

VCU - Northmore Gordon

Canonical: <https://northmoregordon.com/glossary/verified-carbon-unit-vcu/>

Details:

[Home](#) › [Glossary](#) › [VCU](#)

VCU

A Verified Carbon Unit (VCU) is a unit issued under the Verra Verified Carbon Standard (VCS) program. Each VCU represents one tonne of carbon dioxide equivalent that has been verified as avoided or removed through an eligible project. VCUs are tradable instruments created through project registration and verification, distinct from government-administered schemes such as Australian Carbon Credit Units (ACCUs). They provide organisations with a mechanism to purchase verified carbon offsets from international projects when supporting decarbonisation claims or voluntary commitments.

Related guidance

[Carbon advisory](#)

[Scope 1, 2 and 3 emissions](#)

[Certificates](#)

[Government schemes](#)

[Certificate trading](#)

[Measurement and verification](#)

What is a VCU (Verified Carbon Unit)?

A Verified Carbon Unit (VCU) is a unit issued under the Verra Verified Carbon Standard (VCS) program. Each VCU represents one tonne of carbon dioxide equivalent that has been verified as avoided or removed through an eligible project. VCUs are tradable instruments created through project registration and verification, distinct from government-administered schemes such as Australian Carbon Credit Units (ACCUs). They provide organisations with a mechanism to purchase verified carbon offsets from international projects when supporting decarbonisation claims or voluntary commitments.

How do VCUs differ from Australian Carbon Credit Units (ACCUs)?

VCUs and ACCUs belong to separate programmes with different governing authorities and eligibility requirements. ACCUs are issued under Australia's ACCU Scheme administered by the Clean Energy Regulator (CER) and apply to specific registered projects meeting Australian methods and registration criteria. VCUs operate under Verra's international VCS program. While both represent tonnes of CO₂-equivalent abatement, they should not be compared as equivalent units or combined without careful accounting treatment. The choice between them depends on the project location, applicable frameworks and intended use in corporate reporting or claims.

Can VCUs be used under the Climate Active Program?

Yes, VCUs are eligible for use under the Climate Active Program according to our guidance. When organisations purchase VCUs to support Climate Active claims or other voluntary commitments, the

instruments must be selected, verified and retired following the applicable accounting framework. Organisations should establish clear inventory boundaries and apply the relevant reporting standard before selecting VCUs as part of a carbon management strategy. We provide environmental-attribute due diligence services to verify the integrity and validity of purchased carbon offsets before procurement and retirement.

What is the role of Verra in the VCS program?

Verra is the standards-setting authority that establishes and administers the Verified Carbon Standard (VCS) program under which VCUs are issued. Verra sets the methodologies, registration requirements, monitoring and reporting standards that projects must meet to generate verified carbon credits. The organisation maintains the project registry and oversees the verification process to ensure that claimed emissions reductions or removals are credible and additional. Understanding Verra's governance structure is essential when assessing VCU project quality and eligibility for specific corporate or voluntary commitments.

How should VCUs be accounted for in a corporate emissions inventory?

VCUs purchased for retirement should be accounted for separately from an organisation's direct emissions inventory (Scope 1 and 2). They represent purchased instruments that support specific claims rather than physical reductions in the organisation's own emissions. The accounting treatment depends on the reporting framework being applied and the intended claim. Organisations must maintain a claim file documenting the exact wording of any environmental or carbon-neutral claim, supporting calculations, purchase and retirement evidence, period, assumptions and approver. Our carbon advisory services help organisations establish correct boundaries and apply the relevant reporting standard before selecting and retiring VCUs.

What due diligence should be performed before purchasing VCUs?

Before purchasing VCUs, organisations should conduct environmental-attribute due diligence to verify the integrity and validity of the instruments. This assessment should confirm the VCU project details, verification status, registry evidence, ownership and exclusive claim rights. Organisations must also establish how VCU retirement aligns with their stated accounting framework and reporting obligations. We provide environmental-attribute due diligence services as part of our carbon advisory work, helping clients assess renewable attributes and carbon offsets before procurement and retirement to ensure credibility and compliance with applicable standards.

How do VCUs relate to an organisation's net-zero or carbon-neutral claims?

VCUs can contribute to net-zero or carbon-neutral claims when used appropriately within a defined framework and complete boundary. A carbon-neutral claim requires a defined framework, complete accounting boundary and all supporting requirements to be met. Purchasing VCUs alone does not establish a net-zero commitment; the organisation must document its emissions inventory, reduction pathway and the role of purchased offsets within that strategy. We support organisations in developing transition plans and carbon strategies that integrate certificate procurement with physical emissions reductions, ensuring claims are credible and supported by documented evidence.

What should organisations consider when comparing VCUs to other carbon instruments?

When comparing VCUs to other instruments such as ACCUs, REGOs or renewable energy certificates, organisations should evaluate the scheme, authority, project location, eligibility criteria, price, quantity, verification status and intended accounting use. VCUs operate internationally and may offer access to projects in jurisdictions outside Australia; however, they should not be assumed equivalent to domestic instruments on the basis of price alone. The comparison should include certificate quantity, eligibility cost, verification requirements and commercial treatment. Our knowledge library provides guidance on comparing instrument options with their conditions clearly visible, helping organisations make informed procurement decisions.

