report in accordance with ISO 14064-3:2019 and corresponding updates. The audit results in a verification report confirming compliance with all requirements defined by the SWISS CHARTER and recommending the issuance of the determined quantities of climate protection certificates. The audit report, completed within 12 months, is submitted to the registry with the application for the issuance and securitization of climate protection certificates. The defined monitoring periods may cover a maximum of 36 months, and an audit of a monitoring report must be conducted at least every 3 years.

3.2 Follow-up certification after completion of a first certification cycle

Projects that have undergone at least one certification cycle must be revalidated at the end of the cycle’s end if the project activities continue and remain strictly additional. An updated version

of the MADD, considering ISO 14064-2:2019 and corresponding updates, must be submitted, preceded by a section reflecting changes and updates compared to the document(s) used for the initial certification.

The document's submission and associated validation can begin 6 months before the previous certification cycle's end. The MADD's submission and the new validation must occur at the latest with the first monitoring report created for the corresponding project within the new cycle. The validation for the new cycle is crucial for authorizing climate protection certificates resulting from the cycle. Issuing certificates based on a verified monitoring report from the new cycle, but on the basis of a validation report from a previous period, is not permitted.



Documentation

4.1 General Requirements

All documents required for the approval and operationalization of projects comply with the general principles of the SWISS CHARTER. The core documents, which must all be identified by date, version number, document type, and author, are the Mitigation Activity Design Document (MADD), Monitoring Report(s), Validation Report(s), and Verification Report(s). The project operator is required to retain all core documents for a period of 10 years after the end of the certification cycle and must make them available to auditors upon request. The following principles must be followed when preparing all core documents.

4.1.1 Relevance and Completeness

The methodology and project design must consider all sources, sinks, reservoirs, and directly attributable project-related secondary effects associated with the project when determining GHG emission reductions. The submitted methodology and project description must include corresponding scientifically substantiated data and evidence.

4.1.2 Accuracy and Consistency

Uncertainties and sources of systematic deviations are avoided where practicable and the overall documentation is presented in a clear manner.

4.1.3 Conservative Approach

The methodological approach and project design should be assessed using conservative estimates, values, and procedures to prevent overestimation of GHG emission reductions.

4.1.4 Transparency

MADD and monitoring reports must contain sufficient and appropriate GHG-related and process-related information to allow a comprehensive assessment by external validators and verifiers. Validation and verification reports on projects should be made publicly available.

4.2 Specific Requirements for Individual Documents

4.2.1 Mitigation Activity Design Document (MADD)

The Mitigation Activity Design Document (MADD) explains projects and their characteristics, providing identifying information. The MADD must include at least the following information:

- project title, project segment, planned project start and end (if applicable), identification and contact details of the project operator, and a description of the project location(s) that allows the project to be clearly located;
- contact information of all natural or legal persons owning the carbon credits generated by the project and the contact details of the register issuing the carbon credits of the project activity;
- a description of the technology, processes, products and services, along with a justification of their compliance with best environmental and technological practices;
- a confirmation of compliance with local laws and regulations, including all licenses and, in particular, environmental requirements, in accordance with the locally applied legislation;
- a concept defining how ecological, social, economic, and technological requirements for sustainable development impulses are to be achieved and measured;
- an identification and description of the greenhouse gas sources, sinks, reservoirs and directly attributable project-related secondary effects relevant in the baseline and project scenarios. Methodologies for measuring emission reductions described in the MADD, identify and describe the sources, sinks, reservoirs, and directly attributable project-related secondary effects in relation to greenhouse gases and define whether these are controlled or influenced by the project operator. The description contains criteria and assessment approaches for determining each individual source, sink, storage, and directly attributable project-related secondary effect and defines the extent to which these must be taken into account within the project boundaries;
- a description of the determination of the baseline scenario, including conditions defined before the start of the project. The MADD provides a list of possible baseline scenarios and uses the tools provided by the UNFCCC to document and explain the baseline scenarios and project scenarios relevant to the project and the calculation of GHG emission reductions. In particular, proof of the additionality of the project must also be provided in this context;
- a description of the approach used to determine the emission reductions, which is consistent with the variables and parameters monitored in the monitoring methodology, and an estimate of the amount of emission reductions that can be achieved over the lifetime of the project. In the MADD, an analysis of the emissions of the baseline scenario and the emissions of the project scenario is carried out and documented. The MADD also defines how emissions are to be calculated in a manner appropriate to the structure of each methodological context. Data and parameters used for this analysis that are not monitored under the monitoring processes of the methodology are explicitly listed;
- a definition of the monitoring procedures, which includes their underlying estimates, models, calculation bases, and calculation approaches as well as the data and parameters to be monitored. The MADD describes and structures the monitoring and reporting processes and lists all the data and parameters required to monitor the project;
- a list of predefined data and parameters, including units of measurement and sources, used in the monitoring process but not listed under the methodology as variables to be continuously checked.

4.2.2 Monitoring Report(s)

The project operator prepares periodic monitoring reports containing all structural elements, data, calculations, estimates, conversion factors, and location factors defined in the monitoring procedure of the submitted and approved MADD.



Project-based Sustainable Development

Projects operationalized under the SWISS CHARTER trigger sustainable ecological, social, economic, and technological development impulses. Project operators under the SWISS CHARTER provide structured documentation of these impulses in project design documentation and monitoring reports, addressing the extent to which existing rules and regulations in these dimensions are complied with or exceeded. To quantify these drivers, project operators define indicators and corresponding target values that allow auditors and any other stakeholders to verify the achievement of project-based sustainable development.

5.1 Ecological Impetus

Projects operationalized under the SWISS CHARTER align with high environmental standards and contribute to the reduction of GHG emissions. In addition, SWISS CHARTER projects achieve measurable added value in at least two of the following areas:

- Resource conservation & circular economy: Projects achieve high reuse, remanufacturing, or recycling rates, maximize the circularity of materials, and substitute the use of primary raw materials.
- Energy efficiency: Projects aim to use energy-efficient production processes, technologies, equipment, buildings, and transportation to achieve energy savings from the project.
- Hazardous waste management: Projects ensure the safety as well as careful reuse and recovery of hazardous materials and aim to reduce the quantity, toxicity as well and persistence of the materials generated.
- Biodiversity: Projects behave in an ecologically sustainable manner to safeguard biodiversity in a particular region, community, or ecosystem for future generations.
- Protection of the ozone layer: Projects use alternatives to ozone-depleting substances (ODS) and contribute to the minimization of ODS emissions during the life cycle of these substances (production/use/disposal), committing to the safe recovery and destruction, and strict compliance with control mechanisms or the fight against illegal trade in ODS.

5.2 Social Impetus

Project operators under the SWISS CHARTER ensure that the local population benefits from the implementation of the project. Projects certified under the SWISS CHARTER achieve additional

measurable added value in at least two of the following areas:

- Creation of sustainable jobs: The projects create new employment opportunities at various skill levels.
- Improvement of working conditions: Jobs created are characterized by fair working conditions and are aligned with global best practices within economic viability.
- Local capacity building: Projects include continuous efforts to train stakeholders and employees and to strengthen employees' skills and qualifications.
- Economic empowerment: Projects enable socially disadvantaged people to consume more sustainably and help them to use or operate energy-efficient appliances and systems, for example.
- Equal opportunities: Project operators practice a strategy or action plan that integrates gender equality aspects and equal opportunities for different stakeholders in the project environment when defining and implementing activities.

5.3 Economic and Technological Impetus

SWISS CHARTER projects stimulate new market activities and create technological development prospects with the involvement of local partners and stakeholders. SWISS CHARTER projects achieve additional measurable added value in at least two of the following areas:

- Multiplier effects: Projects create an economic basis for suppliers and service providers of local partners.
- Contribution to a circular economy: Projects establish infrastructures that serve as a basis for industrial ecology and circular economy activities.
- Technology transfer: Projects transfer knowledge and expertise that forms the basis for sustainable, locally rooted technological and economic progress.

5.4 Sustainability

SWISS CHARTER projects are fundamentally free of controversy with regard to their sustainable development. These include, among others:

- Human rights: Projects are obliged to respect human rights in every respect, including violations of the rights to freedom, equality, and inviolability guaranteed in the Basic Law as well as the UN Universal Declaration of Human Rights.
- Business practices: companies involved must adhere to generally accepted legal and social standards, avoiding practices such as tax evasion, money laundering, corruption, and falsification of financial statements.
- Stakeholder environment: Project operators take responsibility for sustainable development, orient stakeholders act as role models applying best practices, and pay attention to sustainability in their value chain.
- Animal testing: Projects conducting or having conducted animal testing that harms or kills animals are excluded from certification by the SWISS CHARTER.
- Cultural heritage: Projects in which protected cultural sites or cultural heritage are impaired by economic or other activities are excluded from certification by the SWISS CHARTER.
- Displacement and relocation of people from their traditional environment: Projects involving the displacement or relocation of people from their current living environment (resettlement, use of land, etc.) are excluded from certification by the SWISS CHARTER.



Glossary

Additionality: a key criterion for assessing the effectiveness of investments in climate protection measures or projects. It means that emission reduction activities require additional economic or financial incentives beyond the existing regulatory and economic framework conditions to be practiced effectively. This distinction separates emission-reducing environmental projects that are already self-supporting in the interests of the private sector from those that require financing. In the case of self-sustaining projects, an investment in climate protection certificates for these projects is merely collected by the project operator as “windfall profit” and does not result in an actual climate protection effect. In contrast, projects that require financing achieve tangible emission reductions that would not materialize without the income from the climate protection certificates. Investing in non-additional projects means that no real emission reductions are achieved with the money invested. Consequently, there should be no securitization of emission reductions or issuance of climate protection certificates in connection with non-additional projects.

Emission reduction certificates: certificates embodying a type of climate protection certificate where greenhouse gas emissions have been reduced by identifiable activities of an organization, and on the basis of which clearly attributable environmental services rendered are securitized in the form of tradable certificates.

Intergovernmental Panel on Climate Change (IPCC): an intergovernmental body of the United Nations advancing scientific knowledge about climate change caused by human activities. The World Meteorological Organization and the United Nations Environment Programme founded the IPCC in 1988.

Climate protection certificates: assets representing a non-profit environmental good created based on identifiable activities reducing greenhouse gas emissions, securitized in the form of tradable certificated. Carbon credits are uniquely identifiable, have a serial number, and can be transferred as a securitized asset between interested organizations. Any organization, company or individual can use carbon credits to offset their greenhouse gas emissions on a voluntary basis, to support a strategy towards carbon neutrality, or to take a leadership role and responsibility in the fight against climate change.

United Nations Framework Convention on Climate Change: see UNFCCC. An international environmental agreement aiming to prevent dangerous anthropogenic interference with the climate system.

Carbon dioxide equivalents (t CO₂e): a unit of measurement standardizing the climate impact of various greenhouse gases, expressed in the warming effect over a specified period compared to CO₂. In addition to the most important man-made greenhouse gas, carbon dioxide (CO₂), there are other greenhouse gases such as methane, chlorofluorocarbons and nitrous oxide. The different gases do not contribute to the greenhouse effect to the same extent and remain in the atmosphere for different lengths of time. In order to make the effects of the various greenhouse gases comparable, the United Nations Intergovernmental Panel on Climate Change (IPCC) has defined the so-called “global warming potential”. This index expresses the warming effect of a certain amount of a greenhouse gas over a certain period of time (usually 100 years) in comparison to CO₂. For example, the impact of chlorofluorocarbon CFC-11 on the climate is 4660 times greater than that of CO₂.

Mitigation Activity Design Document (MADD): documentation of methods for reducing greenhouse gas emissions within a specific project. MADDs include a complete description of the projects, methods, tools, parameters, and other information and data required for an assessment of the activities within the scope of a climate protection project and are normally based on the requirements of ISO 14064.

SCU-GS: SWISS CHARTER Units - Global Scope, SCU-GS for short, carry the unit of measurement tons of carbon dioxide equivalents (t CO₂e) and represent greenhouse gas emission reductions that have been achieved taking into account the climate impact of all scientifically proven greenhouse gases in accordance with the assessment reports of the United Nations Framework Convention on Climate Change (UNFCCC).

SCU-PS: SWISS CHARTER Units - Paris Scope, SCU-PS for short, carry the unit of measurement tons of carbon dioxide equivalents (t CO₂e) and represent greenhouse gas emission reductions that have been achieved taking into account the climate impact of all greenhouse gases regulated and recorded under the Paris Agreement.

Greenhouse gases (GHG): trace gases that contribute to the greenhouse effect of a planet. They absorb part of the long-wave heat radiation (infrared or thermal radiation) emitted by the planet's surface, which would otherwise be emitted directly into space. The current anthropogenic increase in the concentration of various greenhouse gases, in particular carbon dioxide (CO₂), intensifies the natural greenhouse effect and leads to global warming, which in turn is associated with numerous consequences. This additional, man-made contribution to the greenhouse effect is referred to as the anthropogenic greenhouse effect.

Paris Agreement: The Paris Agreement (French: Accord de Paris) is a treaty under international law concluded by 195 parties to the United Nations Framework Convention on Climate Change (UNFCCC) with the aim of protecting the climate as a successor to the Kyoto Protocol.

UNFCCC, United Nations Framework Convention on Climate Change: The United Nations Framework Convention on Climate Change is an international environmental agreement with the aim of preventing dangerous anthropogenic interference with the climate system, slowing global warming and mitigating its consequences. At the same time, this name also includes the Secretariat, which oversees the implementation of the Convention and is based in Bonn. The 198

parties to the convention meet annually at conferences, the UN Climate Change Conferences (also known as “world climate summits”), at which concrete climate protection measures are discussed.

Certification cycle: documentation and auditing of climate protection projects, starting with the development of methods and project design and their auditing, and ending with the final verification of a monitoring report within a predefined project period. Climate protection projects are certified with regard to their emission-reducing properties and their additionality for a defined period of time. At the end of this period, a new certification cycle must be completed.

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