

2024

ANNUAL REPORT



CLIMATE
ACTION
RESERVE

Letter from the President



Greetings,

2024 was eventful and transformative for both the Reserve and the broader carbon markets, and also for US climate policy. The Reserve made exciting strides in advancing high-quality carbon crediting and supporting impactful climate solutions worldwide. Some of our key accomplishments include:

- Expanding our work into new geographies in Latin America and Asia
- Achieving the Integrity Council for the Voluntary Carbon Market (ICVCM) Core Carbon Principles (CCP) label for our overall program as well as several protocols—an important milestone in our ongoing journey to ensure our credits are recognized for their transparency and high quality
- Securing full approval by ICAO to support the first compliance phase of CORSIA
- Enhancing many of our protocols through major updates to new versions as well as strategic mid-version improvements and clarifications
- Hosting the North American Carbon World (NACW) 2024 conference, which was bigger and better than ever before, further cementing its excellent reputation as the best climate policy practitioners conference in North America, if not the world

The past year was a pivotal one for carbon markets. Markets continued to mature and strengthen, driven by advancements in integrity standards and guidance, the emergence of innovative technologies and collaborations, and key developments in international programs, including the international community reaching agreement on operationalizing Articles 6.2 and 6.4 at COP29.

However, 2024 also brought a significant political shift in the United States, with the presidential election ushering in a leader whose track record rejects the urgency of the climate crisis. This change presents undeniable challenges for climate policy at the Federal level and beyond.

Yet history has shown that such moments often spark a wave of bold, innovative action. Carbon markets are poised to play a crucial role in accelerating these efforts, offering a pathway for meaningful and scalable climate action.

Although my role at the Reserve will change next year, as I am stepping into retirement after serving as President for nearly a decade, I will support the transition for the next President and continue to support the Reserve's quality of work, integrity, and transparency.

Thank you for your continued partnership and dedication to advancing climate solutions. Together, we can transform challenges into opportunities and forge a path toward a more sustainable future.

Respectfully yours,
Craig Ebert

The Climate Action Reserve is the most trusted, efficient, and experienced carbon credit registry for global carbon markets.

A pioneer in carbon accounting, the Reserve promotes and fosters the reduction of greenhouse gas (GHG) emissions through credible market-based policies and solutions. As a high-quality carbon credit registry for voluntary carbon markets (VCM), the Reserve establishes rigorous standards involving multi-sector stakeholder workgroup development, local engagement, and public participation. The Reserve issues and tracks carbon credits in a publicly available system, ensuring transparency, traceability, and accountability. The Reserve also supports compliance carbon markets in California, Washington, and markets internationally.

The Reserve's Climate Forward program fosters proactive investment in future GHG reduction projects through ex ante crediting as a means to address emissions that are forecasted to occur. Climate Forward provides opportunities for GHG reductions at the scale and urgency necessary to meet the climate challenge with flexibility and integrity. Additionally, the Reserve hosts the annual North American Carbon World conference, North America's premier event to learn, collaborate, and network on carbon markets and climate policy.

The Reserve is an environmental nonprofit organization operating virtually with staff members located around the world as well as an office in Los Angeles, California.

MISSION

To develop, promote and support innovative, credible market-based climate change solutions that benefit economies, ecosystems, and society.

VISION

A global economy that accelerates climate actions through full and accurate accounting of their costs and benefits.

VALUES

Environmental Leadership • Integrity • Transparency • High Quality Customer Service • Multi-Stakeholder Support • Market Value



CLIMATE
ACTION
RESERVE

About the Climate Action Reserve



2024 Achievement highlights

RESERVE CARBON CREDIT PROGRAM

- ⌘ Adopted four new protocols in 2024 supporting the program's growth and expansion into new sectors and jurisdictions:
 - Panama Forest Protocol v1.0
 - Guatemala Forest Protocol v1.0
 - U.S. and Canada Biochar Protocol v1.0
 - Argentina Livestock Protocol v1.0
- ⌘ Launched process to develop the Argentina Landfill Protocol
- ⌘ Worked on updates to the following protocols:
 - Canada Grassland Protocol to v1.1
 - Mexico Forest Protocol to v3.1
 - U.S. Grassland Protocol to v2.2
 - U.S. Soil Enrichment Protocol to v2.0
 - Mexico Livestock Protocol
 - U.S. Livestock Protocol
 - U.S. Organic Waste Composting Protocol
 - Nitric Acid Production Protocol
- ⌘ Worked on errata and clarifications for our protocols, demonstrating commitment to continually monitoring and improving upon our protocols:
 - Published errata and clarification for the China Adipic Acid Production Protocol
 - Held public comment period for errata and clarifications for the Mexico Forest Protocol v3.0
- ⌘ Developed and updated numerous tools and resources for program participation
- ⌘ Posted a log of variances online to make it more accessible
- ⌘ Posted a log of listed projects online to allow for user-friendly public comment
- ⌘ Reached the milestone of issuing 200 million CRTs
- ⌘ Registered the first low-carbon cement project – the Kirkland Natural Pozzolan SCM Project in Skull Valley, AZ



2024 Achievement highlights

INTERNATIONAL AND COMPLIANCE PROGRAMS

- ✿ ICAO approved the Reserve for full participation under CORSIA Phase 1, which runs from 2024-26
- ✿ ICVCM approved the Reserve program as CCP-eligible, signifying the Reserve has met the Integrity Council's rules on robust quantification of emission reduction and removals, no double counting, and sustainable benefits and safeguards
- ✿ ICVCM approved three Reserve protocols under its Core Carbon Principles:
 - US Landfill Protocol v6.0
 - US ODS Protocol v1.0 and v2.0
 - Article 5 ODS Protocol v1.0 and v2.0
- ✿ Reserve staff served on ICVCM Multi-Stakeholder Working Groups to support assessment of categories for CCP approval; Jon Remucal served on working groups for IFM and CDR, and McKenzie Smith served on the workgroup for Agriculture & ARR
- ✿ Reserve staff served on working groups to inform revisions to protocols under the Washington Cap-and-Invest program; Jon Remucal served on the U.S. Forest Offset Protocol Technical Working Group and Holly Davison served on the Ozone Depleting Substance Offset Protocol Technical Working Group
- ✿ Kristen Gorguinpour served as co-chair of the Climate Action Data Trust (CAD Trust) Technical Committee to advise on technical development and new innovative features of the CAD Trust platform
- ✿ WRI & Pronatura subcontracted the Reserve for a USAID grant that supports greater technical, institutional, and financial capacity to enhance value of Mexican forests through market-based mechanisms; the Reserve worked to build capabilities within forest communities to be able to participate in the carbon market, including by holding 11 in-person trainings, 4 remote extensive trainings, and 16 verification oversights
- ✿ The Reserve is a member organization of a collaboration of independent crediting programs (ICPs) working to amplify the impact of carbon markets in mitigating climate change and supporting countries in implementing Article 6 and their Nationally Determined Contributions

2024

Year in review

[CUMULATIVE NUMBERS]

29 TOTAL PROTOCOLS

4 PROTOCOLS ADOPTED IN 2024

- Argentina Livestock
- Guatemala Forest
- Panama Forest
- U.S. & Canada Biochar



3 PROTOCOLS RECEIVE ICVCM CCP APPROVAL

- US Landfill Protocol v6.0
- US ODS Protocol v1.0 & v2.0
- Article 5 ODS Protocol v1.0 & v2.0

615 ACTIVELY REPORTING PROJECTS

IN



45 U.S. STATES

AND



15 MEXICO STATES

SUSTAINABLE DEVELOPMENT GOALS

74 PROJECTS REPORTING SDG IMPACTS

222.3m CARBON CREDITS ISSUED

70.1m CARBON CREDITS RETIRED

3.2m CARBON CREDITS IN BUFFER POOL



REGISTERED THE FIRST CARBON CREDITS FOR LOW CARBON CEMENT



APPROVED THE FIRST PROJECT DEVELOPER ACCOUNT IN GUATEMALA



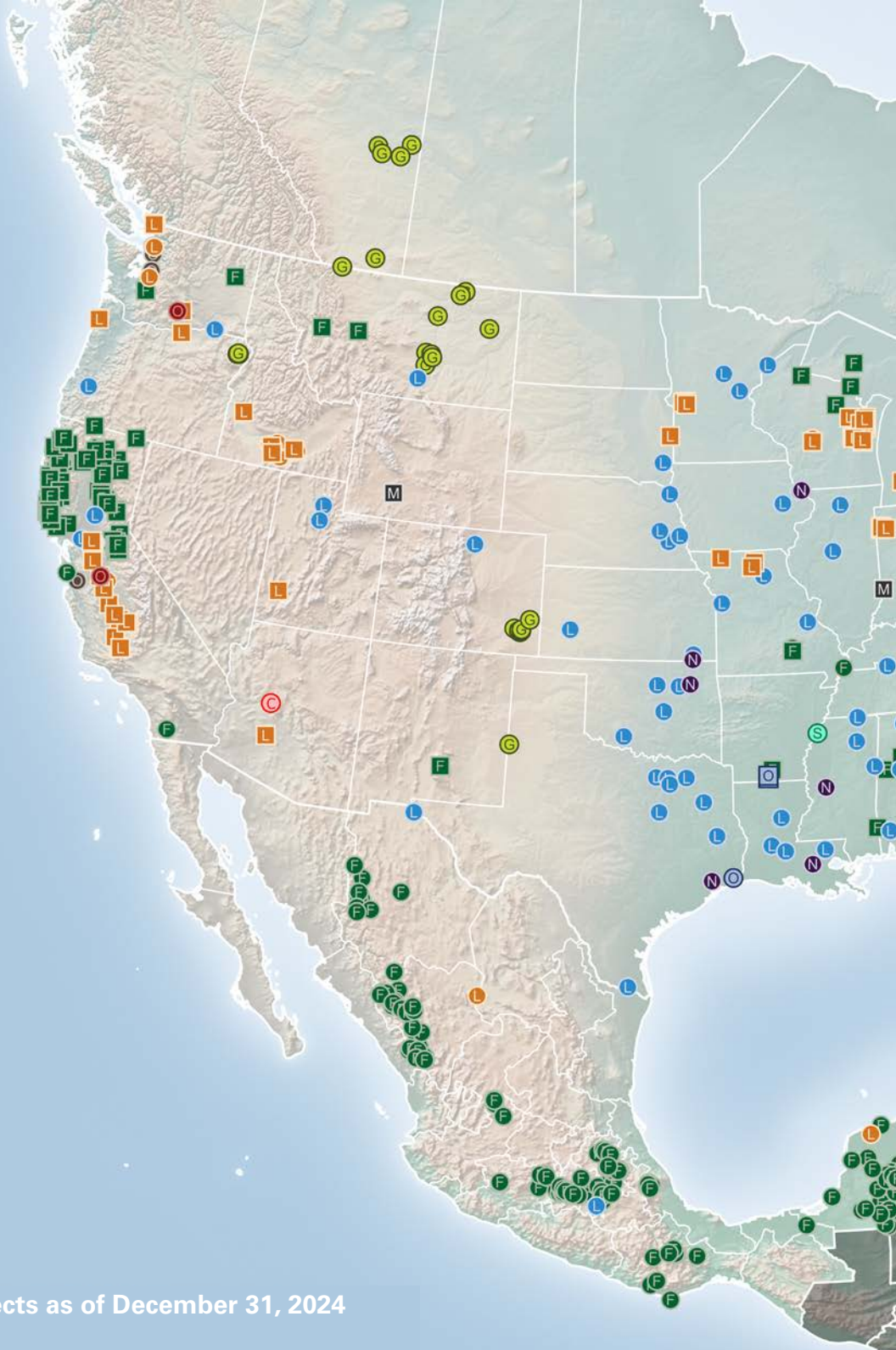
41 CORSIA-ELIGIBLE PROJECTS

1.6m CORSIA-ELIGIBLE CREDITS

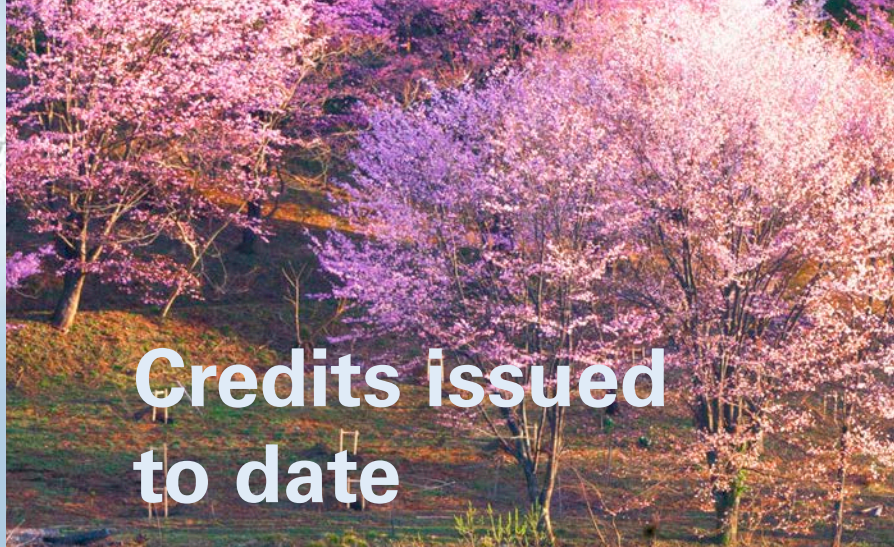


Map of registered & completed projects

- A Adipic Acid
- O Composting
- F Forest
- F Forest (ARB)
- G Grassland
- L Landfill
- L Livestock
- L Livestock (ARB)
- C Low Carbon Cement
- M Mine Methane (ARB)
- N Nitric Acid Production
- N Nitrogen Management
- O Organic Waste Digestion
- O Ozone Depleting Substances
- O Ozone Depleting Substances (ARB)
- S Soil Enrichment



797 Completed & Registered Projects as of December 31, 2024



Credits issued to date

Natural Climate Solutions

Mexico Forest:	10,857,189
U.S. Forest:	18,186,363
U.S. Forest-ARB:	79,639,299
U.S. Grassland:	355,360
U.S. Nitrogen Management:	591
U.S. Soil Enrichment:	334,309

Waste Handling and Methane Destruction

Mexico Landfill:	279,352
Mexico Livestock:	575
U.S. Coal Mine Methane:	1,209,440
U.S. Landfill:	44,328,513
U.S. Livestock:	3,282,175
U.S. Livestock-ARB:	6,348,133
U.S. Mine Methane Capture-ARB:	2,405,675
U.S. Organic Waste Composting:	898,900
U.S. Organic Waste Digestion:	257,740

Industrial Processes and Gases

U.S. Adipic Acid:	14,515,089
U.S. Low-Carbon Cement:	72,053
U.S. Nitric Acid:	20,310,971
U.S. ODS:	10,475,311
U.S. ODS-ARB:	8,568,467

(as of December 31, 2024)

CLIMATE FORWARD▶

Climate Forward accelerates action on climate change by encouraging companies to make proactive investments now to mitigate their future emissions. It issues credits, called Forecasted Mitigation Units (FMUs), on an ex ante basis for forecasted climate benefits of greenhouse gas emission reduction projects in order to facilitate early investment in a wide array of innovative, creative emission reduction projects.

Interest in the Climate Forward program continues to grow as organizations look for bespoke emission reductions in line with future projections. Climate Forward offers the flexibility and creativity to invest in the emissions reduction project types, scales, and locations that are meaningful to an organization, while also offering the assurance and integrity of rigorous, high-quality GHG accounting standards.

2024 Achievements

- ✦ Issued errata and clarifications for:
 - Reforestation Forecast Methodology
 - Pool Cover Forecast Methodology
 - Improved Cook Stove Forecast Methodology v2.0
- ✦ Worked on updating the following methodologies:
 - Reforestation to v2.1
 - Reduced Emissions from Megafires to v1.1
 - Mature Forest Management to v1.1
- ✦ Worked on updates to the Climate Forward Program Manual and Confirmation Manual
- ✦ Developed tools and resources for project development
- ✦ Registered the first mature forest management project - Clear Heart Forest in Humboldt and Mendocino Counties, CA
- ✦ Registered the first reforestation project - Green Diamond Resource Company Moore Tract REF Project 1 in Del Norte, CA



CLIMATE
FORWARD▶

2024

Year in
review

[CUMULATIVE NUMBERS]

▶ 7 APPROVED METHODOLOGIES



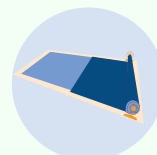
MATURE FOREST
MANAGEMENT



IMPROVED COOK
STOVES



DAIRY
DIGESTERS



POOL COVERS



REFORESTATION



SOLAR
PHOTOVOLTAIC



REDUCED EMISSIONS
FROM MEGAFIRES

1.7m

FMUs
ISSUED

286.4k

FMUs
RETIRED

24.7k

FMUs
IN RESERVE EX ANTE
RISK POOL

15 CONFIRMED
PROJECTS



- PROJECTS LOCATED IN -



CALIFORNIA



ZAMBIA



ZIMBABWE

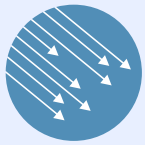
FIRST CREDITS
ISSUED FOR:



MATURE FOREST
MANAGEMENT



REFORESTATION



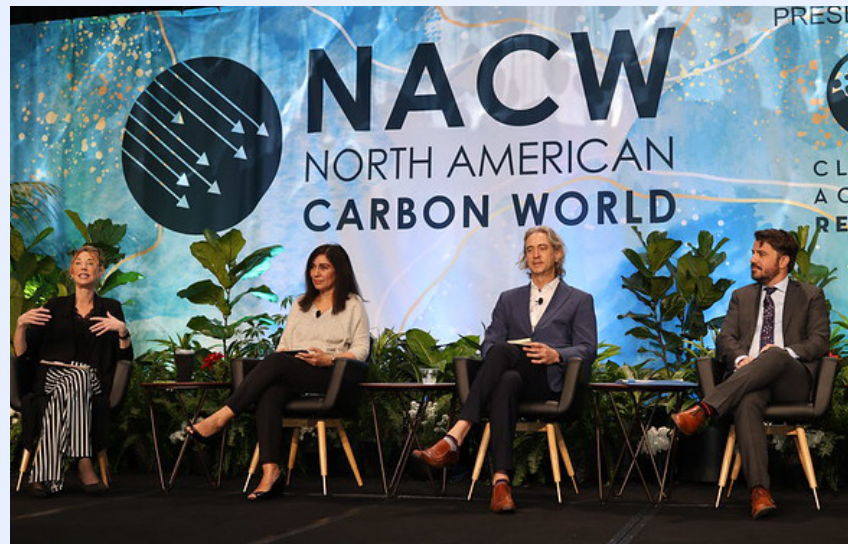
NACW
NORTH AMERICAN
CARBON WORLD

NACW 2024 was a great success! The conference drew over 1000 attendees, the largest in the 21-year history of the conference, demonstrating both the growing interest in advancing carbon markets with integrity and ambition and also the building of a strong carbon community with connections across sectors and economies to tackle the opportunities and challenges in advancing market-based climate solutions together. NACW's breadth of content, diverse speaker viewpoints, and engaging discussions helped attendees come away from the conference with new insights, ideas, connections, and opportunities.

Key speakers included:

- ✦ Hon. Jay Inslee, Governor, State of Washington
- ✦ Rostin Behnam, Chairman, Commodity Futures Trading Commission
- ✦ Liane Randolph, Chair, California Air Resources Board
- ✦ Dr. Ram Ramanathan, Distinguished professor (emeritus) of climate sustainability, Scripps Institution of Oceanography

At NACW, the Reserve presented Gov. Jay Inslee of the State of Washington with the 2024 Mary D. Nichols Climate Action Champion Award.

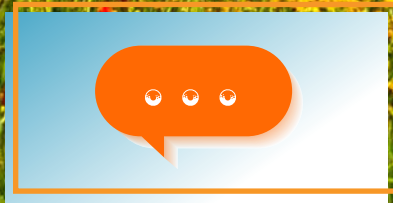




Events and webinars

- ✦ Craig Ebert spoke at the White House Super Pollutant Summit to supercharge efforts and outline a plan to curtail N2O and methane pollution
- ✦ Co-hosted a delegation with The Climate Registry to COP29 in Baku
- ✦ Held 13 verification trainings
- ✦ Hosted the following webinars:
 - Empowering Climate Action through Biochar: Insights into the U.S. and Canada Biochar Protocol v1.0
 - Landfill Protocol QA/QC Training
- ✦ Shared expertise and helped build climate collaborations by speaking at events and webinars. Some highlights include:
 - 2024 North American Biochar Conference
 - USC Guest Lecture Carbon Credits Markets
 - IETA European Climate Summit
 - Colombia Carbon Forum
 - Argentina Carbon Forum
 - S&P Carbon Management Americas Conference
 - Low Carbon Cement and Concrete Consortium Meeting
 - Mexico Carbon Forum
 - Navigating Carbon Markets: Quality Offsets and Effective Emissions Reduction
 - ClimateWeek NYC
 - IETA North America Climate Summit
 - Peru Carbon Forum
 - Chile Carbon Forum
 - IETA Latin America Climate Summit
 - Collaboration on Carbon: A workshop to understand downstream impacts and the future of US forest carbon markets
 - Indigo Science & Policy Forum

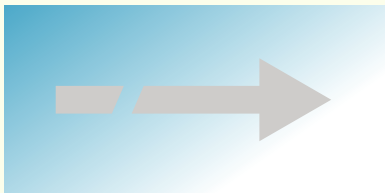




Communications and staff



- ✿ The Carbon Connection podcast series featured interviews with climate thought-leaders who shared insights and expertise on topics across the carbon market.
 - 6,350 total streams since podcast launch (2,238 streams in 2024)
 - 49 episodes published since podcast launch (13 episodes in 2024)
 - 328 Spotify followers



- ✿ The Reserve provided a presentation of facts to explain how landfill projects that take a zero-crediting period remain additional as the projects continue to meet and exceed the latest performance standard threshold and the carbon market was a key factor in funding the capital costs for implementing landfill gas collection, which is the most cost intensive portion of the project timeline.



- ✿ Craig Ebert published a commentary in Carbon Pulse titled 'No climate justice without carbon credits,' highlighting how the VCM is a key tool for investing in climate solutions with two important benefits beyond GHG reductions: fostering climate justice through funding climate projects in the Global South and supporting the UN Sustainable Development Goals through project co-benefits.



- ✿ The Reserve published an infographic on 'Biochar, the Climate Superstar,' highlighting the newly adopted US & Canada Biochar Protocol, which provides guidance for the acquisition, production, and application of biochar to ensure long-term carbon storage.



- ✿ The Reserve hired Edith Guerrero Calderon as Administrator Analyst, Jocelyn Urias as Analytical Associate, and Rose Fassassi as Senior Accountant.

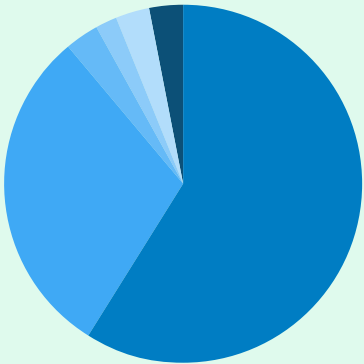


FY24 Financial summary

CONDENSED STATEMENT OF FINANCIAL POSITION

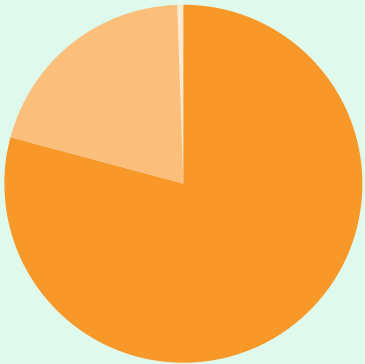
Total Assets	\$31,447,662
Liabilities	\$28,362,776
Net Assets	\$3,084,886
Total Liabilities & Net Assets	\$31,447,662
Total Revenues, Gains & Other Support	\$5,344,362
Expenses	\$5,631,642
Change in Net Assets	\$(287,280)

(FY24 runs from July 1, 2023 - June 30, 2024)



REVENUE & SUPPORT

Reserve Fees	59%
NACW Conference	30%
Grants/Contributions	3%
Workshop Income	2%
Contracts	3%
In-Kind/Misc/Interest	3%



EXPENSES

Program Services	79%
Management and General	20%
Fundraising	<1%

Reserve Board of Directors

GOVERNING BOARD

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Former Secretary for Environmental Protection, California Environmental Protection Agency

Peter M. Miller, *Secretary*

Director, Western Region, Climate & Clean Energy Program, Natural Resources Defense Council

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Retired General Manager, Sacramento Municipal Utility District

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Peter Liu

Managing Director, Clean Energy Advantage Partners

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President, Advanced Energy Economy

Eduardo Piquero

CEO, MÉXICO2

Tim Profeta

Founding Director and Faculty Fellow, Nicholas Institute for Environmental Policy Solutions; Assoc Prof of the Practice at the Sanford School of Public Policy Duke University

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Senior Director, Tropical Forest Policy, Environmental Defense Fund

Katie Sullivan

Managing Director, IETA

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Diane Wittenberg

Founding President, California Climate Action Registry

Ed Begley, Jr.

Actor and environmental activist



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