

Proba Additionality Assessment

[PROJECT TITLE]

Project ID: [to be provided by Proba] [Date or month 202x] Template last updated: 09/07/2025 Template version: 1.0

Purpose and use of this template

This template supports project developers in assessing and demonstrating Additionality, as defined in Section 3.6 of the <u>Proba Standard</u>¹. A project is considered additional if the GHG reductions or removals would not have occurred without the enabling role of carbon finance. To meet this criterion, Proba requires compliance with three types of additionality:

- 1. Regulatory Additionality
- 2. Financial Additionality
- 3. Prevalence

All three must be addressed.

The Additionality Assessment must be included as an appendix or addendum to the POD on the Proba Registry. For transparency, a public-facing version of the assessment must always be made available. If the assessment contains sensitive or confidential information, a separate public-facing version must be prepared in accordance with Section 5.4 of the Proba Standard. While supporting evidence may be withheld in such cases, the core reasoning and key claims must remain accessible in the public version.

Note: Some methodologies may include specific instructions or criteria for assessing additionality. This template includes optional subsections where such methodology-specific guidance can be documented.

Multi-intervention projects

If a GHG Project introduces multiple interventions, this template should address each intervention separately. Where feasible, consolidate responses to avoid duplication, but ensure that the traceability of each intervention is maintained. If multiple methodologies are applied, ensure all methodology specific additionality guidelines are clearly addressed.

¹ <u>https://proba.earth/hubfs/Product/The_Proba_standard.pdf?hsLang=en</u>

SECTION A: Regulatory Additionality

A.1 Legal Framework Assessment

- Is the project activity required by any existing law, policy, or regulation?
- Are there any upcoming regulations that would mandate this activity during the crediting period?
- If the project is required by regulation but goes beyond the minimum requirements, describe how the intervention exceeds the legal baseline.
- Are there any sector-wide GHG reduction targets or current trends that indicate that the project activity is becoming standard?

A.2 Methodology-Specific Guidance

• Provide the specific rules from the selected methodology that apply to assessing regulatory additionality.

A.3 Supporting Evidence

• Where applicable, attach policy documentation, sectoral trend reports, or legal assessments.

SECTION B: Financial Additionality

Proba accepts the usage of the <u>CDM Tool for the Demonstration and Assessment</u> <u>of Investment Additionality</u>² as a valid and structured approach to assess financial additionality. Project developers may refer to this tool to guide their analysis, using its accepted logic and structure to demonstrate the need for carbon finance. Alternatively project developers can use the following checklist.

B.1 Investment Viability

- Conduct a simple cost analysis demonstrating that the total costs of implementing and operating the project exceed any financial benefits.
- If the project does generate revenues, quantify the business case using an investment analysis method like Net Present Value (NPV) or Internal Rate of Return (IRR)

B.2 Financing conditions and constraints

- Are there cost-related barriers (e.g., high upfront CAPEX, long ROI periods)?
- Would this project proceed without carbon financing?
- Has the project received subsidies or public incentives related to emissions reductions? Please explain their role and impact.

² <u>https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-01-v7.0.0.pdf</u>

B.3 Methodology-Specific Guidance

• Where applicable, include methodology-specific financial thresholds or guidance.

B.4 Supporting Evidence

• Include cost analysis or calculations in a spreadsheet supporting the first condition (B1).

SECTION C: Prevalence

Projects must show that the intervention is not commonly adopted in the relevant region or sector. This supports the claim that the activity is not business-as-usual.

Proba follows the <u>CDM common practice guidelines</u>³, considering an intervention common if its adoption rate exceeds 25%. Developers may demonstrate non-prevalence using adoption data, benchmarks, or expert assessments.

If adoption data is limited, performance benchmarking may be used to show the project significantly outperforms typical practices. A barrier analysis can supplement the prevalence assessment, but is not mandatory.

C.1 Prevalence / Common Practice

- What is the adoption rate of this practice in the relevant region/sector?
- Is it below 25% (Proba threshold for non-common practice)?

C.2 Benchmarking

- Provide performance data showing that the project significantly exceeds average practice (for example achieving lower nitrogen input per hectare)
- Name the benchmark (e.g., regional nitrogen norm, GHG intensity benchmarks, FAO or peer-reviewed studies).

³ <u>https://cdm.unfccc.int/Reference/Guidclarif/meth/meth_guid44.pdf</u>

C.3 Non-Financial Barriers (Optional)

• Describe any technical, institutional, or cultural barriers that may hinder adoption. This is optional and can supplement the prevalence assessment but is not required.

C.4 Methodology-Specific Guidance

• Where applicable, include specific performance indicators or thresholds defined by the methodology.

C.5 Supporting Evidence

• Provide adoption data, expert interviews, and baseline vs. project datasets.

SECTION D: Methodology-Specific

Additionality Tests (Optional)

- List any methodology-specific additionality tests not covered in Sections A–C.
- Where applicable, attach required documentation as defined in the methodology.

Declaration by Project Developer

I declare that the information provided is accurate, and the project would not have occurred without the enabling role of carbon finance.

Signature:	
Name:	
Date:	