SUMMARY OF COMMENTS & VERRA RESPONSES: FINAL PUBLIC CONSULTATION ON VERSION 5 OF THE VERIFIED CARBON STANDARD PROGRAM

December 16, 2025

INTRODUCTION

This document summarizes the feedback from comments received during the June 26 – August 11, 2025, public consultation on the major proposed updates to Version 5 of the Verified Carbon Standard (VCS) Program. It provides a synthesis of the sentiments expressed by respondents for each topic and Verra's responses to the summaries. The full comments received are also provided in a separate document available on the Verra website.

About this consultation

Verra solicited stakeholder input on a number of program updates during this consultation, including updates related to program integrity, usability and transparency, and program scope. The updates proposed were designed to ensure that the carbon markets in which the program operates continue to deliver climate action at the scale, pace, and integrity needed to support global climate ambitions.

Verra posed 72 questions across 15 topics, and received 2,443 comments from 81 individual respondents representing the following sectors:

- 51 percent - project developers
- 14 percent - nonprofit
- 11 percent - consultant
- 9 percent - corporate/end users
- 6 percent - validation/verification body
- 6 percent – academic institutions
- 3 percent – other

Verra sincerely thanks all stakeholders for their thorough and thoughtful feedback on each question. Verra has taken each of these responses into consideration while preparing the final drafts of the requirements. The input will also support the development of forthcoming guidance, templates and training on the updates released as part of Version 5 of the VCS Program.

SUMMARY OF COMMENTS

Use this table to navigate the summary of comments and view Verra responses.

1 INCREASING PROGRAM INTEGRITY

1.1 Revising the definition of project start date and initial crediting period start date

Verra requested feedback on the following questions:

1) *Do you agree with separating the concept of the project start date from that of the initial crediting period start date? Would this change address the key issues identified?*
2) *If you responded "no" to the above, how can the definition of project start date be improved to increase clarity and prevent the selection of an inappropriate project start date?*
3) *Do you agree that project activity-specific requirements and guidance on how to establish the project start date and initial crediting period start date should be included the relevant methodology? If not, how should this information be provided?*
4) *Do the proposed criteria and examples in the VCS Standard and the proposed definitions provide enough information to help project proponents determine project start date and initial crediting period start date until methodologies can be revised to include guidance? If not, how can the information be improved?*
5) *In general, dates related to pre-project pilot testing (feasibility studies, trials, or pilot activities) where the pilots are limited to research and monitoring and do not significantly influence carbon stocks or emissions, do not constitute the project start date. What kind of criteria for determining "significant influence on carbon stocks or emissions" should be upheld, to ensure the start date is not triggered inappropriately? Should it be tied to the project's* de minimis *threshold?*

1.1.1 Summary of feedback

- 72 percent of respondents were in favor of the proposed separation of project start date and initial crediting period start date, agreeing that the proposal would solve the underlying issue, provide more clarity in the concepts, and would be aligned with other standards and definitions in the market. Over half of these supportive respondents still cautioned that the proposal's success would largely depend on the guidance that is provided at the methodology or standard level.
- 90 percent of respondents agreed that further criteria should be within each methodology. They also stated that the *VCS Standard* itself should still provide unifying criteria for determining the project start date to ensure methodologies develop the additional guidance and criteria consistently.
- 57 percent said that the proposed draft examples in the *VCS Standard* were insufficient or needed improvement. These respondents requested that Verra add more examples to the *VCS Standard* for each project type of what may constitute the project start date and initial crediting period start date to provide better interim guidance before methodologies are updated.
- Around 70 percent of respondents agreed that pre-project pilot testing should not trigger the project start date, up to a certain threshold. Respondents were split on whether this should be

a quantitative threshold or based on some other qualitative indicators, because measuring whether impact is *de minimis* at an early development stage is difficult for many projects, and may not apply to all project types. Respondents provided suggestions for other qualitative indicators that could be used to determine if a piloting activity triggers the project start date.

1.1.2 Verra response

- Verra decided to move forward with separating the definitions and concepts for project start date and initial crediting period start date. Verra made the definition of project start date more specific in response to stakeholder feedback to clarify the meaning of "first significant action." The definition is now more aligned with the definition for start date used by the Integrity Council for the Voluntary Carbon Market (ICVCM) and Paris Agreement Crediting Mechanism (PACM).
- Forthcoming revisions of methodologies will include more criteria and guidance on determining the project start date and initial crediting period start date for different projects. In the meantime, Verra added more examples for all project types in the *VCS Standard* in response to stakeholder feedback.
- Verra clarified that pilot testing and stakeholder engagement activities are not considered to be the project start date and introduced qualitative indicators rather than quantitative thresholds to determine whether an activity constitutes pilot testing. Further guidance may also be included in methodologies.

1.2 Crediting period length and baseline reassessment intervals

Verra requested feedback on the following questions:

1) *Do you support transitioning to 5-year crediting periods and baseline reassessment intervals for most project types? Why? Please indicate advantages and risks when explaining your response.*
2) *Verra proposes shifting to either 3 × 5 years or 4 × 5 years as crediting periods for non-GCS, non-AFOLU projects and non-SOC ALM projects. Which option do you believe is most appropriate for each project type? Please explain your response.*
3) *Are there project types for which 10-year baseline reassessment intervals remain appropriate? If yes, please specify which project types and explain why reassessing the baseline, checking regulatory surplus, and updating to the most recent methodology version less frequently is justified.*
4) *For ARR and RWE project types, should Verra consider an initial 10-year crediting period followed by shorter 5-year crediting periods to reflect the long timeline to sequester carbon in the early stages of a project, while aligning with other project types over time for consistency and increased ambition?*
5) *Are there other project types with similar conditions as ARR and RWE projects, where Verra should consider the option presented in Question 4?*
6) *Are there any other approaches besides dynamic performance benchmarks that could be considered sufficiently robust to eliminate the need for updating the baseline at crediting period renewal or baseline reassessment?*

1.2.1 Summary of feedback

- 63 percent of respondents were in favor of the proposed transition to 5-year crediting periods and baseline reassessment intervals for most project types, agreeing that it would enhance integrity and alignment across VCS projects and with market trends. 22 percent of respondents were opposed, referring to increased costs, burden, and potential impact on nature-based solutions.
- 15 percent of respondents emphasized the need for clearer guidance as well as flexibility for nature-based sequestration projects such as ARR, and the need for Verra to ensure review capacity and shorten review timelines.
- 73 percent supported a 20-year aggregate crediting period for E&I and ALM non-SOC projects, although some favored a more flexible approach tailored to project characteristics.
- Some respondents suggested that 10-year baseline reassessment intervals may remain appropriate for specific project types, particularly those with slowly shifting baselines or carbon stock conditions such as ALM with SOC changes, ARR, and IFM. Overall, there was broader support for a flexible structure with an initial 10-year period followed by 5-year intervals for certain AFOLU project types with low carbon sequestration rates in earlier years.
- There was only limited input on alternatives to dynamic performance benchmarks that would not require a baseline reassessment at specific intervals established at the program level. Examples included conservative static baselines and jurisdictional reference datasets.

1.2.2 Verra response

- Based on the feedback, Verra decided to proceed with transitioning to 5-year crediting periods and baseline reassessments for most project types. This change aims to ensure that projects apply updated methodology versions, demonstrate regulatory surplus more frequently, maintain up-to-date baselines, and improve consistency and alignment across the VCS Program.
- Most AFOLU project types will retain their 20- to 100-year crediting periods. The baseline reassessment intervals for several AFOLU projects are shortened to 5 years (previously 6-10 years), while the intervals for ARR, RWE, ALM with SOC stock changes, and REDD with jurisdictional data will be established in the methodologies. These intervals will be revisited in future methodology revisions, with the possibility of shifting to uniform 5-year reassessments or a 10-year initial interval followed by 5-year cycles.
- Rather than adopting a 20-year aggregate crediting limit for ALM non-SOC, Livestock Systems, and E&I projects, Verra will implement a default maximum crediting period of 15 years. However, the updated requirements provide flexibility for certain methodologies to allow for additional crediting period renewals where projects have clear ongoing financial needs to achieve sustained climate benefits.

1.3 Permanence: An innovative pilot to address carbon durability

Verra requested feedback on the following questions:

1) *Would you be interested in participating in the proposed permanence pilot? If so, which alternative approach to managing non-permanence risk would you implement?*
2) *Do you agree with the proposed minimum requirements for insurance products? Please explain your response and, where relevant, include any additional criteria that Verra should consider.*
3) *Do you agree with the proposed minimum requirements for the fund-based approach? Please explain your response, and where relevant, include any additional criteria that Verra should consider.*
4) *Should Verra establish a conservative default annual return rate (i.e., a minimum expected percentage change in the value of the fund each year) for projects using the fund-based approach? If so, what would an appropriate rate be?*
5) *Would you anticipate market interest in the innovation-labeled VCUs generated by projects participating in the permanence pilot? Please explain your response.*
6) *Many actors within the VCM are shifting towards using "durability" to describe the long-term sustainability of carbon credits. Do you support the proposal to incorporate durability terminology into the VCS Program? Please explain your response.*
7) *Do you support the proposed definition for durability in the VCS Program Definitions? Please explain your response.*

1.3.1 Summary of feedback

- 90 percent of respondents anticipate market interest in VCUs generated by projects participating in the pilot. A majority of respondents also expressed interest in participating in the pilot, primarily using the insurance pathway.
- Respondents provided suggestions to improve the minimum criteria for the insurance and fund-based pathways, such as requiring third-party audits and setting requirements for minimum coverage.
- 40 percent of respondents flagged the inability to apply CORSIA or CCP labels to VCUs from the pilot as a significant downside and encouraged Verra to engage with ICVCM and ICAO to explore enabling this in the future. Several respondents also expressed that repaying buffer credits to switch back to the pooled buffer approach could negate the benefits of piloting.
- 89 percent of respondents were supportive of introducing durability terminology into the VCS Program and of the proposed definition of durability.

1.3.2 Verra response

- Verra will move forward with the pilot to enable the development of innovative pathways to address non-permanence risk. The pilot is launching alongside the release of VCS Version 5.

- The criteria for both pathways in the pilot have been refined, taking the consultation feedback into consideration, and through further targeted consultation with external experts. Refinements include:
    - Both pathways must be triggered upon notice from Verra of a confirmed reversal.
    - Insurance policies must have minimum liability coverage equal to the total number or value of VCUs issued while the project is covered by insurance.
- Verra revised the requirements such that pilot participants will not be required to repay buffer credits should the alternative pathways not be permitted beyond the pilot. However, where this occurs, project proponents will also not be eligible to use the pooled buffer to cover issuances from the piloting years.
- Verra will collect data to support future engagement with ICVCM and ICAO to explore the case for enabling CCP and CORSIA labels for projects participating in the pilot.
- Verra introduced the concept of "durability" in the *VCS Program Definitions* to align with the pilot.

1.4 Revisions to loss event definition and reporting procedures

Verra requested feedback on the following questions:

1) Is the new definition of what constitutes a loss event sufficiently clear? If not, how can it be further clarified to ensure that project proponents are consistent in defining loss events?

2) Do you support the proposal that notification of a suspected loss event may come from any stakeholder? Please explain your response.

1.4.1 Summary of feedback

- 77 percent of respondents agreed that the new definition is sufficiently clear and improved. Suggestions for further improvement included adding examples of quantifying a loss and clarifying specific components of the definition, such as what is meant by "cumulative."
- Over 90 percent of respondents agreed with the proposal that a notification of a suspected loss event may come from any stakeholder. Some respondents flagged the risk of false notifications and emphasized that Verra could mitigate the risk by requiring evidence to support loss notifications.

1.4.2 Verra response

- Verra proceeded with the revised definition for loss event and added a new definition for "net GHG emission reductions and carbon dioxide removals."
- Verra will release an updated loss event report template with more detailed guidance in early 2026, including examples of how to quantify losses in different project types.
- Verra also revised procedures for loss event notifications, noting that Verra may become aware of a potential loss event through notification from project stakeholders or via the Long-Term Monitoring System. Verra addressed consultation feedback to mitigate the risk of false

notifications by specifying that project proponents will be allowed to provide evidence where they do not consider the reported loss to qualify as a loss event. Such evidence will be assessed at the project's subsequent verification.

1.5 Setting baselines below business-as-usual for program conservativeness

Verra requested feedback on the following questions:

1) *The VCS Methodology Requirements sets out the rules for all methodologies developed under the VCS Program, including new and revised methodologies. These requirements may or may not fully align with the proposed requirements for methodologies under the PACM. Generally, do you consider alignment between the* VCS Methodology Requirements *and PACM methodology requirements important? Please explain your response.*
2) *Do you think Verra should follow the PACM requirements for setting baselines, including the downward adjustment? Please explain your response.*
3) *Should Verra consider flexibility for differentiation in baseline-setting approaches, based on factors like host country, project type, or sector? Please explain your response.*
4) *Are there other approaches that Verra should consider to ensure that crediting baselines are sufficiently conservative?*

1.5.1 Summary of feedback

- 47 percent of respondents felt that alignment with the Paris Agreement Crediting Mechanism (PACM) was generally a good idea. 26 percent felt that alignment was good, but with significant caveats. 21 percent outright did not support alignment. Respondents flagged that it would be premature for Verra to align ahead of the finalization and implementation of PACM's standards.
- Regarding alignment with PACM requirements for the downward adjustment of baselines, only 33 percent of respondents supported this. Over 50 percent of respondents highlighted the need for flexibility across project types, stating that a blanket approach would be inappropriate. Over 30 percent of respondents flagged that the downward adjustment could lead to a double conservativeness deduction due to existing conservative measures, such as uncertainty deductions.
- 78 percent of respondents were in favor of Verra considering flexibility in baseline setting approaches based on factors like host country, project type, or sector.
- Respondents also proposed other approaches for Verra's consideration to ensure that crediting baselines are sufficiently conservative, including dynamic baselines and third-party benchmarking for baseline setting.

1.5.2 Verra response

- Verra appreciates respondents' insights into the extent to which VCS Program requirements should be aligned with PACM requirements. Verra will evaluate PACM requirements as they are

finalized and implemented in PACM methodologies before determining which requirements to align with.

- Verra will update its *CORSIA Label Guidance* document in early 2026 to include a requirement for project proponents to demonstrate that project crediting baselines are conservative to be eligible to apply CORSIA second phase (2027-2029) labels to their VCUs.

1.6 Improvements to project ownership and carbon rights demonstration requirements

Verra requested feedback on the following questions:

1) *Do you agree that the proposed changes in terminology, process, and requirements address the integrity risks? Please explain your response.*
2) *What additional suggestions do you have to strengthen the proposals (e.g., other suggested terms)? Please describe the issue that your suggestion addresses.*
3) *Would these requirements present issues for or negatively impact Indigenous Peoples (IPs) or local communities (LCs) (e.g., in contexts where they or their rights are not fully recognized in accordance with international legislation)? Please explain your response.*
4) *Are there examples of best practices for rights assessments that Verra should consider when drafting the proposed requirements?*
5) *Are there any globally or regionally recognized sources of customary rights mapping, or other evidence, that Verra could require or provide as guidance to project proponents and VVBs to review as part of the rights assessment?*
6) *Should there be restrictions on VCU issuance where land tenure conflicts or other conflicting rights claims exist and project proponents demonstrate they support rights holders in securing rights? Please explain your response.*
7) *Are there conflicts between these proposed updates and VCS Program safeguards related to property rights* (VCS Standard, v4.7, *Sections 3.19.19–3.19.24)?*

1.6.1 Summary of feedback

- Over 50 percent of respondents supported the proposal's overall intent and approach. 25 percent specifically indicated their support for changing terminology, including updating "project ownership" to "right to operate."
- Respondents flagged that the new requirements could be overly burdensome for certain project types, such as non-AFOLU projects and grouped projects with multiple smallholders. The feedback also emphasized the interlinkages of safeguard elements, such as free, prior and informed consent (FPIC), benefit sharing, and grievance mechanisms, when considering ownership and carbon rights requirements.
- Respondents recommended streamlining the revised requirements as much as possible with the existing FPIC and *AFOLU Non-Permanence Risk Tool* requirements. They also suggested

that Verra provide guidance on implementing the requirements and transitioning existing projects to the updated requirements.

- Stakeholders suggested enhancements to definitions to help reduce potential unintended negative impacts from this update for IPs and LCs.
- Various resources and databases were suggested to support the development of the rights assessment, and that Verra could include in related guidance to support project proponents in mapping customary rights within their project areas.
- Respondents were divided on whether to allow VCU issuances where conflicting claims exist within a project. Those who supported issuance provided feedback on criteria that must be met (e.g., evidence of a time-bound plan to resolve the dispute).
- 66 percent of respondents did not identify conflicts between the proposed updates to project ownership and the safeguards related to property rights in *VCS Standard, v4.7*.

1.6.2 Verra response

- Verra introduced the revised terminology and definitions, including right to operate (formerly project ownership), right to reductions and removals (formerly proof of right), and land or resource rights (formerly property rights).
- Verra clarified and enhanced the requirements for project proponents to hold the right to operate and the right to reductions and removals, including requirements for the analysis needed to substantiate these rights.
- Projects that affect land or resource rights must undertake an analysis of such rights that identifies the following:
    - Land tenure categorization,
    - Existing customary rights, and
    - Presence of overlapping claims, competing claims, and violent conflicts.
- Where customary rights are identified, Verra will only permit VCU issuance where a project implementation agreement following the requirements in Section 3.17 of the *VCS Standard, v5.0* is signed with any affected customary rights holders.
- The new and revised requirements more holistically address the interlinkages of safeguard elements, such as FPIC, benefit sharing, and grievance mechanisms, and the demonstration of the project's right to operate and right to reductions and removals.
- In response to consultation feedback, Verra streamlined the existing requirements to reduce burden on certain project types by only requiring a land or resource rights analysis where such rights are affected by the project.
- Verra appreciated the suggestions from respondents to review various resources and databases and used the suggested resources to support the development of the updated requirements.

1.7 Enhancements to streamline and raise the bar for safeguards and stakeholder engagement

Verra requested feedback on the following questions:

1) *Do you agree with the safeguards framework? If not, please explain why and, to the extent possible, provide suggestions to strengthen or clarify the framework.*
2) *Do you agree with the risk-based approach to safeguards? If not, please explain why and, to the extent possible, provide suggestions for improvements or alternatives.*
3) *Are there any additional general updates to requirements that could help strengthen or clarify safeguards? Please explain your response.*
4) *Do you agree with the proposed stakeholder categorization and updates? Please explain your response.*
5) *What types of evidence could be provided by project proponents to justify their selection of stakeholder categories?*
6) *Do you agree with the proposed enhancements to social and environmental safeguards in Section II of this proposal? If not, please explain your response.*

1.7.1 Summary of feedback

- Over 60 percent of respondents supported the safeguards framework, saying it provides further clarity, and over 75% supported the stakeholder engagement framework, as a positive step to enhance targeted approaches and different levels at which stakeholders must be engaged.
- 65 percent of respondents supported the proposed risk-based approach to safeguards, highlighting that it is a practical and adaptive way to uphold environmental and social integrity while enabling projects to focus their resources where risks are highest, without overburdening low-risk projects. Only 9 percent of respondents were explicitly unsupportive of the proposal.
- 40 percent of respondents highlighted the need for Verra to provide more guidance, criteria, and evidence needed to demonstrate conformance to the safeguards framework and requirements.
- Respondents suggested using stakeholder mapping as the most common tool to group stakeholders and justify levels of stakeholder engagement, including power interest grids or influence-impact charts, together with participatory methods.
- Respondents also requested that Verra tailor digital tools and requirements to different project types, to avoid these requirements becoming overly burdensome on smaller projects or those where certain safeguards are not applicable.
- Nearly 60 percent of respondents explicitly indicated they agree with the proposed enhancements to safeguards; the rest did not indicate whether they are supportive or not.

1.7.2 Verra response

Verra updated sections 3.17 (stakeholder engagement) and 3.18 (safeguards) in the *VCS Standard, v5.0*. These sections include the following high-level changes:

- Stakeholder engagement:
  - Clarified that meaningful stakeholder engagement must occur before the project start date.
  - Introduced requirements to develop and implement a stakeholder engagement plan that is tailored to stakeholders' needs and required levels of engagement, which addresses the respondents' feedback to provide flexibility for different project types to engage relevant stakeholders. In response to feedback, Verra will provide a template for stakeholder engagement plans, including related guidance.
  - Enhanced free, prior and informed consent (FPIC) requirements, including a new requirement to establish a project implementation agreement, and where relevant, a benefit-sharing mechanism (see Section 1.8 below for more details), as well as revised definitions of customary rights, IPs, LCs, and FPIC.
  - Strengthened grievance redress mechanism requirements, including explicit requirements to make the mechanism available to stakeholders at the earliest stages of project development.
- Safeguards:
  - Clarified that project proponents must assess risks and apply adaptive management to enhance protections to stakeholders and the environment, as follows:
    - conduct an environmental, social, and governance risk assessment to evaluate the potential negative impacts of the project
    - design commensurate mitigation measures that address the safeguards requirements and any other risks identified in the assessment
    - implement the mitigation measures
    - monitor project risks and the effectiveness of mitigation measures, throughout the project lifetime apply adaptive management to ensure mitigation measures remain effective.
  - Verra will provide a template for the social, environmental, and governance risk assessment, including related guidance.
  - Added new governance requirements (e.g., anti-corruption, anti-money laundering, illegal activities, emergency preparedness and response).
  - Enhanced social safeguard requirements, including for gender equality, and armed personnel.

1.8 Increasing financial transparency requirements for benefit sharing

Verra requested feedback on the following questions:

1) *Do you support the proposal that, where a benefit-sharing agreement is in place, project proponents must share financial information with beneficiaries to enable appropriate design and implementation of the agreement? Please explain your response.*
2) *Are the budget line items in Section 3.19.27 in the proposed text of the* VCS Standard *sufficient for stakeholders to make an informed decision about the benefit-sharing agreement's design and implementation?*
3) *Do you have any other suggestions related to strengthening financial disclosure requirements for projects?*

1.8.1 Summary of feedback

- A majority of respondents supported the proposed update; however, many of them highlighted caveats to their support. Some of these caveats included 1) concern about the financial literacy of the project beneficiaries, and 2) potential risks of sharing projected financial information that might create unrealistic expectations with beneficiaries.
- 61 percent of the respondents did not support the proposed budget line items included in the proposal, with some suggesting more aggregate reporting and others suggesting more granular reporting.
- Respondents highlighted the need for Verra to provide better guidance on in-kind benefits and provided feedback that project activities should be allowed as in-kind benefits in certain situations.
- Respondents emphasized that if infrastructure is included as in-kind benefits, then project proponents should develop plans for the long-term utility of such infrastructure.
- Overall, many of the respondents highlighted a need for Verra to provide guidance on implementing the requirements, ideally with accessible and standardized templates to facilitate financial reporting by project proponents.

1.8.2 Verra response

- In response to the consultation feedback, Verra has implemented a limited version of the proposed requirements to set an appropriate basis for projects to start implementing financial transparency. Most notably, project proponents will only be required to share high-level information on gross revenues and project costs with participants in the benefit-sharing mechanism. Other parts of the proposed updates, such as requirements for granular, line-item financial reporting, will be developed later alongside supporting guidance and other tools necessary to facilitate conformance to requirements.
- In the *VCS Standard, v5.0,* Verra included the following:

- Revised requirements for projects to include a benefit-sharing mechanism, co-created and agreed upon during the FPIC process, where land or resource rights are impacted, or customary rights holders or IPs are present in the project area.
- New requirement for project proponents to share projected financial information on project revenues and costs when designing the benefit-sharing mechanism, and ongoing reporting on operating costs and gross revenues once the mechanism is implemented.
- New requirements that enable in-kind benefits to be included in the benefit-sharing mechanism, as long as they are agreed upon.
- Incorporating consultation feedback, Verra also included a requirement for project proponents to co-develop a plan for the continuing function and utility of in-kind benefits related to infrastructure.
- Restrictions on certain benefits from being included in the benefit-sharing mechanism, with a carveout for implemented project activities where additional benefits from the activities are entirely for the communities.

1.9 Enhanced ecosystem conversion safeguards

Verra requested feedback on the following questions:

1) *Do you support the introduction of the ecosystem integrity concept and categorization? Please explain your response.*
2) *Are there justifiable reasons to use the term ecosystem function instead of ecosystem integrity?*
3) *Could an approach to demonstrate only significant signs of degradation (including the characteristics shown in Table C) suffice as an alternative to the ecosystem integrity categorization? Please explain your response.*
4) *Are there any other characteristics of degradation that the VCS Program could require project proponents to demonstrate (e.g., irreversibility)? If so, please indicate suitable evidence for its demonstration.*
5) *Would requiring project proponents to demonstrate drivers of degradation (Section (a) in Table D) and either biotic or abiotic conditions (Section (b) or (c)) increase integrity by covering complementary aspects of degradation? Please explain your response.*
6) *Is the 10-year rule in the proposed requirement 3.19.28(2) an adequate threshold, considering the rule's exemptions included in the proposed requirement 3.19.29? If not, please justify another suitable threshold.*
7) *Do you agree with the proposed requirement 3.19.30 for restoration projects? If not, please explain your response.*
8) *Could the proposed updates to requirements and definitions have unintended consequences when interpreted together? If so, please explain your response and provide examples, where possible.*

9) *Are there other definitions that should be included, edited, or deleted to clarify the requirements?*

1.9.1 Summary of feedback

- Over 70 percent of respondents agreed to the proposed ecosystem integrity tiers, and to replacing the term native ecosystems with ecosystem integrity. However, caution was advised that this may increase the burden for projects, and potentially project costs.
- 65 percent of respondents prefer the term ecosystem integrity over ecosystem function, since function is only one component of integrity, and thus, has a narrower scope.
- Opinions were divided when presented with an alternative simplified approach to focus only on demonstrating critical signs of degradation for projects to be considered eligible to convert ecosystems, as long as the degradation criteria and evidence are clear and comprehensive.
- Opinions were divided on the introduction of irreversibility: 30 percent of respondents explicitly supported it, as being relevant for ecosystems that have lost critical ecological functions, while 35 percent did not, since assessments depend on available resources and can be subjective.
- Over half of respondents supported requiring evidence of both degradation drivers and biotic or abiotic components, noting it would strengthen integrity. About one quarter were unsupportive, as such a demonstration adds complexity and potential exclusion of projects.
- Almost 60 percent of respondents supported the proposed requirement for restoration, yet called for more clarity regarding definitions, with less than 15 percent being unsupportive.
- Over three-quarters of respondents considered that unintended consequences could exist where the requirements and definitions are interpreted together under certain circumstances.
- Respondents requested that Verra:
    - consider specific use cases or scenarios where these safeguards to ecosystem conversion will be more relevant. For instance, in ARR projects.
    - clarify definitions and set specific requirements, including those related to evidence where necessary (e.g., what is acceptable to demonstrate ecosystem degradation), to support project proponents in demonstrating and validation/verification bodies in assessing conformance with the requirements.

1.9.2 Verra response

- Based on the feedback received, Verra clarified that projects must not further degrade or convert an ecosystem to a type T7 ecosystem (according to IUCN GET). ARR, ALM, or WRC projects may only convert ecosystems where either of the following criteria is met:
    - The ecosystem exhibits a state of high ecosystem degradation for at least 10 years prior to the project start date
    - High ecosystem degradation has occurred within the 10 years prior to the project start date and is:
        - unrelated to the project, and

    - not carried out by the project proponent.
- Considering the feedback received, the update includes the following two criteria of high ecosystem degradation that project proponents must demonstrate, including a list of indicators and examples of evidence:
    - significant historical, present, or imminent drivers of ecosystem degradation; and
    - that the ecosystem has lost its ability to sustain its biotic or abiotic characteristics compared to one with high ecosystem integrity.
- Proponents of ARR or WRC projects that restore ecosystems must demonstrate that the project activity is improving the ecosystem integrity toward ecologically suitable and appropriate reference conditions justified for the project or an adapted/resilient state based on scientific evidence.

2 ENHANCING PROGRAM ACCESSIBILITY AND USABILITY

2.1 Standardized effective date guidance for program updates

Verra requested feedback on the following questions:

1) Do you have feedback on the draft criteria, or any other suggested criteria for Verra to consider when establishing effective dates?

2) *Do you have any further suggestions for Verra to consider to increase transparency and provide project proponents and VVBs with a reasonable transition time, while still promoting timely uptake of updates necessary to maintain program quality and integrity?*

2.1.1 Summary of feedback

- The majority of respondents provided positive feedback on the proposed criteria. The most common suggestion was that Verra should consider allowing projects that were validated under a previous version of the *VCS Standard* to wait until their next crediting period renewal or baseline reassessment before they are required to adopt certain updated requirements. Another common suggestion was that Verra should provide more transition time for projects that have already begun validation or verification.
- In general, respondents were supportive of the other measures proposed and reinforced the importance of existing practices, such as holding public consultations, and setting effective dates carefully based on the difficulty of implementation versus the urgency of the update. Overall, respondents want more predictability from Verra on program updates.

2.1.2 Verra response

- Verra moved forward with publishing more information about effective dates in the *VCS Program Guide, v5.0.* In response to consultation feedback, Verra added an effective date type to enable updates to be effective at the project's next crediting period renewal or verification

with baseline reassessment, and an effective date type to enable updates to be effective only for projects that have not yet begun validation or verification.

- Verra will aim to provide more advanced notice of program updates and will use a standard 12-month transition period for updates that are related to project design, implementation, monitoring, and quantification, where possible. Verra will also aim to release only one set of program updates per calendar year, unless circumstances require more urgent updates (e.g., for ICVCM or CORSIA compliance, or to protect the integrity of the VCS Program and carbon markets as a whole).

2.2 Updates to methodology transitions

Verra requested feedback on the following questions:

1) Do you agree with the proposed 12 months until inactivation following release of an updated version of a methodology, module, or tool? If not, can you provide an alternative timeframe and justify how it balances integrity and practicality?

2) Do you have any additional suggestions for how to balance flexibility for project developers with the need to adopt improved methodology versions in a timely manner?

2.2.1 Summary of feedback

- 65 percent of respondents supported a 12-month methodology inactivation period, appreciating that additional time would be granted compared to current rules.
- Respondents expressed some concerns about the limited advanced notice of upcoming methodology revisions, specifically for AFOLU projects, which often have a longer validation timeline. Respondents also expressed the need for clearer transition guidance for specific methodology updates when methodologies are revised.
- A limited number of additional suggestions were provided, mainly recommending earlier communication of upcoming revisions, calculation tools to support projects applying revised methodologies, and more structured guidance and training to facilitate transitions to new methodology versions.

2.2.2 Verra response

- Verra will implement a default 12-month transition period between publication of a new methodology or methodology version and the inactivation of the previous version. Verra may set alternative inactivation timelines where deemed necessary.
- In response to consultation feedback, Verra has recently started to send notifications to project proponents when the methodology being applied undergoes revision and starts public consultation. This will enable project proponents to plan ahead for a potential methodology transition, and it will also allow Verra to receive more meaningful stakeholder input on the revision and related transition requirements.

- Additional procedures and requirements will be integrated into the methodology development and review process to incorporate clearer transition requirements for methodology revisions and support smoother transitions for projects.

2.3 Grouped projects: Definition of instance and capacity limit requirements

Verra requested feedback on the following questions:

1) *Do you agree with Verra's proposal to apply methodology capacity limits at a project level rather than a project activity instance level? If not, please explain your response.*
2) *Are there any challenges that you anticipate if the above proposal is implemented? Please provide examples or case studies to support your response.*
3) *Do you anticipate any challenges in applying the proposed definition of project activity instance? If so, please explain your response.*
4) *How can the batch inclusion procedure be designed to ensure integrity while maintaining flexibility for project proponents?*
5) *Do you agree with the cut-off date to include project activity instances into a grouped project within two years of the date on which the instance began generating reductions or removals? Please explain your response.*

2.3.1 Summary of feedback

- 74 percent of respondents supported the idea of applying capacity limits at the project level. Respondents noted some concerns that small-scale projects may be negatively impacted by this proposal, particularly those that rely on aggregation to achieve financial viability. Enforcing capacity limits at the project level may require developers to register multiple similar projects, resulting in unnecessary development costs.
- Respondents expressed some concerns with the proposed definition of instance, stating that it is general and is not applicable to all project types.
- A majority of respondents supported the requirement to add instances during a monitoring period via a batch inclusion form, saying that it would lead to clearer and more transparent reporting. Some respondents encouraged Verra to ensure that this form has limited overlaps with the current monitoring report template. Other respondents suggested making the form digital.
- 54 percent of respondents agreed with applying a cutoff date for including instances in a project. However, some respondents stated that a cutoff date would lead to more frequent verifications, which can be challenging due to the cost and unforeseen delays. Other respondents stated that the deadline would be too restrictive for certain AFOLU projects or projects involving smallholders.

2.3.2 Verra response

- In response to supportive stakeholder feedback, Verra decided to move forward with requiring methodology capacity limits to apply at the project level. Many methodologies with capacity limits are no longer active in the VCS Program, and Verra will consider these consultation comments when assessing other active methodologies with capacity limits.
- The definition of project activity instances has been revised to refer to the smallest standalone unit that enables the generation of reductions and removals. The definition also includes examples and defers to methodologies for further guidance, which provides flexibility for different project types.
- Verra will release a batch inclusion form template in early 2026. From 1 January 2027, project proponents will be required to add instances in batches using the batch inclusion form. The monitoring report template will also be updated to prevent overlapping reporting.
- In response to stakeholder feedback, Verra revisited the cutoff date requirement. Instead, the *VCS Standard, v5.0* will require that all instances be implemented during the monitoring period being verified.

2.4 Grouped projects: Redefining geographic areas as eligibility areas

Verra requested feedback on the following questions:

1) *What challenges do you face when applying the geographic area concept as it is currently written in* VCS Standard, v4.7*, Sections 3.6.10–3.6.15?*
2) *Do you agree with renaming the concept of a "grouped project geographic area" to "eligibility area"? If not, do you have alternative suggestions for a better term?*
3) *What challenges might you encounter with the requirement that a grouped project eligibility area be demarcated as a jurisdiction or combination of jurisdictions that does not span more than one country?*
4) *Do you agree that the determination of baseline scenario and demonstration of additionality must be based upon the initial project activity instances within an eligibility area?*
5) *For the definition of "initial instances," what stage of development should qualify as "planned and developed in sufficient detail to enable assessment at validation" for the types of projects you develop or audit?*

2.4.1 Summary of feedback

- 85 percent of respondents identified challenges when applying the geographic area concept. Most respondents stated that the existing definition is unclear and leads to confusion when delineating geographic areas and aligning them with other project location requirements.
- 70 percent of respondents supported renaming the concept of geographic areas to eligibility areas.
- Most respondents supported the proposal to limit eligibility areas to a single country and align them with existing jurisdictions. However, some respondents expressed concerns that this

could increase the reporting burden for projects spanning multiple countries with similar conditions. Others noted that jurisdictional boundaries may not accurately reflect how communities perceive cross-border ecosystems and territories.

- 76 percent of respondents supported the proposal to limit the determination of baseline scenario and demonstration of additionality to the initial instances at validation. These respondents noted that this approach is transparent, representative, and ensures consistency of future instances. Those against the proposal believe it restricts scalability and is overly stringent for large projects.
- Respondents suggested that initial instances could be demonstrated to be "planned and developed in sufficient detail" via the following evidence: ownership, implementation or site preparation, initialization of local stakeholder engagement, completion of baseline data collection, and additionality assessment.

2.4.2 Verra response

- In response to stakeholder feedback, the concept of a "grouped project geographic area" was renamed to "grouped project eligibility area." The corresponding requirements were consolidated and clarified.
- Each grouped project eligibility area must align with the physical boundary of a jurisdiction and must not span more than one country. This remains unchanged from the consultation proposal because this promotes transparency and consistent application of the concept across all projects.
- The determination of baseline scenario and demonstration of additionality must be based upon initial project activity instances. This remains unchanged from the consultation proposal. Project proponents may amend baseline scenarios and additionality demonstration through project description deviations, thereby avoiding restrictions on scalability for large projects.
- The definition of initial project activity instances was refined to capture instances that can enable assessment of baseline scenario and additionality at validation.

3 REFINING THE PROGRAM SCOPE FOR MAXIMUM IMPACT

3.1 Further revisions to Table 1: Excluded project activity types

Verra requested feedback on the following questions:

1) *Do you agree with the proposed changes to rely on methodologies to define applicability conditions that take precedence over the default eligibility described in Table 1? If so, why?*
2) *What are the downsides to this approach? What are the benefits?*
3) *Are the proposed changes to default eligibility for efficient lighting activities, activities eliminating HFC-23, and activities installing and/or replacing electricity transmission lines appropriate? Please explain your response.*

3.1.1 Summary of feedback

- 61 percent of respondents were in favor of the proposed changes to Table 1, and many supported the expansion of renewable energy eligibility. Only 4 percent of respondents disagreed, and the remaining 35 percent offered no opinion in their response.
- The only concern identified by some respondents was that the standard would not take precedence over all methodologies, and some believed it should.
- One respondent questioned the eligibility for lighting efficiency projects, emphasizing that sophisticated efficiency projects (e.g., with daylight sensors) should be eligible, and not in the same category as simple lighting efficiency (e.g., replacing bulb types).
- No comments were received on HFC-23 activities and installing or replacing electricity transmission lines.

3.1.2 Verra response

- Given the overall support for revising Table 1, the text remained largely in line with the consultation version, with minor improvements to language and clarity introduced.
- While the *VCS Standard* does define the overarching program rules, it does not provide the level of detail needed to specify geographic eligibility for each project type. For this reason, Verra proceeded with specifying the default geographic eligibility for certain project types in Table 1, allowing methodologies to specify otherwise.
- Changes to text regarding energy efficiency specify that more sophisticated efficiency interventions are not covered by the default eligibility.
- Given no comments were received on HFC-23 eligibility, and the existing active methodologies already correctly restrict the eligibility of activities, default eligibility of these project activity types is not needed, and the row was removed from Table 1. Eligibility is fully determined by methodologies.

3.2 A new classification system for VCS sectoral scopes

Verra requested feedback on the following questions:

1) *Do you agree with the proposed changes to the list of sectoral scopes? Please explain your response.*
2) *Should VCS Program sectoral scopes be aligned with CDM and PACM sectoral scopes as much as possible?*
3) *Will the proposed classification system make it easier for project proponents, ratings agencies, and buyers to access comparable project information?*
4) *Do you have any concerns about the compatibility of the proposal with classification systems used by other carbon crediting programs and meta standards?*
5) *Are there any changes you would suggest to the proposed project categories or project activity types? Are there any other types of projects that it would be helpful to see grouped together?*

6) *Verra is proposing two project activity types under the afforestation, reforestation, and revegetation (ARR) project category. Would these differentiations assist the market in identifying ARR activity types implemented for ecosystem restoration purposes versus other purposes? What suggestions do you have to improve this distinction?*

3.2.1 Summary of feedback

- 85 percent of respondents agreed with the revised list of sectoral scopes. Most stakeholders specifically agreed with splitting AFOLU into two sectoral scopes. They stated that the split would better enable comparative analysis of projects in these scopes across the market and better match the underlying competencies required of validation/verification bodies auditing these sectoral scopes, as mandated by accreditation bodies.
- 88 percent agreed that Verra's list of sectoral scopes should be as aligned as possible with the Paris Agreement Crediting Mechanism (PACM). Respondents agreed such alignment would enable better compatibility with UNFCCC accounting frameworks and facilitate greater interoperability in the market (e.g., between VCUs and ITMOs). Some respondents emphasized that Verra should retain its flexibility to define its own sectoral scopes and not be constrained by PACM, to allow for innovation in emerging climate mitigation sectors. The new proposed "Ocean and Marine Resources" sectoral scope was highlighted as an example of a good use case for retaining this flexibility.
- 79 percent of respondents agreed that the proposed classification system would make it easier for stakeholders to access comparable project information. Of those who provided a reason for their support, 75 percent stated that being able to filter comparable project information at a more granular level would enable better market benchmarking and cross-comparison, while 25 percent stated that it would help with market pricing, transparency, and greater clarity in communicating to buyers.
- Respondents provided some caveats, stating that the success will depend on the ability of Verra Registry to display project information and have easily available metadata, and that Verra should stay flexible in changing the project activity types when it can help the market to differentiate between different or emerging types of project activities.

3.2.2 Verra response

- Verra has implemented the proposed changes to the VCS sectoral scopes, including splitting sectoral scope 14 into "14. Forestry and other land use (forests, wetlands and grasslands)" and "15. Agriculture". New scopes have also been added for "Other engineered removals" and "Ocean and marine resources."
- The new VCS project classification system has been launched to define project categories and project activity types for each sectoral scope. Project proponents will be required to report according to the new project classification by 1 January 2027. The Verra Registry and project templates will be revised to accommodate new fields and functionality by the effective date of this update. A new guidance document, *VCS Sectoral Scopes and Project Classification*

Guidance, v5.0, has also been released to help stakeholders understand and apply the new classification system.

- A new project category has been defined under ALM called "Livestock Systems" to respond to stakeholder feedback to better differentiate enteric fermentation management activities from manure waste to energy generation activities that are categorized under sectoral scope 13.
- New project activity types have been defined for ARR projects. Verra incorporated stakeholder feedback by including more project activity types for mixed-use projects implementing multiple ARR project activities. Project proponents must report all the ARR activity types that apply to their projects.
- Appendix 1 of the *VCS Standard, v5.0* and Appendix 1 of the *VCS Methodology Requirements, v5.0* have been revised to provide more details on the activities that fall under the new AFOLU project categories and project activity types.
- Respondents requested guidance for certain activity types and asked what sectoral scopes, project categories, and project activity types they would fall under, in particular for agroforestry and biochar. In response, Verra used these project types as illustrative examples in the *VCS Sectoral Scopes and Project Classification Guidance, v5.0.*