



SOCIETAL
IMPACT
FORUM ETHIBEL

CO2IOGIC

CARBON BALANCING SOLUTIONS REDUCING CLIMATE IMPACT CERTIFICATION STATEMENT 2023



Forum Ethibel is a Belgian association that actively promotes Corporate Social Responsibility (CSR) and Socially Responsible Investing (SRI) to accelerate the transition to a more sustainable society. In this context, Forum Ethibel develops products and services **to promote transparent and sustainable financial market behaviour**.

A **Forum Ethibel certificate** guarantees that the client's rules are observed and also serves to confirm and communicate this to the stakeholders.

*To CO2logic's stakeholders,
To private individuals and companies wishing to reduce their ecological footprints,
To the public,*

CO2logic S.A. has appointed **Forum ETHIBEL asbl**¹ to carry out an independent audit of the financial and procedural aspects of its carbon accounting, mainly concerning the offsetting mechanisms. More information is available on www.co2logic.com

CO2logic seeks verification of the (1) **reallocation of the collected funds** and their (2) **conformity with the Code of Conduct** it has developed.

Forum ETHIBEL has examined **CO2logic's carbon offsetting** credits sales services.

We had **CO2logic's** full administrative cooperation for our audit work, and they provided us with all the additional information we requested. This statement relates to the financial year 2022. We carried out the audit entirely in accordance with the contract provisions. This is the sixteenth annual certificate issued to **CO2logic**.

CO2logic intends to observe the rules of its Carbon Offsetting Code, which sets criteria such as additionality, transparency, traceability, and permanence of the carbon reductions. **CO2logic** updated this Code in the first half of 2015.

Offsetting Code

CO2logic follows the guidelines of the **Clean Development Mechanism (CDM)**, those of the **Gold Standard Foundation (GSF)** and those of the **Verra Registry (VCUs)**. The CDM credits are known as **Certified Emissions Reductions (CER)** and the GSF credits as **Voluntary Emissions Reductions (VER)**. These offsets allow Global North's countries to offset their emissions by buying carbon reduction credits in the Global South.

CERs are generated for avoided carbon emissions from projects that meet the Clean Development Mechanism criteria and that are located in the Global South that are signatories to the Kyoto Protocol. More information can be found on <http://cdm.unfccc.int/about/index.html>.

VERs are generated for avoided emissions from sustainable projects that meet the Gold Standard Foundation's strict criteria. The Gold Standard system also allows the purchase of carbon credits from projects located in countries that are not signatories to the Kyoto Protocol. These are credits from projects in the run-up to the approval from the Clean Development Mechanism.

The Gold Standard Foundation's criteria for determining the avoided emissions are of an equivalent level of quality to the CDM criteria. The difference is that Gold Standard projects have a more holistic focus with, in addition to carbon, regard for the economic, social, and environmental impact.

Small-scale projects, often with a substantial social impact, can also benefit from a more pragmatic approach, which improves the projects' sustainability. More information is available on www.goldstandard.org.

The Verra Registry issues credits in the form of **VCUs**, being Verified Carbon Units. More information can be found on <https://verra.org/>.

Plan Vivo is intended to avoid emissions through projects that support local communities in the sustainable management of natural resources, taking into account the climate, livelihoods, and the ecosystem. More information is available on <http://www.planvivo.org/>.

Offsetting projects

Fifteen projects have been validated and approved as a Clean Development Mechanism by the UNFCCC Secretariat (United Nations Framework Convention on Climate Change). Plan Vivo approved one project, while the Gold Standard Foundation endorsed the other Twenty-one projects.

<i>Project</i>	<i>Country</i>	<i>Code</i>
Development and distribution of energy-saving and energy-efficient charcoal stoves to replace more polluting stoves and reduce wood consumption and consequently deforestation and land degradation. This also reduces air pollution and the emission of harmful gases.	China	GS 949
	Rwanda	GS 3448 - GS2893
	Ghana	GS 407
	Uganda	GS 6604
	Kenya	GS 5642
	Nigeria	GS 7312
	Burkina Faso	PoA GS 1340 - GS 6419, 6152
	Uganda	GS 6604
	Bulgaria	VCS 1258
	Thailand	CDM 4219
Restoration of degraded pastures in the Burkinabé Sahel. Recovery of the original structure, productivity, and diversity.	Burkina Faso	Plan VIVO
Using borehole technology to provide safe water . This reduces the amount of firewood used by households in the water purification process and the amount of carbon dioxide emitted.	Rwanda	GS 6598
	Rwanda	PoA GS 1247 - GS 6838 & PoA GS 5047 - various projects
	Uganda	PoA GS 1247 - various projects
Construction and operation of a wind power plant . Electricity generated by the wind turbines reduces greenhouse gas emissions and stimulates sustainable energy generation.	India	GS 4425, 4426, 3969
	India	VCS 669
	India	VCS 927
	Turkey	GS 398
Energy industries project: Salvador Da Bahia Landfill Gas Management Project	Brazil	VCS 1902

Project	Country	Code
Construction and operation of a solar power plant . Today's energy consumption is still mainly dominated by wood fuel, while solar energy is largely underexploited.	India	GS 5928
Reduction of deforestation by improving the living conditions of the communities. This generates climate, social and biodiversity benefits.	DR Congo	GS 5618
	Bolivia	GS2951
Stimulation of forest conservation and sustainable agriculture by increasing the income and welfare of local farmers (in a sustainable manner) and avoiding uncontrolled loss of forest.	Kenya	VCS 1225
	Guatemala	VCS 1541
	Zambia	VCS 1532
	Kenya	VCS 612
	Zimbabwe	VCS 902
Hydro power renewable energy project.	Liberia	VCS 1665
	Indonesia	VCS 488
	Indonesia	CDM 4118
	Vietnam	CDM 3442

(1) Reallocation of the collected funds

In last year's certificate was mentioned that 88,5% of the carbon offset sold to customers in 2021 was indeed offset at year end 2022. At the date of 5 December 2023, this percentage is 99%. The missing percent represents 2184 carbon credits which translates as 2184 tonnes of CO₂.

At the date of **5 December 2023**, **99%** of the total number of tonnes of CO₂ sold to clients in 2022 was in balance with the tonnes indeed offset by the projects cited before.

This percentage is not at 100% due to a project that experienced issuance delays. This represents 8000 carbon credits (8000 tCO₂). The client of CO2logic is aware of the situation.

(2) Conformity with the Code of Conduct

The following section explains how the carbon offsetting of CO2logic is conform with their Code of Conduct on following points: *Ensure additionality, transparency, traceability, and permanence of the carbon reductions.*

Additionality

Additionality guarantees that the support given to a project is contributing to a real carbon reduction. It means that without the financial support of the clients of CO2logic, those projects would not be undertaken. The offset projects were safeguarded by the **Clean Development Mechanism (CDM)**, **Verified Carbon Standard (Verra)** and the **Gold Standard Foundation (GSF)** to the maximum extent possible in terms of additionality.

Transparency

This certification also aims to confirm the *transparency* and authenticity of the carbon neutrality announced in the invoices to companies, products, and services. Forum Ethibel has received all invoices and has detected no negative gaps between carbon offsetting announced and carbon actually offset (or in the process to be offset).

Due to the challenges of the growing demand as explained above, some offsetting had to be done with other projects than the one announced and invoiced to clients. The sold carbon credits were then allocated to other - comparable projects. In general, clients are not aware that the projects they chose could be replaced in case the project they chose did not deliver. As this will be a recurrent issue, we advise CO2logic to improve the terms and conditions and/or communication towards clients.

Traceability

Except for the carbon credits that are not offset, we examined the offsetting certifications received by the **Clean Development Mechanism (CDM)**, **Verified Carbon Standard (Verra)**, and the **Gold Standard Foundation (GSF)** and concluded that the offsetting batches are all linked to a single carbon credit number.

Permanence

Permanence guarantees that the carbon offsetting has lasting benefits over time. As for additionality, the choice of VCS and Gold Standard labelled projects ensure permanence of the offsetting as they set precise criteria for carbon credits.

Conclusion

The scope of the carbon offsetting has always been indicated on invoices. Additionality, traceability, and permanence are secured by the **Clean Development Mechanism (CDM)**, **Verified Carbon Standard (Verra)**, and the **Gold Standard Foundation (GSF)** standards.

CO2logic **offset 99% of the carbon credits** sold in 2021 and 2022. In total, 10 184 tonnes of CO2 weren't offset whilst purchased by a client for offsetting. Despite the setbacks experienced by this project, the client has decided to continue investing in the project.

Each other carbon credit has been offset either with the corresponding project, either with a similar project. CO2logic might need to improve their **transparency** to inform clients of the state of the projects.

Therefore, we declare that, for the financial year 2021 and 2022, the investments made with the offsetting contributions by **CO2logic** are in compliance with the objectives and the Code of Conduct as CO2logic was transparent to the client where the offsetting did not take place and the client did not wish to be reimbursed. CO2logic manages the carbon accounting of its credit trade on a best effort basis.

Brussels, 14 December 2023,
For Forum ETHIBEL asbl,



Kenny Frederickx,
General Director



Sophie Brassinne,
Research Officer

Forum Ethibel

info@Ethibel.org

www.forumEthibel.org

ⁱ **Forum ETHIBEL** is a Belgian independent association, created in 1992 and recognized as an expert in rating, independent audits and certification of products and services that meet ESG and ethical standards (www.forumethibel.org)