Scope 3 Standard

A VERRA STANDARD

Scope 3 Standard

Version 1.0



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CONTENTS

1 INTRODUCTION 5

1.1 Version 6
1.2 Program Principles 7

2 PROJECT REQUIREMENTS 9

2.1 Eligibility 9
2.2 Right to Operate and Right to GHG Outcomes 11
2.3 Project Design 12
2.4 Start Dates 15
2.5 Issuing Periods and Monitoring Periods 16
2.6 Project Location 18
2.7 Project Description Deviations 19
2.8 Methodology Deviations 20
2.9 Double Counting 21

3 SAFEGUARDS 23

3.1 Stakeholder Engagement and Safeguards 23

4 METHODOLOGY APPLICATION 24

4.1 Methodology Selection and Version Control 24
4.2 Sources, Sinks, and Reservoirs Boundary 25
4.3 Baseline Scenario 25
4.4 Regulatory Surplus 27
4.5 Additionality 28
4.6 Quantification of GHG Outcomes 29

5 IMPACTED PRODUCTS 32

5.1 Impacted Products and Impacted Product Groups 32
5.2 Attribution and Distribution 34

6 MONITORING AND REPORTING 36

6.1 Monitoring 36
6.2 Reporting 37

7 CARBON STOCKS AND DURABILITY 39

7.1 Approximate Carbon Stock Data 39
7.2 Reversal Risk 40
7.3 Monitoring for Durability 40
7.4 Reporting and Managing Loss Events and Reversals 41

8 VALIDATION AND VERIFICATION REQUIREMENTS 42

8.1 VVB Eligibility 43
8.2 Validation and Verification Engagements 43
8.3 Operational Logistics 47
8.4 Site Visits 48
8.5 Specific Topics for VVB Evaluation 49

APPENDIX 1. GROUPING IMPACTED PRODUCTS 51

DOCUMENT HISTORY AND EFFECTIVE DATES 57

1 INTRODUCTION

About Verra

Verra's Scope 3 Standard (S3S) Program establishes requirements for developing value chain emissions abatement projects and quantifying their emissions and emissions impacts. These requirements are informed by *ISO 14064-2*, and are designed to be flexible and transparent to enable conformance to developing corporate emissions accounting, reporting, and target-setting standards.[1] The S3S Program sets out requirements for projects that generate removals, or that generate reductions of any of the seven Kyoto Protocol greenhouse gases (GHGs)[2] or ozone-depleting substances (ODS). Participation is voluntary and the program's scope does not extend to carbon footprint assessments or corporate emissions claims.

Independent validation/verification bodies (VVBs) assess whether a project conforms to S3S Program rules in accordance with *ISO/IEC 17029*, *ISO 14065*, *ISO 14064-3*, and VVB requirements set out in the S3S Program documents (e.g., Section 8 of this standard). After successful validation and verification of a project, Verra registers the project and issues units representing the GHG outcomes achieved by the project.

Document Organization and Formatting

Standardized formatting and terminology are used to enhance clarity, as set out below:

- English is the operating language of the S3S Program.
- Each requirement begins with a **bold heading** to label content and aid readability.
- Defined terms are identified using a dotted underline. The term's definition can be found in the *S3S Program Definitions*, and requirements are to be understood in the context of these defined terms.
- Italicized document titles are underlined where a hyperlink is included.
- The following terms are used in requirements:
    - "Shall" indicates a requirement.
    - "Should" indicates a recommendation.

[1] Such as the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard (CNZS) v2, the Greenhouse Gas Protocol (GHGP) Corporate Accounting and Reporting Standard, the Greenhouse Gas Protocol (GHGP) Actions and Market Instruments (AMI) Framework, the Advanced and Indirect Mitigation (AIM) Platform, and the Task Force for Corporate Action Transparency (TCAT)

[2] Carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride

- “May” indicates a permission.

- Sections organize the document by topic or theme.
- Sub-sections (e.g., #.#) include:
  - **Context,** which explains the reasons for inclusion of the requirements and the objectives the section aims to fulfill
  - **Requirements** (#.#.#), which set out specific, prescriptive criteria that apply to project proponents, projects, and VVBs, as indicated in each requirement. Where a requirement establishes an expectation for a project, the project proponent is responsible for ensuring and demonstrating conformance to the requirement, and the VVB is responsible for validating or verifying conformance. Each requirement is uniquely numbered for clear reference.

S3S Program Documents

A complete list of S3S Program documents can be found on the Verra website. The main program documents are the following:

- *Scope 3 Standard*
- *S3S Program Stakeholder Engagement and Safeguards Requirements*
- *S3S Program Registration and Issuance Process*
- *S3S Program Definitions*
- *Verra Program Fee Schedule*
- *S3S Program Methodology Adaptation Requirements*

1.1 Version

Context

To ensure continuous improvement and development, the S3S Program will be updated periodically. The following requirements ensure consistent and transparent use of updated S3S Program documents and requirements.

Updates and their effective dates (i.e., the time at which the update is implemented) are listed in the Document History and Effective Dates section of this document. Updates are also described in the *S3S Program Summary of Effective Dates* document, which is available on the Verra website. For transparency, previous versions of the *Scope 3 Standard* and other S3S Program documents are archived and available on the Verra website.

Requirements

1.1.1 **Most recent version**: The project proponent shall use the most recent applicable version of the

Scope 3 Standard and other S3S Program documents for registration, verification approval, and issuing period renewal.

1.1.2 **Early conformance:** Where the project proponent elects to have the project validated or verified to the most recent version of the S3S Program before its effective date, the project must conform to all requirements under that version.

1.2 Program Principles

Context

The S3S Program principles underpin the integrity of the S3S Program and the credibility of the units issued from it. The principles establish an overarching framework for the implementation and development of the S3S Program and guide consistent and transparent decision-making and interpretation for all users.

The S3S Program principles guide how projects are developed and monitored, and how a project's outcomes are quantified and reported. A project proponent should be able to demonstrate how their decisions align with the S3S Program principles. For VVBs, the S3S Program principles should inform the interpretation and application of S3S Program rules but do not constitute standalone criteria for validation, verification, or the issuance of nonconformities.

The S3S Program principles guide Verra's development, interpretation, and enforcement of, and decisions related to, S3S Program rules. The S3S Program principles are aligned with the principles of *ISO 14064-2*, the GHG Protocol *Corporate Accounting and Reporting Standard,* and the VCS Program.

Requirements

1.2.1 **S3S Program principles:** The project proponent shall apply the S3S Program principles set out in Table 1 to guide their decision-making when developing projects, and when monitoring, quantifying, and reporting reductions and removals.

Table 1. S3S Program principles

Principle	Description
Accurate and conservative	Reductions and removals are quantified accurately as far as can be judged according to the data and information available at the time. Uncertainty is minimized as far as is practical. Conservative assumptions, values, and procedures are used to address any residual uncertainty or where a simplified approach is more practical.[3]
Complete	All required information about the project and its environmental outcomes is included in project reporting to support assessment and replicability of results.
Consistent	Each version of the S3S Program rules and methodologies are applied in a consistent manner to enable meaningful comparisons of environmental outcomes over time and across projects.
Relevant	The selected GHG sources, sinks, reservoirs, and data are appropriately chosen to support assessment of conformance to the S3S Program rules and to achieve the intended environmental outcomes.
Transparent	Sufficient information about the project and its environmental outcomes is publicly disclosed in an accessible manner to allow intended users to make decisions with reasonable confidence and enable scrutiny of activities, claims, and replicability of results.

[3] Applying the "conservative" principle to reductions and removals equates to lower emissions and higher removals in the baseline scenario, and higher emissions and lower removals in the project scenario. See the definitions of "accuracy" and "precision" in the most recent version of the *IPCC Guidelines for National Greenhouse Gas Inventories* for more guidance on applying this principle.

2 PROJECT REQUIREMENTS

2.1 Eligibility

Context

The following requirements establish foundational conformance criteria, including key programmatic concepts and timing requirements.

Requirements

General

2.1.1 **Conformance**: The project proponent shall:

1) conform to all applicable S3S Program rules.
2) conduct themselves lawfully at all times and ensure that the implementation of project activities does not lead to the violation of laws and regulations, regardless of whether these are enforced (where laws conflict, the more restrictive requirement shall prevail).

2.1.2 **Project eligibility**: A project registered with the S3S Program shall:

1) have only one project proponent.
2) conform to all applicable S3S Program rules.
3) have an activity start date on or after 1 January 2015, unless the project is registered with the VCS Program.
4) generate GHG outcomes attributable to an impacted product.
5) comply with all applicable laws and regulations, regardless of whether these are enforced (where laws conflict, the more restrictive requirement shall prevail).

2.1.3 **Stakeholder engagement and safeguards implementation timing**: The project proponent shall conform to requirements set out in the S3S *Program Stakeholder Engagement and Safeguards Requirements* by the relevant stages and deadlines (e.g., before the project is listed, initial validation, and each validation).

2.1.4 **Registration timing:** To be eligible to register a project in the S3S Program, the project proponent shall request registration:

1) after the listing process has been completed.
2) within five years of the initial issuing period start date.

2.1.5 **Gap validation:** A project may undergo a gap validation for the purpose of registering in the S3S Program where the project:

1) is registered with the VCS Program,
2) has a project status in the VCS Program other than inactive or on hold, and
3) has registered, renewed its crediting period, or undergone baseline reassessment in the VCS Program within six years of the S3S registration request.

2.1.6 **Renewal timing:** To renew an issuing period, the project proponent shall submit a renewal request after the previous issuing period ends, or within two years of its end for projects demonstrating full additionality.

Agriculture, Forestry, and Other Land Use (AFOLU)-Specific

2.1.7 **Ecosystem degradation or conversion:** The project proponent shall not implement project activities that result in further ecosystem degradation or ecosystem conversion[4] to an intensive land use ecosystem (classified under T7 in IUCN's Global Ecosystem Typology), unless the exceptions outlined in the *S3S Program Stakeholder Engagement and Safeguards Requirements* apply.

2.1.8 **Long-term average:** Where an AFOLU[5] project is in the afforestation, reforestation, and revegetation (ARR) or improved forest management (IFM) project categories, the project proponent shall apply the VCS tool *Calculating the Long-Term Average of Forest Carbon Stocks*[6] at registration and issuing period renewal.

2.1.9 **Longevity:** AFOLU projects shall have a project longevity of at least 40 years, beginning on one of the following:

1) The VCS Program project start date, where the project is registered or seeking registration with the VCS Program
2) The initial issuing period start date otherwise

[4] International Union for Conservation of Nature (IUCN). 2020. *IUCN Global Ecosystem Typology*.

[5] The S3S Program uses the *VCS Sectoral Scopes and Project Classification Guidance, v5.0* to define sectoral scopes, project categories, and project activity types. The acronym AFOLU encompasses projects in sectoral scope 14 forestry and other land use (forests, wetlands, and grasslands) and sectoral scope 15 agriculture. Eligible project activity types included within each AFOLU project category are described in Appendix 1 of the *VCS Standard, v5.0*.

[6] At time of publication, this tool is currently under development. It will be published by the time of publication of any S3S methodologies that require use of the tool.

2.2 Right to Operate and Right to GHG Outcomes

Context

Establishment of the right to operate a project is needed to both safeguard stakeholders and establish responsibility for the project's operation. Evidence of the right to GHG outcomes confirms that the project proponent has an exclusive and uncontested right to the GHG outcomes stemming from the project.

The following requirements ensure that the project proponent holds both the right to operate and the right to GHG outcomes. Such rights derive from the legal and/or regulatory framework applicable to the project activities in the country or jurisdiction in which the project is located.

For example, the right to operate an energy efficiency project might be based on permits or concessions that enable facility operations, whereas the right to operate an AFOLU project might be based on land or resource rights, including customary rights. The right to GHG outcomes might derive directly from the right to operate, from land or resource rights, or be governed by a specific regulation in the jurisdiction.

Requirements

2.2.1 **Right to operate and right to GHG outcomes:** The project proponent shall demonstrate that it holds the right to operate and the right to GHG outcomes, substantiated by an analysis of applicable laws, regulations, and legal instruments, which establish the chain of title.

2.2.2 **Date of establishment:** The project proponent shall hold the right to operate and the right to GHG outcomes at the initial issuing period start date and throughout each issuing period.

2.2.3 **Documentary evidence and analysis:** The project proponent shall provide documentary evidence which establishes a valid and non-conflicting legal basis for the right to operate and the right to GHG outcomes through at least one of the following:

1) Law, statute, regulation, permit, authorization, or decree, by means of a concession title, that authorizes the project activities and establishes the right to the GHG outcomes associated with the impacted product on which claims may be made

2) A contractual right to the project area (e.g., facility, land), the equipment or process that generates GHG outcomes, or the GHG outcomes associated with the impacted product on which claims may be made

3) Land or resource rights granted under statute, regulation, or decree by a competent authority authorizing the right to conduct the project activities and the right to benefit from the GHG outcomes associated with the impacted product on which claims may be made

4) An enforceable and irrevocable agreement with the holders of land or resource rights covering the right to conduct the project activities, or rights to the conservation or

management processes that generate reductions and removals and to benefit from the GHG outcomes associated with the impacted product on which claims may be made

2.2.4 **Land or resource rights analysis**: The project proponent shall conduct an analysis of applicable laws, regulations, and legal instruments to determine whether the project is likely to affect land or resource rights. Where the analysis determines that the project is likely to affect land or resource rights, the project proponent shall conduct a land or resource rights analysis in line with the *S3S Program Stakeholder Engagement and Safeguards Requirements*.

2.3 Project Design

Context

The following requirements outline how a project proponent may design their project. Projects may consist of a single instance or multiple instances (e.g., field, facility) and may include a single project activity or multiple, as permitted by the applied methodology. A project proponent will also choose between designing their project as a non-grouped project and a grouped project. Grouped projects may expand to include new instances over time. Table 2 summarizes examples of project design options in the S3S Program.

These design features are intended to enable projects to achieve economies of scale, improve the viability of investments, and maximize climate impact by simplifying project design and reducing costs. They also aid consistency and standardization of emissions quantification methods both within and between projects.

Table 2. Project design examples

Example	Arrangement (grouped or non-grouped)	Number of initial instances	Number of project activities
Non-grouped project with one facility using CO_2 gas as a feedstock in concrete production	Non-grouped	One	One
Grouped project with one facility where fossil fuel-dependent equipment is replaced with electric alternatives	Grouped	One	One
Non-grouped project with multiple facilities where fossil fuel-dependent equipment is replaced with electric alternatives	Non-grouped	Multiple	One
Grouped project with multiple spatially distinct fields implementing sustainable fertilizer management	Grouped	Multiple	One

Grouped project with multiple spatially distinct fields implementing sustainable fertilizer management and sustainable grazing practices under the agricultural land management (ALM) project category	Grouped	Multiple	Multiple

Requirements

Number of Instances and Project Activities

2.3.1 **Minimum number of instances:** Projects shall have at least one initial project activity instance.

2.3.2 **Multiple instances:** Both grouped and non-grouped projects may have multiple instances.

2.3.3 **Multiple project activities:** Projects may include multiple project activities where permitted by the applied methodology.

Grouped Projects

2.3.4 **Grouped projects:** Only grouped projects may include additional instances after registration.

2.3.5 **Eligibility area design:** The project proponent of a grouped project shall:

1) specify one or more eligibility areas, in the project description, in which instances may be developed.
2) establish at least one initial instance in each eligibility area.
3) include a list of technologies and measures applicable within each eligibility area, based on the initial instances.
4) determine a single baseline scenario that applies across the entire eligibility area and is based on initial instances.
5) demonstrate regulatory surplus (or additionality, where applicable) across the entire eligibility area based on initial instances.

2.3.6 **Physical boundary:** The physical boundary of an eligibility area:

1) shall be within a country and align with a jurisdiction or combination of jurisdictions.[7]
2) may be spatially distinct or overlapping with other eligibility areas specified for the project.

[7] For example, a state or multiple states within one country as a single eligibility area, and a county in one country and a county in an adjacent country as two eligibility areas

Inclusion of New Instances into Grouped Projects

2.3.7 **New instances:** Where the project proponent includes new instances, these shall be:

1) included in one or more batches at verification.

2) described in the S3S batch instance inclusion report submitted at verification, in accordance with the *S3S Program Registration and Issuance Process*.

2.3.8 **Eligibility area criteria:** For each eligibility area, the project proponent shall specify eligibility criteria for adding new instances that ensure that all instances added to an eligibility area:

1) are uniquely identifiable.

2) share the same baseline scenario as the initial instances.

3) share the same conditions relevant to regulatory surplus (or additionality) as the initial instances.[8]

4) implement the same technologies and measures[9] as the initial instances.

5) meet all applicability conditions of the applied methodology.

2.3.9 **Rights to operate and to GHG outcomes:** The project proponent shall hold the right to operate and the right to GHG outcomes for each new instance in a batch, demonstrated in accordance with Section 2.2.

2.3.10 **Batch restrictions:** All instances within a batch shall:

1) be within a single eligibility area.

2) conform to the eligibility criteria established for the eligibility area.

3) have an instance start date during the monitoring period being verified.

4) only be eligible for issuance up to the end of the issuing period.

5) have never been enrolled in another project registered with the S3S Program, unless authorized by Verra.

6) have an activity start date on or after 1 January 2015, unless the instance was previously included in the VCS Program.

[8] For example, common practice; laws, statutes, regulatory frameworks, or policies relevant to demonstration of regulatory surplus; determination of regional grid emission factors; historical deforestation and degradation rates

[9] Refers to specific technologies and measures applied to a project that alter the conditions identified in the baseline scenario and that result in GHG outcomes (e.g., cover cropping, enrichment planting, reducing timber harvest levels, extending rotations).

2.3.11 **Leakage impacts:** Where the inclusion of a new batch of instances impacts the leakage assessment of existing instances, the project proponent shall reassess activity-shifting and ecological leakage for the entire project area.

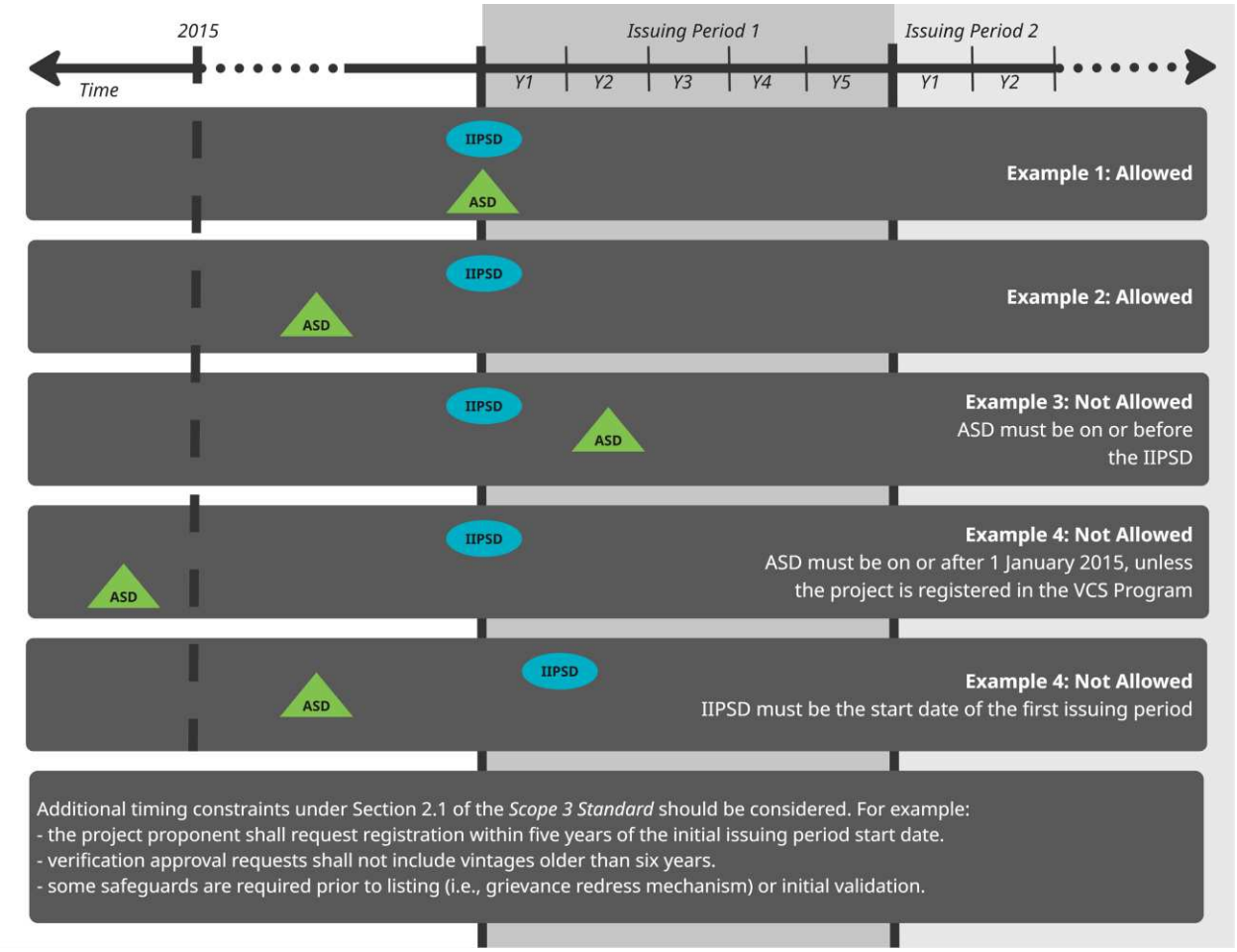
2.4 Start Dates

Context

Start dates inform project eligibility, establish various project timelines (e.g., registration, issuing periods, project longevity), and may dictate when a project proponent is required to meet other requirements (e.g., safeguards).

The following requirements ensure that start dates are accurately and consistently established, promoting consistency across projects and providing transparency as to when eligible GHG outcomes were generated.

Figure 1. Eligibility of examples of different combinations of initial issuing period start date (IIPSD) and activity start date (ASD)



Requirements

2.4.1 **Start date establishment**: The project proponent shall establish the initial issuing period start date and activity start date for the project, and the instance start date for each instance in alignment with the *S3S Program Definitions*.

2.4.2 **VCS project start date:** Where a project is registered with the VCS Program, the project proponent shall report the VCS Program project start date in the S3S project description.

2.5 Issuing Periods and Monitoring Periods

Context

Projects begin generating GHG outcomes on their activity start date and continue to do so over time. This section establishes when GHG outcomes are eligible for issuance under the S3S Program and mandates continuous monitoring of project implementation to support accurate quantification of GHG outcomes. Verra will not issue Scope 3 Units (S3Us) for monitoring periods that have not been verified and approved.

Periodic issuing period renewal ensures that projects continue to conform to current S3S Program rules (e.g., projects meet regulatory surplus and use a valid baseline scenario). Periodic updates to the baseline scenario also support greater consistency with the corresponding assumptions and estimates used in original emission factors, which should facilitate simpler and higher quality inventory integration (see the *S3S Program Corporate Emissions Statement Integration Guidance* for more information).

The length of a monitoring period is flexible (up to five years) to allow the monitoring period to match the period in which a specific impacted product (or set of impacted products) is produced and/or the cadence of project activities and quantification of GHG outcomes. However, Verra only issues units within six years of the monitoring period start date to mitigate the risk of weak temporal matching of S3Us with a reporting company's emissions report.

Requirements

Issuing Period

2.5.1 **Length:** The issuing period shall be five years, renewable indefinitely.

2.5.2 **Issuance eligibility:** Projects are only eligible for S3U issuance for GHG outcomes generated within the project's current issuing period.

2.5.3 **Contiguous issuing periods:** Each issuing period shall:

1) contain one or more monitoring periods.

2) have a distinct, non-overlapping time interval.

3) be contiguous, such that there are no gaps between the end of one issuing period and the start of the next.

Monitoring Period

2.5.4 **First monitoring period:** The first monitoring period within an issuing period shall last at least 365 days.

2.5.5 **Contiguous monitoring periods:** Each monitoring period shall:

1) have a distinct, non-overlapping time interval.

2) occur entirely within a single issuing period.

3) be contiguous within the issuing period, such that there are no gaps between the end of one monitoring period and the start of the next.

2.5.6 **Demonstration of continuous monitoring:** The project proponent may submit a monitoring report without requesting verification approval.

2.5.7 **Verified GHG outcomes:** The project proponent shall only request verification approval for GHG outcomes that have been verified in accordance with S3S Program rules.

2.5.8 **Previously verified monitoring periods:** The project proponent shall not request verification approval for GHG outcomes generated in previously verified monitoring periods.

2.5.9 **Maximum vintage period lookback:** Where the project proponent requests verification approval, the monitoring period (and therefore any associated vintage period) shall begin no more than six years before the date of the verification approval request.

Issuing Period Renewal

2.5.10 **Renewal**: At issuing period renewal, the project proponent shall:

1) provide an updated project description with specific sections revised,[10] depending on whether the baseline validity reassessment determines that the previous baseline scenario is still valid in accordance with Section 4.3.7.

2) apply the most recent applicable version of the S3S Program rules, including an active methodology in accordance with Section 4.1.

3) demonstrate regulatory surplus in accordance with Section 4.4, including an assessment of laws and regulations applicable at the time of issuing period renewal.

[10] Guidance on which sections require updating will be provided when the full *S3S Project Description Template* is published.

4) reassess the validity of the baseline scenario in accordance with Sections 4.3.6–4.3.7.

2.6 Project Location

Context

The location of a project is used to assess project eligibility, ensure accurate and transparent monitoring, reporting, and verification of the data, and identify and prevent double counting. Information on a project's location is also likely to support assessment of the extent to which the project is associated with a company's value chain (to be developed in S3S Program version 2).

The following requirements ensure consistent delineation of the project area for eligibility assessment, monitoring, reporting, and the mitigation of double counting. To help protect commercially sensitive information, the requirements allow the precise project area to be kept private while a more generalized geolocation file is made publicly available.

This approach recognizes that public disclosure of the precise project area, paired with impacted product data, may constitute commercially sensitive information. Publication of generic project location information allows companies to assess whether a project lies within a broader value chain boundary (e.g., activity pool, value chain-associated, or sector-associated approaches currently being explored by accounting, reporting, and claims frameworks).

Requirements

2.6.1 **Private geolocation file:** The project proponent shall prepare a private geolocation file[11] for validation and verification in accordance with the *VCS Geolocation File Requirements*.

2.6.2 **Public geolocation file:** At registration, verification approval, and issuing period renewal, the project proponent shall submit to Verra an updated public geolocation file[12] containing one or more geodetic polygons that:

1) represent the smallest distinct physical boundaries that:
   a) are jurisdictionally aligned,
   b) are within a single country, and,
   c) do not result in the disclosure of commercially sensitive information.

[11] Private files will not be made public on the Verra Registry and will only be available to Verra, the project proponent, and the VVB.

[12] Public files will be made public on the Verra Registry.

2) encompass all project areas, project activity instances, and geodata (all polygons and geodetic coordinates, as applicable).[13]

3) have a unique identification.

4) are represented with a bold outline and a distinct fill color.

2.6.3 **No overlapping AFOLU project areas:** The project area of an AFOLU project shall not overlap with the project area of another AFOLU project registered with the S3S Program.

2.6.4 **Overlapping geodata:** Geodata may overlap with the geodata of another AFOLU project registered with the S3S Program only where double counting does not occur.

2.7 Project Description Deviations

Context

Projects may experience circumstantial changes after validation that necessitate a deviation from the validated project description.

The following requirements specify the types of deviations that may occur and how such deviations must be described by the project proponent and assessed by a VVB.

Requirements

2.7.1 **Not precedent setting:** Project description deviations shall not be considered to set precedents.

2.7.2 **Timing:** The project proponent shall only apply project description deviations during a full-scope, reasonable assurance verification.

2.7.3 **No impact on previously verified GHG outcomes:** Where a project description deviation is used, projects shall not generate additional GHG outcomes from a previously verified monitoring period.

2.7.4 **Deviation information:** Where the project proponent seeks to apply a project description deviation, the following information shall be included in the monitoring report, and for major deviations also in a revised version of the project description:

1) Description of the deviation

2) When the changes that necessitated the deviation occurred (date and in which monitoring period)

[13] The geodetic polygons may be the same as the eligibility areas specified for a grouped project.

3) Reasons for the deviation

4) Justification for whether the deviation is a major deviation or minor deviation

2.7.5 **Minor deviation documentation:** The project proponent shall describe all minor deviations in all subsequent monitoring reports until a validated project description reflects such changes (e.g., following issuing period renewal).

2.7.6 **Applying a different methodology via a major deviation:** At any point in the issuing period, the project proponent may apply a major project description deviation to switch to a different methodology and/or update to the most recent version of the applied methodology (refer to Section 4.1).

2.8 Methodology Deviations

Context

Circumstantial changes may necessitate a change in how data and parameters are monitored. This section outlines the specific circumstances in which a project proponent may apply a methodology deviation. Methodology deviations are only permitted where they improve or maintain accuracy or are more conservative than what is set out in the methodology.

Requirements

2.8.1 **Permitted deviations:** The project proponent may only apply a methodology deviation where it relates to one of the following:

1) Data and parameters available at validation

2) Monitored data and parameters

3) Monitoring plan requirements outlined in the methodology.

Deviations relating to any other part of the methodology are not permitted.

2.8.2 **Conservativeness and accuracy:** Methodology deviations shall not negatively impact the conservativeness of GHG outcome quantification, except where they result in increased accuracy.

2.8.3 **Timing:** The project proponent may only apply a methodology deviation during validation or a full-scope, reasonable assurance verification.

2.8.4 **Reporting:** The project proponent shall document the consequences of a methodology deviation in the project description or monitoring report, and any subsequent monitoring reports, as applicable.

2.8.5 **Precedent setting:** Methodology deviations shall not be considered to set precedents.

2.9 Double Counting

Context

Avoidance of double counting is critical to maintaining the environmental integrity of the S3S Program, and to safeguard against fraudulent transactions (external to the S3S Program). However, co-claiming is a quality inherent to scope 3 emissions accounting and reporting which is critically important to unlock opportunities for co-investment, coordination, and amplification of resources on climate action across value chains.

The following requirements manage and mitigate double counting and double selling risks, while allowing co-claiming.[14] The project proponent and all Verra Registry account holders commit to not double sell units issued in the S3S Program through acceptance of the *Verra Registry - Terms of Use*.

To reduce the risk of double counting, the S3S Program will only issue units for GHG outcomes generated after the date of project inactivity in other GHG instrument systems, ensuring that monitoring periods do not overlap and that projects are not issued multiple types of GHG instruments within a single monitoring period.

Requirements

2.9.1 **No double issuance:** The project proponent shall not seek issuance for the same GHG outcome in the S3S Program and in another GHG instrument system.

2.9.2 **Dual participation:** Where a project is participating and/or registered with a GHG instrument system that is not a Verra program, the project proponent shall provide the following information about the other GHG instrument system to the VVB and Verra in the project description and/or monitoring report:

1) Name and contact information of administrator
2) Details of participation
3) Details of the vintage period(s), volume(s), serial number(s), and all other relevant identification information for the GHG instruments
4) Evidence that the same reductions and removals that have been issued, or plan to be issued, as S3Us in the S3S Program have not been and will not be issued as GHG instruments or otherwise credited in the other GHG instrument system.

[14] Further program infrastructure and requirements to facilitate and administer co-claiming will be included in version 2 of the S3S Program.

2.9.3 **Project inactivity:** Projects participating and/or registered with another GHG instrument system are only eligible to be issued S3Us for GHG outcomes generated after the date of project inactivity in the other GHG instrument system.

2.9.4 **No overlap of monitoring periods:** Monitoring periods in the S3S Program and another GHG instrument system shall not overlap.

2.9.5 **Double claiming and excess claiming:** The project proponent shall not facilitate nor enable double claiming or excess claiming.

3 SAFEGUARDS

3.1 Stakeholder Engagement and Safeguards

Context

Effective stakeholder engagement is an essential part of project design and implementation. It enables understanding of local perspectives, fosters strong, constructive, and responsive relationships, and provides opportunities to identify and address stakeholder concerns in a timely manner.

Projects can pose risks to stakeholders and the environment; these risks vary in severity and likelihood. Assessing environmental, social, and governance risks, implementing mitigation measures that meet or exceed the safeguards requirements, monitoring their effectiveness, and applying adaptive management are important for protecting the rights and livelihoods of stakeholders and preserving biodiversity.

The requirements in the *S3S Program Stakeholder Engagement and Safeguards Requirements* are intended to support informed decision-making throughout project design and implementation. When tailored to the project activity type, scale, and context, they provide a foundation for project integrity, build stakeholder confidence, and support successful and durable project outcomes.

Requirements

3.1.1 **Stakeholder engagement and safeguards:** The project proponent shall conform to the requirements set out in the *S3S Program Stakeholder Engagement and Safeguards Requirements*.

4 METHODOLOGY APPLICATION

4.1 Methodology Selection and Version Control

Context

Methodologies include applicability criteria, data requirements, quantification methods, and other requirements for specific project activities. Methodologies that are approved for use in the S3S Program have a standardized format and requirements (see *S3S Program Methodology Adaptation Requirements*) and are publicly available on the Verra website. Their application in projects registered with the S3S Program ensures that all projects apply consistent and transparent data collection and quantification methods relevant to the project activities.

The following requirements ensure that methodologies and associated modules and tools are applied consistently to all projects in the S3S Program.

Requirements

Application

4.1.1 **Application of single methodology:** The project proponent shall select and apply only one active S3S methodology per project.

4.1.2 **Application of modules and tools:** The project proponent shall apply modules and tools in accordance with the S3S Program rules and the applied methodology.

Version

4.1.3 **Timing:** The project proponent shall apply a version of a methodology, module, or tool that is active on the date that a request is submitted to Verra for any of the following:

1) Registration
2) Verification approval, where the verification includes a methodology change through a project description deviation
3) Issuing period renewal

4.1.4 **Currently applied version:** For registered projects, the project proponent may continue to apply the version of the methodology to which the project was most recently validated for the remainder of the issuing period, unless otherwise specified on the Verra website.[15]

[15] Any additional requirements or restrictions that apply to the use of inactive versions are provided on the respective document's webpage on the Verra website.

4.1.5 **Methodology switch:** The project proponent may choose to switch to a new methodology or methodology version at any time following the project description deviation and validation requirements in Sections 2.7.6 and 8.5.6 respectively.

4.2 Sources, Sinks, and Reservoirs Boundary

Context

Consistent identification of the emission sources, sinks, and reservoirs (SSRs) that are relevant to the project is necessary to ensure the accuracy, conservativeness, completeness, consistency, and relevance of the GHG outcomes.

The following requirements, paired with the applied methodology, ensure consistent and transparent identification of the SSR boundary in all projects registered with the S3S Program.

Requirements

4.2.1 **Identification of SSRs:** The project proponent shall identify and assess SSRs in accordance with the applied methodology.

4.2.2 **Exclusion of SSRs:** The project proponent shall justify the exclusion of any relevant SSRs.

4.3 Baseline Scenario

Context

The baseline scenario represents the activities that are estimated to occur in the absence of the project activity and forms the basis for estimating baseline emissions. It must be accurately determined so that the quantified reductions and removals are constrained to the specific impacts of the project activity.

The following requirements ensure that the appropriate baseline scenario is identified and updated periodically. The baseline scenario must support conservative quantification of reductions and removals, and its periodic review promotes alignment with the corresponding activities characterized by original emission factors, thereby aiding more accurate inventory integration (see the *S3S Program Corporate Emissions Statement Integration Guidance* for more information).

Requirements

4.3.1 **Determination:** The project proponent shall determine the baseline scenario for the issuing period in accordance with the applied methodology, and justify the choice of baseline scenario.

4.3.2 **Determination for existing activities:** Where the activity start date is more than five years before the registration request date and project-specific data is used to determine the baseline

scenario,[16] the project proponent shall determine the baseline scenario using credible and verifiable data on common practice relevant to the activities in the baseline scenario at the initial issuing period start date.

4.3.3 **Equivalence:** The project proponent shall:

1) demonstrate equivalence in the type and level of activity of products or services produced in the project scenario and baseline scenario.

2) where appropriate, justify any significant differences between the project scenario and baseline scenario.

4.3.4 **Accurate estimation:** When developing the baseline scenario, the project proponent shall select assumptions, values, and procedures that help ensure that GHG outcomes are not over-estimated.

4.3.5 **Consideration of policies and legal requirements:** The project proponent shall consider government policies and legal requirements that are relevant to the project activity[17] when determining the baseline scenario.

4.3.6 **Baseline validity reassessment procedure:** The project proponent shall reassess the validity of the baseline scenario as follows:

1) For projects in sectoral scopes 1–13 and 17, by applying the most recent version of the Clean Development Mechanism (CDM) *Methodological Tool: Assessment of the Validity of the Original/Current Baseline and to Update the Baseline at the Renewal of a Crediting Period*, and in accordance with the applied methodology

2) For projects in sectoral scopes 14 and 15, in accordance with the applied methodology (unless exempt)[18] including an evaluation of the impact of any new national or sectoral policies and changes in conditions relevant to the project activity[19]

[16] For example, S3S methodology *S3S-VM0042 Improved Agricultural Land Management* specifies a historical lookback period to collect pre-project practices for each instance (e.g., farm or field) to determine the baseline scenario (as described in *S3S-VM0042, v1.0* Section 6).

[17] Such as minimum product efficiency standards, air quality requirements, carbon taxes, and subsidies

[18] For example, some AFOLU methodologies specify that projects using a dynamic performance benchmark for the crediting baseline are exempt from reassessing the validity of the baseline scenario at baseline reassessment.

[19] For example, agricultural or forestry management practices, drivers and behavior of agents that cause changes in land use, hydrology, sediment supply, and land or water management practices, and carbon stock dynamics

4.3.7 **Baseline validity reassessment outcome:** Where the baseline scenario is found to be:

1) no longer valid, the project proponent shall establish a new baseline scenario and quantify the baseline emissions and/or baseline carbon stocks for the new issuing period in accordance with the applied methodology.

2) still valid, the project proponent shall requantify the baseline emissions and/or baseline carbon stocks associated with the original baseline scenario for the new issuing period in accordance with the applied methodology.

4.4 Regulatory Surplus

Context

Original emission factors are assumed to characterize, at minimum, emissions from activities that are mandated by law or regulatory framework. Quantifying reductions or removals for a project activity that is not surplus to regulatory requirements poses a double claiming risk during inventory integration.

The following requirements ensure that only projects for which regulatory surplus is demonstrated are eligible in the S3S Program. This is intended to mitigate excess claiming during inventory integration that originates from reductions or removals that are not surplus to regulatory requirements.

The project proponent must demonstrate that the project is not mandated by any law or regulatory framework.

Requirements

4.4.1 **Demonstration of regulatory surplus:** The project proponent shall demonstrate regulatory surplus at validation (i.e., at registration and issuing period renewal) as follows:

1) For high-income countries,[20] demonstrate that project activities are not mandated by any law or regulatory framework.

2) For all other countries, demonstrate that project activities are not mandated by any systematically enforced law or regulatory framework, evidenced by authoritative and up-to-date information relevant to the project activity.

[20] As classified by the World Bank; available at: https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups

4.5 Additionality

Context

Demonstration of additionality is optional in the S3S Program. A project activity is additional where it is demonstrated to result in GHG outcomes that would not have occurred in the absence of incentives for emissions abatement. The role of additionality in corporate GHG emissions reporting is unresolved by accounting, reporting, and claims frameworks, and may ultimately depend on the type of claim a reporting company wishes to make.[21]

S3S Program rules enable, but do not mandate, the project proponent to demonstrate the additionality of their project. This is intended to provide flexibility and the potential for projects to align with evolving and undetermined requirements, while streamlining S3S Program rules for projects that may not need to demonstrate additionality. Where a project is demonstrated to be additional, any issued units will be assigned the "additional" unit label.

A project proponent intending to register their project with the VCS Program should do so before, or concurrently with, registering the project with the S3S Program because demonstrating additionality (which is required in the VCS Program) can be difficult to demonstrate retroactively (i.e., after implementation of project activities has begun). Where a project is eligible, the project proponent may pursue a gap validation (see Section 2.1.5).

4.5.1 **Demonstration of additionality:** Where a project proponent chooses to demonstrate additionality, they shall do so in accordance with the requirements set out in this section (Section 4.5) and in the applied methodology.

4.5.2 **Use of an activity tool:** Where a tool using an activity method is available for the applied methodology, the project proponent may demonstrate additionality using the tool instead of the additionality requirements set out in the applied methodology.[22]

4.5.3 **Additionality procedures in methodologies adapted from CDM:** Where the applied methodology is an S3S methodology adapted from a CDM methodology and the additionality demonstration

[21] Ongoing developments in corporate GHG accounting and reporting frameworks suggest that certain market-based instruments may be permitted to count toward corporate GHG emissions abatement through multi-statement reporting approaches, which may require demonstration of additionality or a similar causal test. See the *SBTi Corporate Net Zero Standard version 2.0*, *GHG Protocol Actions and Market Instruments White Paper*, *Task Force for Corporate Action Transparency (TCAT) Mitigation Action Accounting and Reporting Guidance*, *Advanced and Indirect Mitigation (AIM) Platform Standard and Guidance*, and *Value Change Initiative Market-Based Instruments for Voluntary Corporate Reporting: Definition and Taxonomy*.

[22] For example, if a tool available for the applied methodology uses an activity method (i.e., positive list) to deem a project activity additional, the project proponent does not have to follow the additionality requirements in the methodology and may instead demonstrate additionality by demonstrating that the project meets the applicability conditions and any other criteria of the activity method set out in the tool.

procedure uses an activity method or other simplified procedure, the project proponent shall do one of the following:

1) Demonstrate that the procedure is appropriate to the project, considering the project's characteristics, including the context in which the project activity takes place.[23]

2) Use another appropriate method to demonstrate additionality.

4.6 Quantification of GHG Outcomes

Context

The verified GHG outcomes achieved by a project are the basis for the volume of S3Us that may be issued to the project proponent, which in turn form the basis of any claims that reporting companies may make on the outcomes of the project. However, emissions boundaries may differ between reporting companies, and corporate emissions accounting and reporting requirements may differ for emissions, reductions, and removals.

This section details general requirements for the standardized, disaggregated, and transparent quantification of GHG outcomes in all projects registered with the S3S Program, including separate and combined quantification of GHG outcomes for reductions and removals, and quantification of leakage emissions which are not deducted from GHG outcomes but are reported as a unit attribute. This standardized, disaggregated quantification approach aims to provide flexibility and transparency for reporting companies during inventory integration and when applying S3Us to their corporate emissions reports (i.e., considering differing accounting and reporting requirements for reductions and removals, and the potential for different emissions boundaries between reporting companies).

S3S methodologies set out procedures for quantifying baseline emissions, project emissions, leakage emissions, carbon stock change, and ultimately the GHG outcomes and project emissions outcomes achieved by a project.

Requirements

4.6.1 **Quantification of GHG emissions:** GHG emissions, carbon stock changes, or carbon stocks shall be estimated for each SSR relevant to the project scenario (including leakage) and baseline scenario.

4.6.2 **Units of measure:** The project proponent shall:

1) use metric tonnes as the unit of measure for GHG calculations.

[23] For example, where a project is developed in the United States and applies a CDM methodology that uses a simplified procedure for demonstrating additionality in a developing country context, the project proponent shall demonstrate that the simplified procedure is appropriate to the United States.

2) convert the quantity of each type of GHG to tonnes of carbon dioxide equivalent (t CO_2e) using 100-year global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5).[24]

4.6.3 **Separate quantification of GHG outcomes:** The project proponent shall quantify and report GHG outcomes generated by a project as follows:

1) By country where the project spans more than one country

2) With reduction and removal GHG outcomes quantified and reported separately, where both are generated

4.6.4 **Data sources:** The project proponent shall use the most recent version of available data sources:

1) to establish fixed data and parameters (i.e., default values) for validation.

2) to monitor data and parameters for verification.

4.6.5 **De minimis exclusion:** The project proponent may exclude specific carbon pools and GHG sources as de minimis where the applied methodology permits this and where one of the following applies:

1) The sum of the omitted decrease in carbon stocks and increase in GHG emissions (from GHG sources) in an issuing period is either:

   a) below the de minimis threshold specified in the applied methodology or,

   b) where the applied methodology does not specify a threshold, less than 5% of the GHG outcomes generated across the issuing period.

2) Where the applied methodology requires reassessment of the validity of the baseline scenario less frequently than every issuing period, the sum of the omitted decrease in carbon stocks and increase in GHG emissions (from GHG sources) over the period is either:

   a) below the de minimis threshold specified in the applied methodology or,

   b) where the applied methodology does not specify a threshold, less than 5% of the GHG outcomes generated across that period.

3) The applied methodology states that the carbon pools and GHG sources are de minimis and may be excluded without further analysis.

4.6.6 **Uncertainty:** The project proponent shall calculate uncertainty in accordance with the applied methodology.

[24] IPCC. 2013. *Fifth Assessment Report*.

Leakage

4.6.7 **Accounting for leakage:** The project proponent shall calculate and monitor leakage in accordance with the applied methodology.

4.6.8 **International leakage:** The project proponent shall not quantify leakage emissions occurring outside the host country (international leakage).

4.6.9 **Positive leakage:** The project proponent shall not account for positive leakage (i.e., where GHG emissions decrease or removals increase outside the SSR boundary due to project activities).

5 IMPACTED PRODUCTS

5.1 Impacted Products and Impacted Product Groups

Context

Scope 3 emissions claims must affect the emissions footprint of a good or service within a company's scope 3 emissions boundary. The S3S Program identifies impacted products as the goods and services that are affected by project activities and intended for commercial sale.

Each impacted product is assigned to one impacted product group, which includes impacted products that share the same classification in the United Nations Sustainable Development Central Product Classification (UNSD CPC).[25] The impacted products in each impacted product group are produced within a specified production period and at specified project activity instances. Appendix 1 provides further information on grouping impacted products and includes examples of how impacted product groups may be determined. There must be at least one impacted product group per monitoring period. There is no maximum limit on the number of impacted product groups. Each impacted product group is assigned a unique code.[26]

The following requirements are intended to simplify the management and tracking of impacted products and support proportional attribution and distribution (see Section 5.2). The requirements also simplify how a reporting company demonstrates its value chain association with the project based on the characteristics of an impacted product group, rather than individual impacted products (requirements to demonstrate value chain association will be developed in S3S Program version 2).

[25] The UNSD Central Product Classification is a system of successively more detailed product categories consisting of one-digit sections, two-digit divisions, three-digit groups, four-digit classes, and five-digit subclasses. Available at: https://unstats.un.org/unsd/classifications/Econ/cpc

[26] The project proponent may also assign a shorthand name to aid communication about an impacted product group.

Verra intends that a future version of the *Scope 3 Standard* will include products produced on proximate or adjacent productive lands where the project area is proximate or adjacent non-productive land, per the criteria outlined in Requirement 7 of the *Greenhouse Gas Protocol Land Sector and Removals Standard, v1.1*. This would enable projects in which impacted products are not produced in the project area (e.g., projects that conserve existing ecosystems and afforestation projects on set-aside land that do not intend to produce forest products) to register with the S3S Program.

The GHGP LSRS Requirement 7 is not yet finalized and is missing some key criteria needed to include this option in the S3S Program. Verra will monitor developments and implement this option as soon as possible.

Requirements

5.1.1 **Impacted product identification:** The project proponent shall:

1) identify and report all impacted products produced within the project area during the issuing period or monitoring period, as applicable, ensuring no impacted products are excluded.

2) specify for each impacted product a representative UNSD CPC code containing at least three digits.[27]

5.1.2 **Impacted product groups:** The project proponent shall establish at least one impacted product group, and may establish multiple impacted product groups, for each monitoring period.

5.1.3 **Assigning impacted products:** The project proponent shall assign each impacted product to a single impacted product group.[28]

5.1.4 **UNSD CPC for impacted product groups:** The project proponent shall specify a single UNSD CPC code for each impacted product group that:

1) contains at least three digits.

2) either matches exactly the CPC code of all the impacted products assigned to the group, or is a less detailed code (i.e., fewer digits) under which the CPC codes for the impacted

[27] The project proponent is encouraged to specify a four or five-digit code where these more accurately describe the impacted product.

[28] Such that no amount of impacted product is included in more than one impacted product group (see Appendix 1 for an example)

products assigned to the impacted product group are nested according to the hierarchical structure of the UNSD CPC.[29]

5.1.5 **Use of UNSD CPC groups and classes:** Where an impacted product group is characterized by a UNSD CPC three-digit group or four-digit class, the project proponent shall justify why the impacted product group cannot be characterized by a five-digit subclass.[29]

5.1.6 **Production period for impacted product groups:** The project proponent shall define a production period for each impacted product group that:

1) encompasses the period in which the impacted products assigned to the impacted product group are produced.

2) does not extend beyond the start or end of the monitoring period.

5.1.7 **Production location for impacted product groups:** The project proponent shall define the production location for the impacted product group by specifying all instances where impacted products were produced.

5.1.8 **Uniqueness of impacted product groups:** Where more than one impacted product group has the same UNSD CPC classification, the project proponent shall ensure that the production period or production location differ between impacted product groups.

5.1.9 **Single impacted product metric:** The project proponent shall report the amount of impacted product in each impacted product group using a single impacted product metric.

5.2 Attribution and Distribution

Context

The amount of impacted product affected by 1 t CO_2e of GHG outcome is calculated through attribution. The amount of GHG outcomes allotted to each impacted product group is calculated through distribution. Attribution and distribution calculations include all GHG outcomes. They also include all impacted products, with amounts quantified according to a single common unit of measure, chosen by the project proponent. Attribution and distribution are performed proportionally. Attribution and distribution calculations are performed by the digitized S3S Program Attribution and Distribution Tool in the Verra Project Hub.

The following requirements ensure that attribution and distribution are performed correctly by ensuring all impacted products generated within the monitoring period are included, and their amounts are expressed by a single unit of measure (i.e., the impacted product metric). Potential bias in attribution

[29] See Appendix 1 for examples.

and distribution processes is mitigated by using a common metric to measure impacted products and distribute GHG outcomes among impacted product groups. Allowing the project proponent to choose an appropriate impacted product metric is intended to accommodate sector- or product-specific metrics.

Together, proportional attribution and distribution, standardized units, and unique impacted product groups (see Section 5.1) lay the foundation for a rigorous and transparent approach to inventory integration and to the assessment of value chain association and allocation that will be introduced in S3S Program version 2.

Requirements

5.2.1 **Use of attribution and distribution tool:** The project proponent shall use the most recent applicable version of the S3S Program Attribution and Distribution Tool to perform attribution and distribution.

5.2.2 **Impacted product metric:** The project proponent shall use a single impacted product metric for each monitoring period and justify its selection.

6 MONITORING AND REPORTING

6.1 Monitoring

Context

Rigorous monitoring is essential for accurate, complete, and consistent quantification, and identifying and addressing potential issues (e.g., temporal gaps in data). The impacts of project activities on relevant emission sources, sinks, and reservoirs must be monitored to determine net reductions and removals.

The following requirements intend to ensure that all projects implement a standardized and transparent monitoring plan to collect relevant, high-quality data on project implementation and quantification parameters. Projects must be monitored continuously and in accordance with the applied methodology.

Requirements

6.1.1 **GHG outcome quantification:** Data and parameters used to quantify GHG outcomes shall be reported in accordance with the applied methodology.

6.1.2 **Impacted product quantification:** Data and parameters used to quantify impacted products shall be provided in accordance with the most recent applicable version of the S3S Program Attribution and Distribution Tool.

6.1.3 **Quality management:** The project proponent shall establish quality management procedures to manage data and information collected for all parameters.

6.1.4 **Monitoring plan:** The project proponent shall establish a monitoring plan for the project that includes all of the following:

1) Roles and responsibilities
2) A plan to ensure equipment is calibrated according to manufacturer specifications and/or relevant national or international standards
3) A system for obtaining, recording, compiling, and analyzing data and information important for quantifying and reporting reductions and removals relevant to the project (including leakage) and baseline scenarios

6.1.5 **Ongoing implementation:** The project proponent shall demonstrate the following for each monitoring period:

1) Project activities have been implemented in accordance with project design.

2) Where no new technologies and measures have been implemented, those already implemented continued to facilitate the generation of GHG outcomes.

6.1.6 **Monitoring during withdrawal:** The project proponent shall submit a monitoring report to Verra covering any period during which the project temporarily withdraws from the S3S Program,[30] using either the *S3S Program Monitoring Report Template* or the *VCS Monitoring Report Template*.

6.2 Reporting

Context

Complete, accurate, relevant, and consistent recordkeeping is critical for efficient and rigorous project development and implementation.

The following requirements intend to ensure that the information available to the VVB and submitted to Verra is standardized, complete, and accurate. Except where information qualifies as commercially sensitive, project documents are made publicly available to ensure transparency.

The project proponent should refer to the *S3S Program Registration and Issuance Process* for requirements related to submission timing, templates, and procedures for registration and issuance.

Requirements

6.2.1 **Template versions:** The project proponent shall:

1) use an applicable template version.

2) conform to all instructional text within S3S Program templates.

6.2.2 **Record preservation:** The project proponent shall keep all documents and records secure and retrievable for at least seven years from the date on which the final validation or verification report was issued.

6.2.3 **Commercially sensitive information:** Information that the project proponent demonstrates to qualify as commercially sensitive may be protected as set out in the *S3S Program Registration and Issuance Process*.

6.2.4 **Public information:** The following information in project documents may not be designated as commercially sensitive and shall be provided in public versions of the project documents:

1) Determination of the baseline scenario

[30] To ensure that there are no gaps between monitoring periods

2) Demonstration of regulatory surplus
3) Quantification of estimated and actual GHG outcomes
4) Monitoring of reductions and removals
5) Calculation of the reversal risk score

6.2.5 **Information for validation:** For validation, the project proponent shall make the following available to the VVB:

1) Project description
2) Evidence of right to operate and right to GHG outcomes
3) Any requested information needed to support statements and data in the project description and evidence of the right to operate and right to GHG outcomes

6.2.6 **Information for verification:** For verification, the project proponent shall make the following available to the VVB:

1) Project description
2) Validation report
3) Monitoring report applicable to the monitoring period
4) Any requested information needed to support statements and data in the monitoring report

7 CARBON STOCKS AND DURABILITY

7.1 Approximate Carbon Stock Data

Context

The S3S Program will include a mechanism by which carbon stocks are temporarily estimated based on alternative data sources. This mechanism aims to limit monitoring costs and enable more frequent unit issuances for projects in which values for carbon stock parameters cannot be statistically or practically obtained on an annual basis following the requirements and data sources in the applied methodology.[31] The option to use approximate carbon stock data will be specified for applicable parameters in the parameter tables in a methodology. Units that are issued based on approximate carbon stock data will include a unit attribute to transparently communicate their origination from approximate carbon stock data.

Units that are issued based on approximate carbon stock data will be subject to reconciliation to remedy any excess issuance or under-issuance due to the use of approximate carbon stock data. Reconciliation will use values for carbon stock parameters that are obtained per the requirements in the applied methodology. Reconciliation must occur at least at the end of each issuing period but may take place more frequently. Reconciliation will not involve the cancellation of units but will instead use a reconciliation factor added as a unit attribute to units that have been reconciled. The reconciliation factor will indicate the reconciled value of all affected units, meaning that the 1 t CO_2e of carbon stock outcome on which the unit was initially issued should be adjusted by the amount described by the reconciliation factor. Reporting companies are expected to include the reconciled value in their emissions reporting.

The requirements for this section will be published in a forthcoming version of the Scope 3 Standard *and associated defined terms will be published in a forthcoming version of the* S3S Program Definitions*.*

[31]For example where annual measurements of soil carbon stocks (needed to achieve annual unit issuances) are prohibitively expensive or are not statistically significant

7.2 Reversal Risk

Context

Understanding the likelihood of reversal of units that are issued in the S3S Program is important for program users to assess risk and evaluate units. The S3S Program will support decision-making for reversal risk management, transparency, and comparability of units and projects by requiring assessment of reversal risk using Verra's standardized *S3S Program AFOLU Reversal Risk Tool* and *S3S Program GCS Reversal Risk Tool* (collectively, S3S Program reversal risk tools) and communicating the assessment via a reversal risk unit attribute.

The S3S Program reversal risk tools use a standardized method of assessing reversal risk over a 100-year period. Reversal risk scores are representative of the risk of reversal for the project as a whole; they are not specific to individual project activity instances or portions of the project area. Target-setting frameworks may not reference durability against a 100-year timeframe, so the reversal risk scores should be interpreted as a comparative risk assessment only.

The project proponent has the option to contribute reversal reserve units to a project-specific (i.e., not pooled) reversal reserve account. Reversal reserve units may be canceled to remedy all or part of a reversal. Reversal reserve units are not reportable or claimable and cannot be issued as S3Us nor reportable S3Us (rS3Us).

The amount of reversal reserve units contributed and used to remedy a reversal are at the discretion of the project proponent, which may be influenced by a project's reversal risk and the tolerance of reporting companies for reporting reversals. The proportion of reversal reserve unit contributions and their use will be reflected in a unit attribute for all associated S3Us and rS3Us as an indication of the amount of protection the unit has against being affected by a carbon stock loss or reversal.

The requirements for this section will be published in a forthcoming version of the Scope 3 Standard *and associated defined terms will be published in a forthcoming version of the* S3S Program Definitions.

7.3 Monitoring for Durability

Context

Carbon stock outcomes are subject to reversal risk and therefore need to be monitored to ensure proper accounting of any carbon stock losses. This section will outline the procedures to monitor the durability of carbon stock outcomes and address any reversals that occur.

The requirements for this section will be published in a forthcoming version of the Scope 3 Standard *and associated defined terms will be published in a forthcoming version of the* S3S Program Definitions*.*

7.4 Reporting and Managing Loss Events and Reversals

Context

All loss events must be reported to Verra for transparency. Since projects are considered holistically, carbon stock losses may be counteracted by carbon stock increases elsewhere in the SSR boundary. Reversals indicate a net loss of carbon stocks across the whole project in an issuing period.

The requirements for reporting and managing loss events and reversals apply only to carbon stock outcomes verified under the S3S Program, and to reductions and removals generated through carbon sinks under the VCS Program. Changes in carbon stocks that have not been verified under either the S3S or VCS programs are not subject to either program's requirements or procedures, though they may trigger additional accounting and reporting requirements for reporting companies, depending on the emissions accounting and reporting framework being used.

A reversal in the S3S Program occurs where carbon stock outcomes are net negative across an entire project in an issuing period. Since a reversal cannot be attributed to a specific vintage of S3Us, the reversal amount for the project is split proportionally across all verified carbon stock outcomes (i.e., for all vintages and all instances) under the S3S Program, and all reductions and removals generated through carbon sinks under the VCS Program. Any reversal obligations that are split across the S3S and VCS programs are proportional to the total verified outcomes under each program (carbon stock outcomes under the S3S Program, and reductions and removals generated through carbon sinks under the VCS Program).

The contribution of reversal reserve units to a reversal reserve account, and their subsequent cancellation, enables project proponents to remedy a reversal either in full or in part. Any amount of the reversal that is not remedied by the cancellation of reversal reserve units is an unremedied reversal that should be reported by reporting companies. The requirements will facilitate the reporting of unremedied reversals via unit attributes.

The requirements for this section will be published in a forthcoming version of the Scope 3 Standard *and associated defined terms will be published in a forthcoming version of the* S3S Program Definitions*.*

8 VALIDATION AND VERIFICATION REQUIREMENTS

Context

The S3S Program relies on independently accredited,[32] third-party validation/verification bodies (VVBs) approved by Verra to conduct validation and/or verification activities under specific sectoral scopes. Via these activities, VVBs assess whether a project conforms to the S3S Program rules. Validation and verification are required before Verra registers a project and issues units, respectively. VVBs raise nonconformances where, for example, a project design does not align with S3S Program rules, or data is not representative of project conditions or has not been applied in a manner consistent with the applied methodology.

The following requirements apply to VVBs and include the criteria for validation and verification, including reference to the ISO standards that define how validation and verification activities must be conducted. This section should be interpreted as supplementary to *ISO/IEC 17029*, *ISO 14065*, and *ISO 14064-3*, which establish normative requirements for validation and verification activities.

The *S3S Program Registration and Issuance Process* provides additional details on the role of the VVB, as well as the audit scope (full-scope verification and focused-scope verification) and level of assurance.

Verra plans to release a standalone document designed to standardize the validation and verification process, promoting consistency, credibility, and accountability in the delivery of these services by VVBs across all Verra programs. Following publication of that standalone document, this section will be removed from the Scope 3 Standard *and all VVB requirements will be set out in that document.*

[32] By accreditation bodies

8.1 VVB Eligibility

Requirements

8.1.1 **Eligibility:** VVBs shall be eligible to provide validation and verification services in the S3S Program where they:

1) are accredited by an accreditation body that is a member of the Global Accreditation Cooperation Incorporated (Global ACI) and recognized under the Global ACI Multilateral Recognition Arrangement for *ISO/IEC 17029* and *ISO 14065*.

2) have signed the *Verra VVB Agreement*.

3) have paid the applicable VVB fees.

4) are listed as an active S3S VVB on the Verra website and approved by Verra for:

   a) validation and/or verification (as applicable), and

   b) all sectoral scope(s) applicable to the applied methodology.

8.1.2 **VVB conformance:** The VVB shall:

1) conform to all applicable S3S Program rules.

2) carry out validation and verification in conformance to *ISO/IEC 17029*, *ISO 14065*, and *ISO 14064-3*.

8.1.3 **Competence:** The VVB and validation and verification team shall meet the competence requirements set out in *ISO 14065*.

8.2 Validation and Verification Engagements

Requirements

8.2.1 **VVB engagements:** The VVB shall gather evidence to:

1) validate a project to determine conformance to the S3S Program rules and evaluate the reasonableness of assumptions, limitations, and methods that support a statement about the outcome of future activities.

2) verify a statement of historical data and information to a reasonable assurance or limited assurance level and ensure that the project meets the relevant materiality requirements.

8.2.2 **Objective:** The VVB's objective in validation and verification activities shall be to assess a project's conformance to the S3S Program rules.

8.2.3 **Scope and level of assurance options:**[33] The VVB shall conduct:

1) validations at a limited assurance level.
2) full-scope verifications to a reasonable assurance or limited assurance level.
3) focused-scope verifications to reasonable assurance level.

8.2.4 **Full-scope verification of first monitoring period:** For the first monitoring period within an issuing period, the VVB shall conduct a full-scope verification at a reasonable assurance level.

8.2.5 **Full-scope verification of subsequent monitoring periods:** The VVB may conduct a full-scope verification at a reasonable assurance or limited assurance level for the second and subsequent interim monitoring periods.

8.2.6 **Focused-scope eligibility conditions:** Focused-scope verification may be conducted at the discretion of the VVB for a monitoring period where all of the following apply:

1) The monitoring period meets the definition of an interim monitoring period.
2) No new methodology deviations have been applied.
3) No new project description deviations have been applied.
4) No additional instances have been added, in the case of a grouped project.
5) A preliminary review shows that the stakeholder input tracker has been maintained and there are no unresolved project grievances or input related to:
    a) rights violations (e.g., including workers rights, Indigenous Peoples' rights),
    b) forced eviction or physical or economic displacement,
    c) relocation,
    d) exacerbation of violent conflicts, or
    e) competing claims to land or resource rights.

8.2.7 **Appropriateness of focused-scope verification:** Where a VVB plans to conduct a focused-scope verification, the VVB shall:

1) assess whether the project conforms to the focused-scope verification eligibility conditions.
2) justify the appropriateness of the focused-scope verification.

[33] Full-scope verification and focused-scope verification describe the extent of information subject to assessment and do not represent different levels of assurance. For more information, refer to the *S3S Program Definitions* and Section 1.5 in the *S3S Program Registration and Issuance Process, v1.0*.

3) document their rationale and conclusion based on S3S Program rules.

8.2.8 **Appropriateness of limited assurance:** Where a VVB plans to conduct a limited assurance verification, the VVB shall:

1) conduct a risk assessment and justify the appropriateness of the level of assurance.

2) document their rationale and conclusion based on *ISO 14064-3* guidance and requirements and S3S Program rules.

8.2.9 **Default verification scope**: Where a project does not conform to the focused-scope verification eligibility conditions, the VVB shall conduct a full-scope verification.

8.2.10 **Evidence for verification conclusion:** Regardless of the verification scope selected, the VVB shall obtain sufficient appropriate evidence to support the verification conclusion.

8.2.11 **Appropriate level of assurance:** Where limited assurance is inappropriate, the VVB shall conduct the verification with reasonable assurance.

8.2.12 **Validation and verification criteria:** The VVB shall:

1) use the applicable S3S Program rules as the criteria for validation and verification.

2) conduct validation and verification activities in conformance to *ISO 14064-3*.

8.2.13 **Early conformance:** Where a project proponent chooses to have their project validated or verified to updated requirements before their effective date, the VVB shall validate or verify the project in accordance with the most recent version of the S3S Program.

8.2.14 **Materiality:** The threshold for materiality, based on the aggregate of errors, omissions, and misrepresentations relative to total reported GHG outcomes, shall be 1% for large projects and 5% for small projects.

8.2.15 **Evidence gathering methods:** The VVB shall:

1) apply methods that are appropriate to the nature, risk, materiality, and characteristics of the GHG statement and are sufficient to obtain appropriate validation or verification evidence.

2) maintain records of any material changes to the planned evidence-gathering approach resulting from information obtained during validation or verification, and the rationale for those changes.

3) in the validation or verification report, document and explain the methods employed.

8.2.16 **Opinion:** The VVB shall include a validation opinion or verification opinion in the validation or verification report, as appropriate, that includes all of the following:

1) The date of the opinion

2) The name of the project

3) The GHG statement subject to validation or verification, including the date and period it covers

4) A disclaimer that the GHG statement is the responsibility of the project proponent

5) The level of assurance (reasonable assurance or limited assurance)

6) The objectives, scope, and criteria used to compile and assess the GHG statement

7) A description of whether the data and information supporting the GHG statement are hypothetical, projected, and/or historical in nature

8) The VVB's conclusion on the GHG statement. Adverse, disclaimed, modified, or qualified opinions shall include a description of the reason(s) for the opinion, placed before the VVB's conclusion

9) A description of the VVB's conclusion

10) A declaration that the validation and/or verification was conducted in accordance with *ISO 14064-3* (including the applicable ISO version, such as *ISO 14064-3*; 2019)

11) For validation conclusions, an explanation that actual results may differ from the forecast, as the estimate is based on assumptions that may change in the future

12) For verification conclusions:

   a) the scope of the verification (full-scope verification or focused-scope verification)

   b) the volume of GHG outcomes generated during the verified monitoring period

   c) separate statements for reductions and removals

   d) for AFOLU and GCS projects, the:

      i) reversal risk score

      ii) version number of the *S3S Program AFOLU Reversal Risk Tool* or *S3S Program GCS Reversal Risk Tool* upon which the opinion is based

      iii) amount of leakage emissions

      iv) amount of GHG outcomes, including amount of reductions and removals separately, eligible to be issued as S3Us

8.2.17 **Negative validation opinion:** Where a project does not meet the criteria for validation, the following applies:

1) The VVB shall:

   a) produce a negative opinion.

   b) provide the validation report and project description to Verra.

2) The project shall be ineligible for registration until:

   a) corrective action is taken.

   b) the same VVB has provided a positive validation opinion.

8.2.18 **Negative verification opinion:** Where a project does not meet the criteria for verification, the following applies:

1) The VVB shall:

   a) produce a negative opinion.

   b) provide the verification report and monitoring report to Verra.

2) The project shall be ineligible for verification approval until:

   a) corrective action is taken.

   b) the same VVB has provided a positive verification opinion.

8.2.19 **Disclaimed opinion:** Where the VVB does not have sufficient data to issue an opinion, the following applies:

1) The VVB shall:

   a) produce a disclaimed opinion.

   b) provide the validation or verification report and project description or monitoring report to Verra.

2) The project shall be ineligible for registration or verification approval, as applicable, until:

   a) corrective action is taken.

   b) the same VVB has provided a positive validation or verification opinion.

8.3 Operational Logistics

Requirements

8.3.1 **Templates:** The VVB shall adhere to all instructional text within the applicable S3S Program template.

8.3.2 **Timing of opening meeting:** The VVB shall ensure that the project has been listed, and the 30-day public comment period has begun, before the opening meeting with the project proponent.

8.3.3 **Timing of validation:** The VVB shall:

1) complete validation after the 30-day public comment period has ended.

2) ensure validation occurs prior to or concurrently with the first verification.

8.3.4 **Joint validation and verification:** Joint validation and verification of a project may be conducted by the same VVB, subject to rotation requirements.

8.3.5 **Rotation:** For a given project, a VVB shall not:

1) verify more than five consecutive years of GHG outcomes.

2) perform consecutive validations for registration and issuing period renewals.

8.3.6 **Record preservation:** The VVB shall keep all documents and records secure and retrievable for at least seven years from the date on which the final validation or verification report was issued.

8.4 Site Visits

Requirements

8.4.1 **Site visit timing:** A site visit that includes an in-person visit to the project area (including facilities) shall be conducted at:

1) each validation.

2) the first verification in an issuing period.

8.4.2 **Appropriateness of remote audit:** Where a site visit is not required by Section 8.4.1, the VVB shall identify whether a site visit is needed based on an independent risk assessment that identifies the risk of a material misstatement or nonconformity with the audit criteria.

8.4.3 **Remote audit decision:** Where the VVB determines that no site visit is required, they shall justify and document the rationale for this decision.

8.4.4 **Early site visits:** Where a site visit occurs before the end of the monitoring period, the VVB shall:

1) verify the volume of GHG outcomes generated between the site visit and the end of the monitoring period.

2) clearly describe the additional evidence gathering activities conducted to verify GHG outcomes generated after the site visit.

8.5 Specific Topics for VVB Evaluation

Requirements

8.5.1 **Comments received during a public comment period:** The VVB conducting validation shall assess whether the project proponent has taken due account of all comments received during the 30-day public comment period.

8.5.2 **Comments received outside a public comment period:** Comments submitted to Verra outside the public comment period shall be assessed by the VVB conducting the next validation or verification.

8.5.3 **Stakeholder engagement evaluation:** The VVB shall evaluate whether the project proponent conducted stakeholder engagement in a culturally appropriate manner.

8.5.4 **Stakeholder interviews:** The VVB audit team shall:

1) independently select stakeholder groups and individuals for interview before the site visit.
2) conduct interviews in a way that ensures the interviews are free from bias or influence.

8.5.5 **Methodology deviations:** Where a new methodology deviation is applied, the VVB shall:

1) assess the deviation during validation or a full-scope, reasonable assurance verification.
2) determine whether the deviation is appropriately described and justified.
3) determine whether the project remains in conformance to the S3S Program rules

8.5.6 **Project description deviations:** Where a new project description deviation is applied, the VVB shall:

1) assess the deviation during a full-scope, reasonable assurance verification.
2) determine whether the deviation is appropriately described and justified.
3) determine whether the project remains in conformance to the S3S Program rules.
4) report in the current verification report the process, findings, and conclusions of the assessment of the deviation.
5) provide in the current verification report a complete list of any previous project description deviations.

8.5.7 **Sampled instances:** Where the number of initial or new instances makes individual assessment unreasonable, the VVB shall:

1) document and justify the evidence-gathering methods used for validation of instances, ensuring the methods are statistically sound.

2) ensure that the percentage of instances sampled by the VVB and found to conform to S3S Program rules is proportional to the number of instances included in the project.

8.5.8 **Reversal risk:** The VVB shall assess whether the risk analysis carried out by the project proponent and the resulting reversal risk score is calculated in conformance to the *S3S Program AFOLU Reversal Risk Tool* or *S3S Program GCS Reversal Risk Tool*.

8.5.9 **Commercially sensitive information:** The VVB shall assess whether any information designated by the project proponent as commercially sensitive meets the S3S Program definition of commercially sensitive information.

APPENDIX 1: GROUPING IMPACTED PRODUCTS

This appendix provides further information on assigning impacted products to impacted product groups, including examples.

Each impacted product is assigned to one impacted product group. All impacted products in an impacted product group share the same classification in the United Nations Sustainable Development Central Product Classification (UNSD CPC).

The UNSD CPC code for an impacted product group does not need to exactly match the CPC codes of impacted products assigned to the group, but the codes should be related according to the hierarchical structure of the UNSD CPC. A hypothetical project is discussed below:

- A project includes Factory A which produces women's cotton shirts (CPC #28224) and Factory B which produces cotton fabric (CPC #26610) and unisex shirts (CPC# 2822). The project proponent reports the impacted products using these classifications and CPC codes per Section 5.1.
- Reporting Company 1 buys 30% of women's cotton shirts from Factory A and 100% of unisex shirts from Factory B. The project proponent may justify grouping both impacted products purchased by Reporting Company 1 in a single impacted product group classified as "wearing apparel, knitted or crocheted" (CPC #2822). In this case, the women's cotton shirts can be grouped under the broader apparel classification with the unisex shirts.
- Reporting Company 2 buys 40% of women's cotton shirts from Factory A. The project proponent may create a separate impacted product group specifically for women's cotton shirts from Factory A, using CPC #28224. In this case, 40% of the women's cotton shirts remain classified more specifically as women's cotton shirts, in contrast to the 30% purchased by Reporting Company 1 which are classified under a different (less detailed) CPC #2822.
- Reporting Company 3 buys the remaining 30% of women's cotton shirts from Factory A and cotton fabric from Factory B. These products cannot be included in the same impacted product group because they are fundamentally different products (i.e., cotton fabric is a fundamentally different product to a cotton shirt). Therefore, the project proponent may create two impacted product groups, one for the women's cotton shirts from Factory A with CPC #28224, and one for the cotton fabric from Factory B with CPC #26610.

It may not be possible or practical to characterize an impacted product group by a UNSD CPC five-digit subclass. For example, for a project at a textiles factory it may not be possible to differentiate between men's and women's shirts per UNSD CPC subclasses #28222 and #28224 respectively. In this case, the project proponent may justify the use of the four-digit class #2822 "wearing apparel, knitted or crocheted."

Impacted products with the same UNSD CPC classification may be assigned to different impacted product groups (e.g., due to production at different project activity instances or production in different production periods). Impacted products produced in the same instance may be assigned to different impacted product groups (e.g., due to different UNSD CPC classifications and/or production in different production periods). Impacted products produced in the same production period may be assigned to different impacted product groups (e.g., due to different UNSD CPC classifications and/or production at different instances).

Example Options for Impacted Product Groups

The following example uses a simple agricultural project that is producing two crops, corn (UNSD CPC #01122) and soya beans (UNSD CPC #01412). The crops are produced in four instances (a, b, c, d) during two defined periods (January–June and July–December) within a one-year monitoring period (January–December 2025), as follows:

Instance	Crop	UNSD CPC	Time produced
a	Corn	01122	January–June
a	Soya beans	01412	July–December
b	Corn	01122	July–December
b	Soya beans	01412	January–June
c	Corn	01122	January–June
c	Soya beans	01412	July–December
d	Corn	01122	July–December
d	Soya beans	01412	January–June

Below, five options are given that illustrate some of the ways that a project proponent could choose to assign impacted products to impacted product groups, including ways to mix approaches while ensuring that:

- each impacted product group retains a unique combination of:
    - one type of impacted product (specified via a UNSD CPC code),
    - one production period, and,
    - a list of instances where the impacted products are produced.

- where impacted product groups share the same UNSD CPC code, the production periods and/or the production location are different.
- each impacted product is assigned to only one impacted product group so that no amount of impacted product is included in more than one impacted product group.
- the impacted product groups, together, capture:
    - all impacted products produced in the project (specified via CPC code),
    - the total amount of impacted product produced during the monitoring period,
    - the entire monitoring period, and
    - the entire project area.

Option 1 (least granular): Group by UNSD CPC code only

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–December	a, b, c, d
2	Soya beans	01412	January–December	a, b, c, d

Impacted product groups are only differentiated by the UNSD CPC code. The instances are aggregated and the production period spans the whole monitoring period. It is not possible to have just one impacted product group because each impacted product group must be characterized by only one UNSD CPC code, all impacted products must be identified, and each impacted product must be assigned to only one impacted product group.

Option 2: Group by UNSD CPC code and location (instances)

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–December	a, b
2	Soya beans	01412	January–December	a, b
3	Corn	01122	January–December	c, d
4	Soya beans	01412	January–December	c, d

Option 2 assumes that instances a and b are located in one region (e.g., a county) and instances c and d are located in another region. Impacted product groups are differentiated by both UNSD CPC code and instances, but are not differentiated by the time of production (i.e., the production period is aggregated across the full monitoring period). This option may be useful where it is known that reporting companies source a particular product from particular instances or regions.

Option 3: Group by UNSD CPC code and production period

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–June	a, c
2	Soya beans	01412	July–December	a, c
3	Corn	01122	July–December	b, d
4	Soya beans	01412	January–June	b, d

Impacted product groups are differentiated by UNSD CPC code and time of production (production period). In this example, there is also a coincidental differentiation by instance since there is no production of CPC #01122 in January–June in instances b or d, hence instances b and d are not included in group 1.

Option 4 (most granular): Group by UNSD CPC code, instance, and production period

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–June	a
2	Soya beans	01412	July–December	a
3	Corn	01122	July–December	b
4	Soya beans	01412	January–June	b
5	Corn	01122	January–June	c
6	Soya beans	01412	July–December	c
7	Corn	01122	July–December	d
8	Soya beans	01412	January–June	d

Impacted product groups are differentiated by UNSD CPC code, instance, and production period. This is the most disaggregated option available for this example project.

Option 5 (mixed approach): Cross-over in UNSD CPC code and production location, not production period

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–December	a, b, c, d
2	Soya beans	01412	January–December	a, b
3	Soya beans	01412	July–December	c
4	Soya beans	01412	January–June	d

Option 5 mixes several options as follows:

- option 1 grouping by UNSD CPC code only in group 1
- option 2 grouping by UNSD CPC code and location in group 2
- option 4 maintaining disaggregation by both production location and production period in groups 3 and 4

This mixing of approaches is permitted as each impacted product group has a single UNSD CPC code and there is no overlap between impacted product groups sharing the same UNSD CPC code. Mixing option 3 with other options is also possible but is omitted here for brevity.

Option 6 (not allowed): Overlap between production location and production period

Impacted product group	Crop	UNSD CPC	Production period	Production location
1	Corn	01122	January–December	a, b
2	Soya beans	01412	January–December	a, b
3	Corn	01122	July–December	b
4	Corn	01122	January–December	c, d
5	Soya beans	01412	January–December	c, d

This situation could arise where, for example, a project proponent wanted to include 50% of corn production from instance b with the corn produced in instance a and separately group the remaining 50% of corn produced in instance b. However, this approach to grouping is not permitted.

Groups 1 and 3 share the same UNSD CPC code and there is overlap in the production period (the period from July to December is included in both groups) and production location (instance b is listed in both groups). Since both groups share production period (July–December) and production location

(instance b), as well as a UNSD CPC code, this approach does not conform to the requirement for impacted product groups with a shared UNSD CPC code to not also share a common time period for production period and instances in the production location.

DOCUMENT HISTORY AND EFFECTIVE DATES

Version	Date	Comment
v1.0	15 Sept 2026	Initial version released under S3S Program Version 1

VERRA

Standards for a
Sustainable Future



Verified Carbon
Standard



Jurisdictional and Nested
REDD+ Framework



Scope 3
Standard



Climate, Community
& Biodiversity Standards



Sustainable Development
Verified Impact Standard



Plastic Waste
Reduction Standard