VERRA

VCS Version 5

Launch Webinar

February 4, 2026

Photo by Lisa Murray. Bale Mountains Eco-Region REDD+ Project, Ethiopia (Verra Project 1340).

Agenda

1. Introduction to VCS Version 5
2. Overview of major updates and effective dates
3. Overview of “effective immediately” updates
4. Q&A

Introduction to VCS Version 5

Version 5: Comprehensive updates to the market-leading Verified Carbon Standard (VCS) Program

What does Version 5 include?

- **Increased program integrity**, with a focus on social and environmental safeguards placing communities at the core
- **Enhanced program accessibility and usability,** with a digital-first approach, and more clarity on effective dates
- **Refined program scope for maximum impact**, with new sectoral scopes and geography-specific eligibility pathways

Development of VCS Version 5 included…

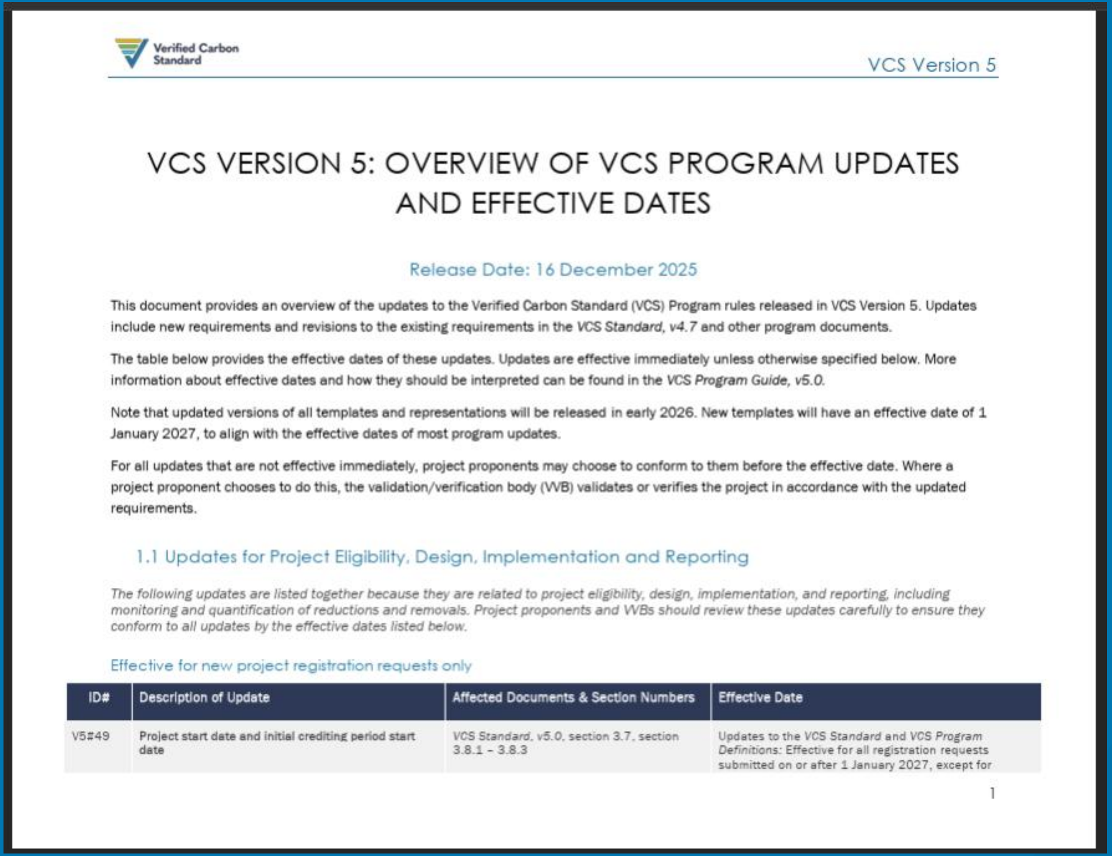
Public consultations with stakeholders

Feb 2023	Sept 2024	June 2025
General Public Consultation	**Initial Version 5 Public Consultation**	**Public Consultation on Final Updates to Version 5**
505 comments received 50 respondents	1,943 comments received 61 respondents	2,443 comments received 81 respondents

Engagement with experts including Verra's VCS Program Advisory Group, Sustainable Development Advisory Group, United Nations Development Programme (UNDP), Global Land Alliance (GLA), and Namati

Overview of updates and effective dates

- Updates have a unique ID number to enable easy cross-reference
- Updates are grouped by relevance *(i.e., updates affecting project design, procedures, and methodologies)*
- Some updates apply to all projects, others only to certain projects
- Effective dates are typically based on the date of submission of a project request *(e.g., listing request, registration request, verification approval request)*



Verified Carbon Standard

VCS Version 5

VCS VERSION 5: OVERVIEW OF VCS PROGRAM UPDATES AND EFFECTIVE DATES

Release Date: 16 December 2025

This document provides an overview of the updates to the Verified Carbon Standard (VCS) Program rules released in VCS Version 5. Updates include new requirements and revisions to the existing requirements in the *VCS Standard, v4.7* and other program documents.

The table below provides the effective dates of these updates. Updates are effective immediately unless otherwise specified below. More information about effective dates and how they should be interpreted can be found in the *VCS Program Guide, v5.0.*

Note that updated versions of all templates and representations will be released in early 2026. New templates will have an effective date of 1 January 2027, to align with the effective dates of most program updates.

For all updates that are not effective immediately, project proponents may choose to conform to them before the effective date. Where a project proponent chooses to do this, the validation/verification body (VVB) validates or verifies the project in accordance with the updated requirements.

1.1 Updates for Project Eligibility, Design, Implementation and Reporting

The following updates are listed together because they are related to project eligibility, design, implementation, and reporting, including monitoring and quantification of reductions and removals. Project proponents and VVBs should review these updates carefully to ensure they conform to all updates by the effective dates listed below.

Effective for new project registration requests only

ID#	Description of Update	Affected Documents & Section Numbers	Effective Date
V5#49	Project start date and initial crediting period start date	*VCS Standard*, v5.0, section 3.7, section 3.8.1 – 3.8.3	Updates to the *VCS Standard* and *VCS Program Definitions*: Effective for all registration requests submitted on or after 1 January 2027, except for

1

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New VCS Version 5 Resources page

ON THIS PAGE

- VCS VERSION 5 STAKEHOLDER RESOURCES
- FAQS
- WHAT'S NEW IN VERSION 5?
- WHY CHOOSE VCS VERSION 5
- WHAT CONTINUES IN VCS VERSION 5
- GETTING STARTED WITH VCS VERSION 5

- Copies of redlined (track changes) versions of the VCS Program documents for VCS Version 5.0
- Infographic: How VCS Version 5 Applies to Your Project
- Links to training webinar recordings and PPT slides

Overview of major updates and effective dates

VCS v5.0 objectives and major updates

Increasing program integrity

- New VCS Program principles
- Start date and initial crediting period start date requirements
- Crediting period lengths and baseline reassessment intervals
- Regulatory surplus demonstration
- Permanence innovation pilot
- Right to operate & right to reductions and removals
- Revised stakeholder engagement requirements
- Financial transparency for benefit sharing
- Revised safeguard requirements
- Ecosystem conversion safeguards

Enhancing program accessibility and usability

- Classification system for VCS sectoral scopes
- Grouped project rules
- Requiring digital project submissions

Refining the program scope for maximum impact

- Removing the concept of approved GHG programs
- Renewable energy expansion and table 1 changes

VCS Program Principles and VCU Attributes (V5#21)

Update overview	**Revised VCS Program Principles** (VCS Standard) • Accurate and conservative • Complete • Consistent • Relevant • Transparent **New VCU Attributes** (VCS Program Guide) • Additional • Durable • Independently verified • Traceable and not double-counted • Robustly quantified • Participatory-based • Safeguarded from unmitigated harm • Aligned with sustainable development goals • Aligned with net-zero transition PPs must apply the VCS Program principles to guide their decision-making when developing projects and monitoring, quantifying, and reporting on reductions and removals and other project outcomes.
Effective date	Effective for all project requests submitted on or after 1 January 2027

Project start date and initial crediting period start date (V5#49)

Update overview	**New definitions** **Term** / **Definition** *(in simple terms)* Project Start Date: The date of the first significant actions to implement the project activity Initial Crediting Period Start Date: The date that reductions and removals start to be generated
Effective date	Effective for all registration requests submitted on or after **1 January 2027** (unless the project was already listed as *under validation* before 16 Dec 2025) The new requirement to submit pipeline listing within 1 year of initial crediting period start date (*VCS Standard, v5.0,* section 3.8.2) only applies to pipeline listing requests submitted on or after **1 January 2027**.

New definitions

Term	Definition *(in simple terms)*
Project Start Date	The date of the first significant actions to implement the project activity
Initial Crediting Period Start Date	The date that reductions and removals start to be generated

Crediting period lengths and baseline reassessment intervals (V5#101)

Update overview

Project activity type	Baseline reassessment interval
IFM	5 years
REDD (without jurisdictional data)	
ACoGS	
CIW	
REDD (with jurisdictional data)	In accordance with the applied methodology *Note: C&Cs will be issued*
ALM projects with SOC stock change	
ARR	
RWE	

Effective date

For project types with new 5-year baseline reassessment interval:

- Effective for all registration requests, crediting period renewal requests, and verification approval requests with baseline reassessment submitted on or after **1 January 2027**
- Registered projects with a 6 or 10-year baseline may continue to use the 6 or 10-year baseline for verification approval requests submitted before **1 January 2030**

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Crediting period lengths and baseline reassessment intervals (V5#101)

Update overview

Project type	CP length	# of times renewable	Maximum total project CP duration
ALM with SOC stock change	20–100 years (no change)	4 (no change)	100 years (no change)
ARR			
IFM			
REDD			
WRC			
ACoGS			
GCS	5 years	8	45 years*
E&I	5 years	2	15 years*
ALM without SOC stock change			
Livestock systems (LS)			

Effective date

- **GCS:** effective immediately for new pipeline listings, and at next CP renewal if listed before **16 December 2025**
- **E&I, ALM without SOC change, LS:** Effective for all registration requests submitted on or after **1 January 2027**
  - For registered projects with a renewable crediting period (e.g., 7 years twice renewable):
    - The transition to 5-year renewal of crediting periods is effective at the next crediting period renewal request submitted on or after **1 January 2027**
    - *Registered projects may retain their original maximum crediting period

Regulatory surplus demonstration (V5#02)

Update overview	• Transitioned from Annex I to high-income country list • Regulatory surplus demonstration at validation, crediting period renewal, and verification with baseline reassessment • Laws or regulatory frameworks that explicitly allow or incorporate the use of carbon credits (e.g., for the measurement and reporting of impact or enforcement of the law or regulatory framework) do not need to be considered
Effective date	Effective for all registration requests, crediting period renewal requests, and verification approval requests that include a baseline reassessment submitted on or after **1 January 2027**

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Permanence Innovation Pilot and Durability Terminology (V5#102)

Update overview	3-year durability pilot launched and related terminology introduced Project proponents may use **insurance** or a **fund-based approach** instead of the buffer to manage reversal risk VCUs from piloting marked with an "innovation" label Where a reversal occurs, VCUs marked as *reversed* in Verra Registry until the reversal is remedied EOIs accepted on a rolling basis
Effective date	Effective immediately

Right to operate and right to reductions and removals (V5#14)

Update overview

- PPs must hold the right to operate and the right to reductions and removals
- New requirements to conduct:

A legal analysis to substantiate these rights* (all projects)

A land or resource rights analysis* (where such rights are affected by the project)

- Added and revised terms and definitions
  (e.g., 'right to operate' and 'right to reductions and removals')

Effective date

Effective for registration requests from projects with a project start date that occurs on or after **1 January 2027**

For existing projects: Effective from the next crediting period renewal request or verification approval request that includes a baseline reassessment submitted on or after **1 January 2030**

* A template and guidance will be provided

Revised stakeholder engagement requirements (V5#16)

Update overview	Engage stakeholders meaningfully before the project start date Develop and implement a stakeholder engagement plan aligned with their needs* Obtain FPIC where customary rights holders and IPs are affected *(with a signed project implementation agreement and a benefit-sharing mechanism)* Make available a robust grievance redress mechanism to all stakeholders at the earliest stages of project development
Effective date	Effective for registration requests from projects with a project start date that occurs on or after **1 January 2027** For existing projects: Effective from the next crediting period renewal request or verification approval request that includes a baseline reassessment submitted on or after **1 January 2030** *(i.e., using the stakeholder engagement plan template going forward, have a stakeholder input tracker, ensure ongoing consent, update the grievance redress mechanism)*

* A template and guidance will be provided

Financial transparency for benefit sharing (V5#58)

Update overview	Design a benefit-sharing mechanism jointly with rights holders *(where land or resource rights are impacted, and customary rights holders or IPs are identified in the project area)* Provide benefit-sharing mechanism participants with financial information on the project's revenues and costs. In-kind benefits may be included, under certain conditions Co-develop a plan for the continuing function of in-kind benefits related to long-term infrastructure that is not necessary to implement project activities
Effective date	Effective for registration requests from projects with a project start date that occurs on or after **1 January 2027** Effective from the next crediting period renewal request or verification approval request that includes a baseline reassessment submitted on or after **1 January 2030** *(i.e., where relevant, design and implement a benefit-sharing mechanism, or update it according to the v5 requirements)*

Revised safeguards requirements (V5#17)

Update overview	
	Assess risks and apply adaptive management to enhance protections to stakeholders and the environment*
	New governance requirements *(e.g., anti-corruption, anti-money laundering, illegal activities, emergency preparedness and response)*
	Enhanced social safeguard requirements, including for gender equality, and armed personnel
Effective date	Effective for registration requests from projects with a project start date that occurs on or after **1 January 2027** For existing projects: Effective from the next crediting period renewal request or verification approval request that includes a baseline reassessment submitted on or after **1 January 2030** *(i.e., prepare the risk assessment, including the mitigation measures that address the safeguards requirements according to v5 requirements)*

* A template and guidance will be provided

Ecosystem conversion safeguards (V5#23)

Update overview

Projects must not further degrade or convert an ecosystem, except if:

- it is highly degraded for at least 10 years prior to the project start date, or
- high degradation within 10 years is unrelated to the project and was not carried out by the project proponent.

New criteria to demonstrate high ecosystem degradation:

- significant historical, present, or imminent drivers of degradation; and
- the ecosystem lost its ability to sustain its biotic or abiotic characteristics.

ARR or WRC projects that restore ecosystems must demonstrate that the project activity is improving the ecosystem integrity toward reference conditions or an adapted/resilient state based on scientific evidence.

Effective date

Effective for registration requests from projects with a project start date that occurs on or after **1 January 2027**

VCS sectoral scopes and VCS project classification system (V5#44)

Update overview

Sectoral scope changes

- Scope 14. AFOLU → 14. Forestry and other land use (forests, wetlands, and grasslands)
  15. Agriculture
- New scopes → Other engineered removals
  Ocean and marine resources

VCS project classification system

- Defines project categories and project activity types for all sectoral scopes
- Once implemented, can be used for searching, filtering, and better cross-comparison of projects on Verra Registry
- Introduces new project activity types for ARR, IFM, and ALM

Terminology clarification

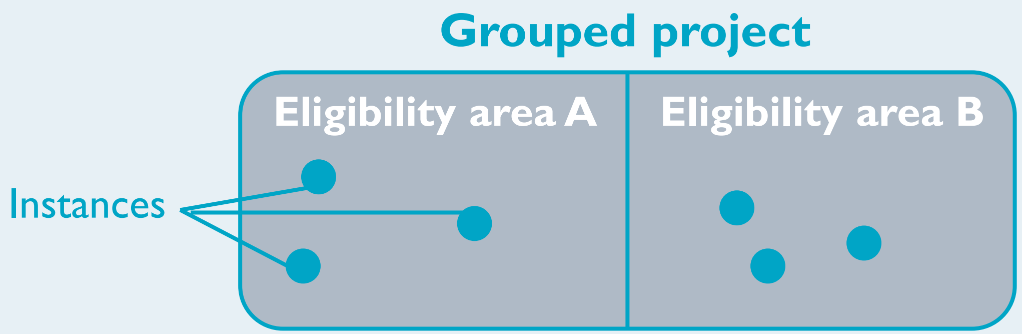
The term 'Non-AFOLU' was replaced with more specific terminology
(e.g., "energy and industry (E&I)" projects)

Effective date

Effective for all project requests submitted on or after **1 January 2027**

Grouped project requirements (V5#78)

Update overview	**What:** Revised project design section (including grouped projects) **Why:** Implementation and auditing challenges **Details:** • Reframed and reorganized grouped project requirements • Prior 'geographic area' = 'eligibility area' • Introduce the concept of a 'batch' of instances • Capacity limits (methodologies) now apply at the project (not instance) level
Effective date	Capacity limits & eligibility areas – All **registration requests** submitted on or after **1 Jan 2027** Batch inclusion forms - **All project requests** submitted on or after **1 January 2027**

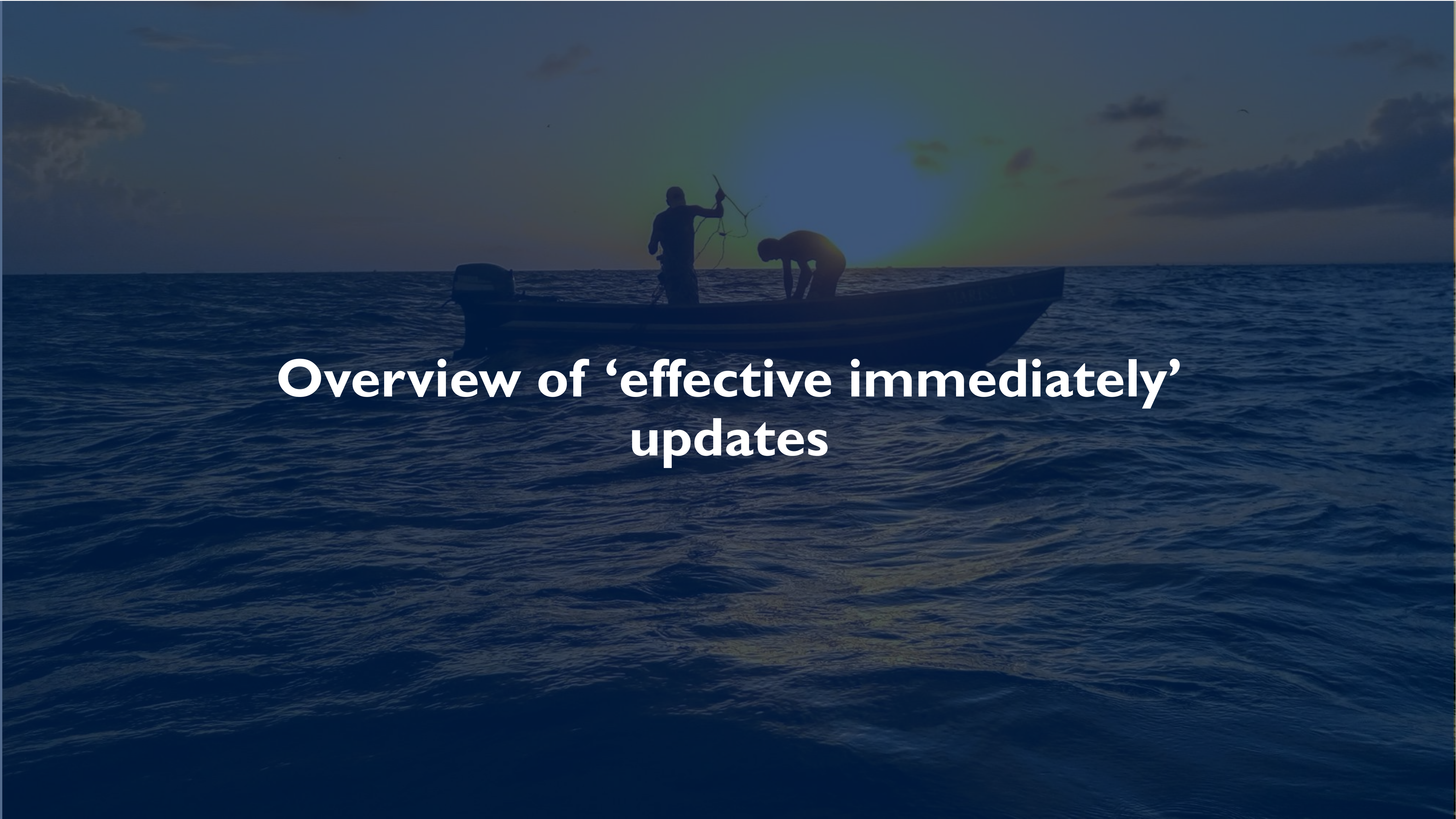


Removal of "approved GHG programs" concept (V5#43)

Update overview	- Removed two pathways: - Gap validations - Certified emission reduction (CER) conversion to VCUs - Added and clarified requirements for registering projects in the VCS Program that were previously registered with another GHG program. Key changes include: - Alignment with new project registration deadlines (Section 3.8.3) and new project crediting period lengths (Section 3.8.4) - Demonstration of regulatory surplus and conduct baseline reassessment based on prevailing conditions - Request registration within 10 years of VCS initial crediting period start date and within two years of date of project inactivity in other GHG program
Effective date	Effective for all registration requests submitted on or after **1 January 2027** New CER conversion requests not accepted after **28 February 2026**

Digital project submissions (V5#89)

Update overview	Project documents must now be submitted digitally via the Verra Project Hub where digital versions of methodologies are available. *Other forms, such as loss event notifications and buffer credit release requests, must also be submitted via the Verra Project Hub.* In the VCS Program Definitions, definitions were added or revised for 'Verra Project Hub' and 'project description.'
Effective date	Effective for all project requests submitted on or after **1 January 2027** Project proponents should check the Verra Project Hub for the latest information on available digitalized methodologies and their effective dates



Overview of ‘effective immediately’ updates

Effective immediately updates

- New accession, release, and transfer procedures (V5#104)
- Revisions to Table 1 – Default eligibility for project activities (V5#46)
- New treatment of methodology grace periods going forward (V5#98)
- Revised buffer pool management procedures (V5#108)
- Revised procedures for project withdrawals (V5#107)
- New quality control review procedures (V5#75)
- Procedures for returning project requests (instead of request denials) (V5#81)
- New inactivation and late to verify procedures (V5#80)
- Adoption of crediting period lengths for new GCS projects (#101)
- Requirement to submit the GCS NPRT digitally only for new GCS projects (#89)

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New accession, release, and transfer procedures (V5#104)

Effective immediately

New procedures to account for situations where:

- a project only has one project proponent who wishes to be released from the project, and a new entity wishes to accede.
- the remaining project proponents wish to remove a disputed or nonresponsive project proponent from the project.
- a project proponent of an active project no longer exists, and a new entity wishes to accede to the project.

What this means for stakeholders:

Stakeholders must use the updated procedures in the *Registration and Issuance Process* for the situations above.

Revisions to Table 1 – Default eligibility for project activities (V5#46)

Update overview	• Table 1 of the VCS Standard is revised to improve clarity by expressing default eligibility (instead of exclusions) • Going forward, methodologies define eligibility and Table 1 offers default eligibility in the case the methodology does not yet • Minor refinements to eligibility for energy efficient lighting, electricity transmission, and HFC-23 activities
Effective date	Updates to the *VCS Standard:* Effective immediately Effective immediately for all new and revised methodologies under development

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Effective immediately

New treatment of methodology grace periods going forward (V5#98)

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Requirements introduce future inactivation dates to replace 'methodology grace periods,' and clarify which project requests require project proponents to use active methodology versions.

What this means for stakeholders:

- Methodologies will include an 'inactivation date,' typically 12 months after a new methodology is published
- PPs must ensure that the version of applied methodologies, modules, and tools is 'active' when requesting:
  - registration
  - verification approval, including a baseline reassessment or methodology change
  - crediting period renewal
  - requantification

Effective immediately

Revised buffer pool management procedures (V5#108)

Clarified handling of buffer credits of projects that are late to verify or have withdrawn from the VCS Program

What this means for stakeholders:

- Where project proponents withdraw from the VCS Program or fail to verify, after ten years, Verra will cancel the project's remaining balance of buffer credits.
- For certain project types, Verra may also use the Long-Term-Monitoring System to detect reversals and cancel additional buffer credits based on observed reversals.

Effective immediately

Revised procedures for project withdrawals (V5#107)

Revised conditions under which projects are not eligible to withdraw from the VCS Program (e.g., projects under a quality control review).

What this means for stakeholders:

- Projects are not eligible to withdraw from the VCS Program when the project:
  - is under a quality control review
  - has an outstanding buffer replenishment obligation, or a potential loss event has been detected
  - is expected to have excess VCUs following baseline re-evaluation required under the applied methodology
  - has an unresolved comment, complaint, or appeal
  - has a related open project review request
- Verra will cancel approved, not issued VCUs if projects withdraw from the VCS Program.*

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*Effective 1 January 2027

Effective immediately

New quality control (QC) review procedures (V5#75)

Improved procedures* include:

- new triggers to identify potential nonconformances
- aligned VVB response deadlines
- clarified review process and outcomes
- clarified methods for replacement of excess VCUs

What this means for stakeholders:

- While a QC review is underway:
  - Active VCUs issued to the project and held by the project proponent are put on hold
  - Buffer contributions associated with the project are put on hold
  - Active project reviews associated with the project may be paused
- Clarity for VVBs responding to a QC review report
- If net reductions and removals are deemed incorrect:
  - Verra cancels project's excess buffer contributions
  - Project proponent and authorized representative responsible for replacing excess VCUs
  - Clarified replacement options

* In Section 6 of the Registration and Issuance Process

Effective immediately

Procedures for returning project requests (V5#81)

'Project request denial' section renamed to 'Process for returned project requests.' It details what happens when Verra does not approve a project request, returns the request, and closes the review.

What this means for stakeholders:

- New triggers for returning a project request.
- VVBs now have 90 days to respond to the project review report (PRR).
- If a new request is submitted within 180 days, project proponents may use the same version of the VCS program documents as was used in the original request.
- If a new request is not received within one year, Verra inactivates the project.
- Removed resubmission waiting periods, limits on number of resubmissions, and rejection outcome.

Effective immediately

New inactivation and late to verify procedures (V5#80)

Updates provide clarity on:

- new reasons why pipeline projects are inactivated
- how to request reactivation of inactive pipeline projects
- new reasons why pipeline projects may be rejected
- procedures for late-to-verify projects and how to reactivate

What this means for stakeholders:

Verra will start:

- to inactivate pipeline projects that do not respond to issues within 90 days from 15 April 2026
- to reject inactive pipeline projects from 1 January 2027 if reactivation is not requested within 12 months

Effective immediately

GCS-related updates

Requirement to submit the GCS NPRT digitally only for new GCS projects (V5#89)

Mandates digital submission of the GCS NPRT as part of the move toward digital-first submission.

What this means for stakeholders:

GCS projects not yet listed must submit the GCS NPRT using the digital GCS NPRT available on the Verra Project Hub.

Adoption of crediting period lengths for new GCS projects (V5#101)

There are new crediting period lengths for GCS projects

What this means for stakeholders:

GCS projects not yet listed must conform to the new crediting period lengths in VCS v5.

Q&A

For other questions: secretariat@verra.org