



# NATURE FRAMEWORK 2023 PUBLIC CONSULTATION

## Summary of Comments and Verra Responses

May 16, 2024

### 1 Introduction

Verra is developing the Sustainable Development Verified Impact Standard (SD VISta) Nature Framework (Nature Framework) to certify and incentivize widespread investment in positive biodiversity outcomes benefiting nature and people. From September 18 to November 19, 2023, Verra [held a 60-day public consultation](#) on the Nature Framework, v0.1. Verra would like to extend its sincere thanks to all who submitted comments.

This document summarizes the extensive feedback received from the public consultation and how it will be used to develop the next draft of the Nature Framework. The document includes how suggestions and concerns are addressed or further tested in the next draft.

### 2 Summary of consultation analysis

Verra sought feedback on the framework's proposed concepts and core principles, the safeguards for Indigenous Peoples and local communities, including customary rights holders and other stakeholders, and the quantification method for biodiversity outcomes. While some aspects of the Nature Framework were more developed, others were still in the early development stages. Input will help us develop more detailed proposals in the next draft.

Stakeholders commented on 62 questions posed by Verra using a Google feedback form. The form was divided into two categories for a detailed analysis from complementary perspectives: 1) general public responses with viewpoints from different sectors (e.g., academia, project proponents, buyers), and 2) pilot project responses with specific practical insights on the proposed requirements. As shown in the following summary table, 52 respondents provided 1,360 comments.

Consultation category	No. of comments	No. of respondents
General public form	994	42
Pilot projects form	366	10

After analyzing all the individual comments, Verra consolidated the high-level sentiment of the input. Section 3 includes a summary of the comments and a Verra response per Nature Framework section. The list of individual comments received in the general public responses category (Appendix 1) and pilot project responses category (Appendix 2) are collected in the [Full List of Comments: Nature Framework, v0.1 Public Consultation](#).

### 3 Summary of comments received and Verra responses

This section highlights the feedback received in the consultation and Verra’s response, condensed to ease readability per section of the Nature Framework.

#### 1.1-1.7 Introduction

Public Consultation Comment Summary	Verra Response to Comments
<p>The responses in this section were broad and covered a wide variety of the Nature Framework sections. Stakeholders’ responses to this question related to other Nature Framework sections (e.g., additionality, safeguards, definitions) were moved to and analyzed in their respective sections.</p> <p><b>Offsetting</b></p> <p>Respondents broadly support Nature Credits not being used for offsetting purposes. However, at least 13% of respondents also explicitly called on Verra to reconsider offsetting and explore including other uses (e.g., insetting) under certain circumstances and with adequate safeguards or modifications to closely related requirements, such as additionality.</p> <p><b>Guiding principles</b></p> <p>Respondents suggested including principles such as transparency and equity. They also recommended expanding the principle’s scope by providing definitions or use cases so that projects can easily ensure compliance with the principles.</p>	<p><b>Offsetting</b></p> <p>Verra’s priority is to ensure the integrity of the Nature Framework, Nature Credits, and the broader market.</p> <p>International initiatives/forums, such as the International Advisory Panel on Biodiversity Credits (IAPB), are currently analyzing concepts related to use cases and demand motivations (e.g., offsetting, insetting, offsetting residual non-attributable impacts, philanthropy). They are also developing categorizations that will be useful for these purposes, separating use cases between voluntary and compliance contexts.</p> <p>Verra will continue to listen to all voices while participating in discussions and forums on the topic to ensure we make an informed and market-aligned decision.</p> <p><b>Guiding principles</b></p> <p>The guiding principles in the Nature Framework are specific to its development. Principles for the use of the Nature Framework will be part of a later draft.</p>

## 1.8 Nature Stewardship Credits

Public Consultation Comment Summary	Verra Response to Comments
<p><b>Development of the nature stewardship credit or certificate pathway</b></p> <p>Most respondents supported pursuing this pathway since stewardship credits could unlock new financing sources to maintain biodiversity, prevent its future loss, and add value to philanthropy. Those undecided or against it claimed these units risk greenwashing and potential pricing differences due to perceived lower quality or effort required. They also highlighted that their benefits fall under an avoided loss scenario.</p> <p><b>Nature stewardship credits or certificates asset class compared to Nature Credits</b></p> <p>Many respondents supported both being within the same asset class, as different ones may add complexity and error to the market. Advocates for separate asset classes considered they could provide a lower entry bar and minimize competition with Nature Credits and confusion associated with the same unit.</p> <p>Concepts requiring a different approach include units, additionality, and baselines, adapting the selection of indicators, monitoring, and verification to focus on long-term stability and resilience.</p> <p><b>Suggestions on critical concepts for their development</b></p> <p>Respondents suggested Verra explore the expected demand, project development cost, timing, and compliance with key requirements (e.g., additionality, measurement and verification, baselines) in their development.</p> <p>Verra was called to consider barriers to steward recognition, the possibility of projects transitioning from crediting to stewardship, and extra concepts (e.g., landscape level, physiography, population growth, positive ecological metrics, performance-based metrics).</p> <p>To involve Indigenous Peoples and local communities adequately, respondents suggested that Verra 1) uphold free, prior, and informed consent (FPIC); 2) restrict project proponents to being Indigenous Peoples only; 3) support Indigenous Peoples' participation in ground-level data collection and management; 4) provide one-year minimum outcome-based contracts; 5) fast-track validation, verification, and issuance process for projects without external funding; and 6) simplify project descriptions, monitoring templates, and requirements.</p>	<p>Verra will pursue and test the nature stewardship credit or certificate pathway, given the strong support for this proposal as a mechanism to reward Indigenous Peoples and local communities for conserving essential highly-intact biodiversity.</p> <p>Regarding timelines, their development will most likely start in 2025 since Verra is prioritizing and heavily focusing on the Nature Framework development in 2024.</p> <p>However, Verra will advance this year in exploring partnerships and approaching key stakeholders that could support the technical development of a pathway for nature stewardship. Some of the critical elements we'll start analyzing are:</p> <ul style="list-style-type: none"> <li>• Proposed milestones and effective participation of Indigenous Peoples' in the development process</li> <li>• Risks and mitigation efforts to avoid stewardship credits being perceived as low quality</li> <li>• Potential demand for the credits</li> </ul>

## 2.1 Project Start Date

Public Consultation Comment Summary	Verra Response to Comments
<p>Approximately half of the respondents supported the proposal for the project start date on or after January 1, 2019, and suggested Verra include a rationale for it. They also highlighted that the proposal would require supplementary requirements (e.g., demonstrating that the model and scale for project design were based on expected future finance), more rigorous verification, and monitoring methods.</p> <p>The rest of the respondents agree that the proposal may pose unintended risks to credit integrity and greenwashing. They attribute these risks to the potential lack of robust data and evidence to demonstrate compliance with additionality (i.e., considered business as usual), safeguards (e.g., FPIC), or quantification requirements (e.g., Condition indicator data) at historical start dates. Suggestions to overcome the risks include enabling early revenue for listed projects or reducing the maximum allowable credits if a historical start date is admitted (e.g., only 60% of issued credits).</p> <p>If Verra decides to move forward with the proposal, respondents flagged the following for consideration or clarification: 1) detailing the adequate evidence to support compliance and how it will be reviewed or audited; 2) establishing guardrails to prevent gaming the system to inflate generated biodiversity outcomes; 3) setting project start dates for grouped projects, and 4) providing guidance on selecting an adequate project start date when staggering field measurement operations to reduce costs and burden, to align with the validation requirements.</p> <p><b>Validation period</b></p> <p>The proposed requirement to complete validation within five years of the project start date was not contested, although there was one suggestion to extend it to eight years. However, some respondents called to revisit it if the start date is changed.</p>	<p>Verra is reconsidering its original proposal to allow the project start date to be on or after January 2019. The primary considerations are the challenges projects would face in demonstrating compliance with the safeguards, additionality, monitoring data for Condition indicators, and crediting baseline requirements when seeking historical crediting.</p> <p>However, Verra is committed to supporting projects that are taking early action. By leveraging data from the pilot projects cohort, we will test a potential start date in 2023. This date reflects when the initial draft of the Nature Framework requirements was available to the public.</p>

## 2.2 Project Crediting Period

Public Consultation Comment Summary	Verra Response to Comments
<p>Half of the respondents agreed that the proposed minimum 20-year and maximum 100-year crediting period could pose risks to land tenure restrictions due to unclear or limited land use/ownership legislation (particularly in the African context), increased financial uncertainty as the duration increases, sensitivity regarding land ownership in indigenous territories, or even political instability.</p> <p>To address land tenure challenges, commenters suggested that the crediting period and renewal options could be flexible depending on the project area's unique circumstances or capped at ten years and renegotiated or reaffirmed after that.</p> <p>Other suggestions included guiding projects navigating land tenure rights and local legislation, demonstrating land rights during verification, and discounting short-term projects.</p> <p>There was a general sentiment that the 40-year project longevity should be aligned with the minimum 20-year crediting period. However, to encourage long-term commitment to delivering biodiversity outcomes, respondents suggested increasing the engagement of local stakeholders, requiring adaptive management plans to accommodate changes in local conditions over time, adding incentives for projects exceeding the 100-year maximum crediting period, and making the 40-year project longevity flexible.</p> <p>Finally, respondents suggested Verra 1) clarify the difference between the minimum longevity and the minimum crediting periods, 2) align with national policies, 3) consider the scenario of failing "re-verification" due to adverse biodiversity outcomes outside of the project's control, and 4) include variable minimum renewal periods.</p>	<p>Verra is analyzing the implications of aligning the minimum crediting period with the 40-year project longevity. Verra is also exploring potential supplementary requirements under more stringent land tenure restrictions.</p>

## 2.3 Project Boundary

Public Consultation Comment Summary	Verra Response to Comments
<p>There was general confusion about the project boundary section and how it interacts with other Nature Framework concepts. For instance, respondents sought clarification on Table 2 regarding 1) the term project impact and its scope; 2) how impacts constitute a boundary; 3) the definition of primary and secondary; 4) the rationale for including secondary impacts and which evidence can demonstrate compliance for validation or verification; 5) the definition of discrete areas, customary rights holder(s), and user rights; and 6) the alignment of the boundary with SD VISta requirements, including the benefits for people, their prosperity, and the planet.</p> <p>Some respondents considered monitoring only biodiversity outcomes sufficient, while others called for a comprehensive project boundary scope covering intended and unintended impacts.</p> <p>Respondents suggested including additional impacts in Table 2, such as Science-Based Targets Network's (SBTN) pressures and drivers, biodiversity intactness state changes, local approaches for locations where rare or unique feature ecosystems exist, climate regulation, pollination services, soil fertility, habitat connectivity, corridors between areas of environmental interest, genetic diversity, cultural practices, ecosystem services, and socio-economic impacts.</p> <p>Regarding requirements, respondents recommend Verra to specify, in the next draft: 1) the preferred file formats or mapping standards for digital files, 2) how to assess and quantify complex indirect impacts and dynamic ecosystem changes in marginalized areas, 3) if project impacts beyond the physical project area should be incorporated, 4) how to approach spatial boundaries, 5) how the project boundary concept connects with the Extent, 7) how it will function when boundaries overlap with lands owned or used by Indigenous Peoples or communities, and 8) how boundary operates in grouped projects.</p>	<p>Verra is analyzing the following concepts considering the practical input from pilot projects to refine the project boundary requirements:</p> <ul style="list-style-type: none"> <li>• Definitions and examples of terms such as project boundary, project area, project impact, and discrete area</li> <li>• Detailed requirements and evidence that demonstrate compliance with this requirement (e.g., file type, complex indirect impacts)</li> <li>• More explicit linkages to the causal chain requirement for SD VISta, including the benefits for people, their prosperity, and the planet (e.g., exploring threats/pressures or categories that all projects would need to monitor or document)</li> <li>• Relationship between project boundary, Extent in the quantification of biodiversity outcomes (section 3.2), and leakage (section 3.4.3)</li> <li>• Boundary considerations in grouped projects</li> <li>• Alignment of terminology with other Verra programs (e.g., Verified Carbon Standard (VCS) project impact zone)</li> </ul>

## 2.4 Baseline Scenario

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents generally agreed with the baseline scenario concept and considered it comprehensive and transparent. They suggested Verra be more specific on what must be developed and monitored within it. For instance, including a detailed description of the historical and predicted future state of biodiversity, ecosystem services, community, and economic analysis in the absence of the project, potentially providing a tool to standardize and guide the assessment.</p> <p>There was a generalized call to clarify the concepts of baseline scenario and crediting baseline, including how they interact. Opinions were divided on whether the ten-year proposed reassessment requirement is sufficient. Those advocating for shorter periods (aligned with the five-year verification) recognize that baseline scenarios are dynamic and subject to change, thus needing periodic updates and reassessments. In contrast, those favoring a lengthier reassessment raised concerns about the high burden on project proponents, risking project viability.</p> <p>Finally, respondents recommended that Verra requires projects to monitor at least the following in their baseline scenario: 1) relevant threats and trends for data and assumptions used to develop these predictions; 2) composition of the faunal and floral communities; 3) endemic, endangered, threatened, or highly trafficked species; 4) risk analyses to identify how potential outcomes could change as a result of a risk event; 5) explicit dependency of the Indigenous Peoples and local communities on the environment, nature, and biodiversity; 6) land ownership, and tenure situation in the area; 7) the legal and regulatory framework relevant to the project area that may impact biodiversity outcomes; and 8) applicable customary and traditional rights of Indigenous Peoples and local communities.</p>	<p>Verra is analyzing the baseline scenario requirements in line with the feedback received to:</p> <ul style="list-style-type: none"> <li>• Provide or clarify definitions (e.g., threat, likelihood, intensity)</li> <li>• Clarify how the baseline scenario interacts with the crediting baseline</li> <li>• Address potential data availability challenges and improve standardization (e.g., set of categories all projects must report and initial guidance with examples)</li> <li>• Streamline the redundancies between SD VISta and the Nature Framework</li> </ul> <p>As part of this analysis, we are considering the practical implications of:</p> <ul style="list-style-type: none"> <li>• Including additionality in the baseline reassessment</li> <li>• Aligning requirements of baseline reassessment and verification every five years, considering burden vs. accuracy</li> <li>• Considering a simplified reassessment approach where project developers would confirm every five years that the conditions remain and do a detailed assessment only if they changed</li> </ul>

## 2.5 Additionality

Public Consultation Comment Summary	Verra Response to Comments
<p>Nearly half of the respondents considered the additionality approach appropriately rigorous. The key takeaways from the feedback include:</p> <ul style="list-style-type: none"> <li>• Financial additionality strongly links to and should be explored along with the <b>demand motivations for Nature Credits and their price</b>, which are still being explored in this nascent market.</li> <li>• The <b>regulatory surplus</b> definition should be more flexible or consider exemptions mainly to explicitly enable eligibility of protected areas with limited enforcement, institutional, or financial resources available (e.g., paper parks). Furthermore, it should broaden its scope to include “standard industry practice.”</li> <li>• <b>Combined funding sources are essential</b> to ensuring projects’ long-term viability, particularly as they are often unstable or rapidly changing, and credit revenue is unpredictable. Respondents called Verra to 1) detail the requirements, including definitions (e.g., implementation barrier), that help clarify how projects with combined funding sources must demonstrate additionality or could transition from one source to another, 2) include new requirements on financial transparency, and 3) establish a threshold under which multiple funding sources do not conflict with additionality.</li> <li>• There are divided opinions on <b>potential discounts when projects have combined funding sources</b>. On the one hand, discounting is perceived as precautionary and more rigorous to avoid double-counting risks. On the other hand, it would disincentivize proponents from shifting to alternative finance and penalize them by assuming twice the risks of developing projects and receiving fewer rewards. Suggestions for projects seeking to stack Verified Carbon Units (VCUs) and Nature Credits include requiring revalidation of VCS additionality.</li> <li>• Explore including an “<b>impact additionality</b>” concept, requiring project developers to demonstrate initiatives to ensure positive biodiversity gains beyond financial motivation, later verified.</li> <li>• Clarify linkages between additionality and crediting baseline and how additionality could work for “passive restoration” or “natural regeneration.”</li> </ul>	<p>Verra is analyzing the additionality criteria and requirements in line with the feedback received to:</p> <ul style="list-style-type: none"> <li>• Provide or clarify definitions (e.g., regulatory surplus, implementation barrier)</li> <li>• Reflect eligibility of protected areas with limited enforcement, institutional, or financial resources available in the regulatory surplus section</li> <li>• Detail, add, or clarify requirements on: <ul style="list-style-type: none"> <li>○ The evidence to demonstrate additionality under a scenario of supplementary funding sources</li> <li>○ Financial transparency</li> <li>○ Linkages with other requirements, such as the benefit-sharing mechanism, the intent in the project’s causal chain, and crediting baseline</li> </ul> </li> <li>• Consider the practical implications of discounting credits for projects seeking to stack VCUs and Nature Credits and the value of adding supplementary requirements for a robust additionality demonstration under both programs</li> </ul>



## 2.6 Benefit Sharing

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents suggested that Verra strengthen benefit sharing requirements by ensuring consistency with international human rights laws and jurisprudence regarding Indigenous Peoples’ right to participate in the benefits of activities in their territories.</p> <p>In practice, this would entail that Indigenous Peoples and affected communities co-develop the benefit sharing plans to ensure they are directly rewarded and the plans adapt to the local context and needs.</p> <p>Other suggestions include encouraging the formation of community-level committees or boards to participate in decision-making equitably, motivating projects directly managed by Indigenous Peoples and local communities, including social audits to ensure transparent fund distribution, documenting good-faith negotiations, and offering capacity-building on impact assessment of the benefit-sharing mechanism and a monitoring plan.</p> <p>Respondents recommended that Verra distinguish between revenue share, benefit share, and core benefits. Furthermore, to explore requiring the disclosure of 1) structure of financial benefits, 2) non-monetary benefits, 3) minimum percentage to be shared directly, 4) details on how the information will be communicated and monitored, 5) plan for revenue investment, and 6) dispute resolution mechanisms.</p> <p>Respondents proposed demonstrating adaptive management plans to ensure flexibility and responsiveness to evolving community needs.</p> <p>Finally, some respondents called Verra to provide guidelines where the project proponent is the landowner and investor, without Indigenous Peoples or local communities on the site or customary or formal rights to nature or biodiversity.</p>	<p>Verra is strengthening the benefit sharing requirements by incorporating at least the following:</p> <ul style="list-style-type: none"> <li>• Clarification that the mechanism is expected to be co-developed with the communities</li> <li>• Including requirements related to financial transparency of the benefit-sharing mechanism and outcomes</li> <li>• Embedding principles of equity and equality to ensure all affected stakeholders benefit appropriately from the mechanism</li> </ul> <p>Verra will likely introduce additional requirements or criteria in the next draft as part of the organization-wide workstream on strengthening social and environmental safeguards.</p>

## 2.7 Safeguards for Biodiversity Outcomes

Public Consultation Comment Summary	Verra Response to Comments
<p><b>40-year project longevity</b></p> <p>Respondents' opinions were divided. Those supportive of longer longevity periods considered extended monitoring after the project's end the most rigorous way to assess permanent biodiversity gains. It is simple, accessible, standardized, and supports VVB's assessments.</p> <p>In contrast, the unsupportive expressed extended project longevity poses threats to Indigenous Peoples (including conflict with intergenerational equity rights), their territories, and cultures, along with regulatory and land tenure barriers, particularly in the African context. They suggest Verra align the minimum crediting period with the project longevity and assess a case-by-case project lifecycle according to the project's conditions and risk profile. Respondents seek clarification on how reversals will be verified when the project longevity is beyond the crediting period.</p> <p><b>Buffer allocation</b></p> <p>Half of the respondents agreed that the buffer allocation should be biome or ecosystem-specific, based on project-specific risk, using an adaptation of the VCS Agriculture, Forestry and Other Land Use (AFOLU) Non-Permanence Risk Tool (NPRT). Alternatively, respondents suggested establishing a mixed approach with thresholds under which a minimum buffer is required, combined with additional requirements or an extra buffer percentage for more risky projects. Respondents seek clarification on navigating reversals in the crediting period beyond the project's buffer pool.</p> <p><b>Which project design elements could affect the likelihood of biodiversity outcome reversal</b></p> <ul style="list-style-type: none"> <li>• <b>Internal risks:</b> active community participation, optimal intervention design for the context, management capacity, governance, expert support, financing mechanisms, project developer organizational structure and set-up, and close communication between all actors</li> <li>• <b>External risks:</b> land use change, human-induced threatening activities, governance, market demand, political instability, stakeholder relationships, and understanding and compliance with the applicable policy and legal framework</li> <li>• <b>Nature risks:</b> landscape fragmentation, reduction of pressures, leakage, novel invasive species and diseases, upstream pollution within watersheds, consideration of future climate scenarios, and areas susceptible to climate change</li> </ul>	<p><b>40-year project longevity</b></p> <p>Verra is considering the practical implications, advantages, and disadvantages of reducing the project longevity to the minimum crediting period while including new community engagement and participation requirements to increase the sustainability of the interventions and foster longer-term outcomes.</p> <p><b>Buffer allocation</b></p> <p>Verra is analyzing the safeguards for biodiversity outcomes to:</p> <ul style="list-style-type: none"> <li>• Clarify that buffers are project-specific.</li> <li>• Implement a simplified tool to determine the project's risks (mainly of reversals) and assign the buffer based on the results</li> <li>• Include a hierarchy of how credits in the buffer would be canceled in the case of reversals (e.g., first project, then project proponent, then ecosystem type)</li> <li>• Consider an approach with a minimum buffer percentage for all projects, and additional requirements or a higher buffer percentage for riskier projects</li> </ul>

## 2.8 Safeguards for Sustainable Development Benefits

Public Consultation Comment Summary	Verra Response to Comments
<p>Overall, respondents agreed that the current requirements are sufficient and robust. They recommended that Verra clarify how the requirements align with international law in recognizing Indigenous Peoples’ rights, for instance, explicitly ensuring that grievances consider individual and collective rights or expanding requirements for disputes on customary rights by private entities or governments.</p> <p>Suggested improvements include:</p> <ul style="list-style-type: none"> <li>• Provide more precise definitions (e.g., traditional knowledge)</li> <li>• Streamline the safeguard section to eliminate redundancies and templates across programs for easier reporting</li> <li>• Specify which evidence will be required to audit safeguards (e.g., ecosystem health)</li> <li>• Add a stepwise approach to guide project developers on safeguard implementation</li> <li>• Include a requirement to demonstrate that a framework is in place to address the intellectual property of Indigenous Peoples and local communities</li> <li>• Detail non-eligible project activities</li> </ul> <p>Respondents also called Verra to document case studies and best practices.</p> <p>The feedback highlighted that projects located in complex socio-political contexts or that require significant alteration of ecosystems may not meet the requirements.</p> <p>Finally, to support Indigenous Peoples or community-led projects, respondents recommended reducing or differentiating audit requirements (e.g., creating less stringent safeguards).</p>	<p>Verra is streamlining and strengthening this section, including:</p> <ul style="list-style-type: none"> <li>• A sequential approach for the safeguard requirements (e.g., FPIC before the benefit-sharing mechanism)</li> <li>• More specific criteria regarding the evidence that could demonstrate compliance and the depth of certain risk assessments and mitigations (e.g., culturally appropriate safeguards)</li> <li>• Differentiated requirements on private lands or properties</li> <li>• A list of ineligible project activities</li> </ul> <p>Verra will likely introduce additional requirements or criteria in the next draft as part of the organization-wide workstream on strengthening social and environmental safeguards.</p>

### 3.2 Extent

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents generally agree that including ecosystem Extent in the quantification is an easy-to-use approach.</p> <p>Suggestions focus on Verra further developing the concept, particularly by detailing the ecosystem’s typology and classification that projects must use (e.g., IUCN Global Ecosystem Typology) and how to select their ecosystem accurately.</p> <p>Respondents also flagged points for consideration and clarification, such as:</p> <ul style="list-style-type: none"> <li>• Whether the Extent should be measured across all project ecosystems or only those the project activities aim to restore or conserve</li> <li>• The difference between Extent and intervention area</li> <li>• How projects would address the Extent of the project changing throughout the implementation</li> <li>• Handling of uncertainty or confidence intervals</li> </ul>	<p>Verra will revisit some Extent elements in the next draft and test them with the pilot projects, such as:</p> <ul style="list-style-type: none"> <li>• Clarifying that Extent is the area where projects implement activities and monitor biodiversity outcomes, unlike the project boundary, which is the area where the project may be having impacts (e.g., on the community)</li> <li>• Adding definitions and examples of Extent and boundary for grouped projects</li> </ul>

### 3.3 Ecosystem Condition

Public Consultation Comment Summary	Verra Response to Comments
<p><b>Condition indicators</b></p> <p>Respondents broadly supported including Condition indicator measurement in the Nature Framework. Regarding the number of required indicators by Condition component, they generally agreed on 1) increasing composition to three, 2) reducing structure to two, and 3) including at least one function. The rationale is that it would increase rigor since structure indicators are often redundant or correlated; thus, increasing composition and including function could counter that potential pitfall.</p> <p>Finally, there was a strong call, mainly from the academic sector, to eliminate pressure indicators from the Condition measurement and link them to the crediting baseline instead. The reason is that they are unsuitable for measuring Condition for crediting purposes, as they are proxies instead of direct measurements.</p>	<p>Verra is exploring and testing the practical implications of:</p> <ul style="list-style-type: none"> <li>• Changing the number of required indicators to a) three of composition, b) two of structure, c) one of function, and d) removing pressures</li> <li>• Including a set of required indicators at the ecosystem or biome module level</li> <li>• The number of credits using different reference values (more and less rigorous) to decide on whether to eliminate reference values or add more detailed requirements to ensure projects select appropriate ones</li> </ul>

Public Consultation Comment Summary	Verra Response to Comments
<p>The comments highlighted that the current level of flexibility could lead to inconsistency between projects, lack of equivalence, reduced scalability, incentives for cheating, and barriers for projects without ecological expertise. Therefore, a more prescriptive approach with a few required indicators per ecosystem or biome could lead to standardization while being flexible to allow projects to measure indicators or taxa relevant to their context.</p> <p>Respondents consider that ecosystem/biome modules should prescribe minimum requirements and detail a representative set of indicators potentially specific to activity types (e.g., restoration or avoided loss). They should also include appropriate selection guidance and a list of accepted sampling methods or criteria. Regarding sampling, respondents shared their expected level of detail and minimum criteria to include in the next draft (e.g., intensity, frequency, minimum sample points, distribution patterns, uncertainties, and community and stakeholder involvement).</p> <p><b>Reference values</b></p> <p>Respondents called Verra to reconsider including reference values assigned by the project to each Condition indicator. The reasons are that they introduce another level of variation and uncertainty, representing another baseline that could drastically affect the credit number and potentially undermine the crediting process. Also, the projects determining and selecting reference values is inherently risky for integrity (i.e., gaming the system), difficult (e.g., data availability), costly, and burdensome.</p> <p>Another point stakeholders provided is that the reference state definition is crucial and will likely be contested. So, Verra would need to define whether the aim is to reach pristine ecosystems or altered states that are more realistic and resilient under climate change scenarios.</p> <p>As part of the consultation, Verra also asked if developing standardized reference values would need to be a priority. Responses were also divided. Those supportive of developing standard reference values considered it could encourage fairness, reduce burden, and improve consistency and comparability. The challenge is that, given the potential number of Condition indicators for all ecosystems, they are impractical to develop at scale, unlikely to be completed shortly for a global biodiversity methodology, and could even vary on smaller scales than ecoregions.</p>	<p>Verra is also detailing requirements and criteria on:</p> <ul style="list-style-type: none"> <li>• Selection of adequate Condition indicators</li> <li>• Sampling methods</li> </ul>

### 3.4 Quantifying Biodiversity Impacts

Public Consultation Comment Summary	Verra Response to Comments
<p><b>Quantification approach</b></p> <p>Half of the respondents consider the quantification approach workable as it allows flexibility to adapt to the local conditions, ecosystem, or habitat and the possibility of providing deviations upon robust justification.</p> <p>A similar number of respondents suggested Verra reconsider using the arithmetic mean, given that it weighs all indicators equally and will ‘smooth out’ the extremes. Suggestions include providing a pathway for weighing the Condition indicators based on ecosystem priority, incorporating a measure of range or variation, and revisiting the formulas as they may be invalid when the starting Condition is zero.</p> <p>Regarding net biodiversity impacts, respondents suggested defining uplift and quality hectares and clarifying if the shared buffer account credits will be released once a project has met the permanence requirements.</p> <p><b>Crediting baseline</b></p> <p>There is broad support for a standardized approach to the crediting baseline. However, some concerns were raised regarding the ecoregional approach, as it is disconnected from the Condition indicators the project is monitoring.</p> <p>Respondents indicated the approach could be challenging for less-pressured areas, difficult-to-survey landscapes, marine scenarios where species are often more migratory, and desertic ecosystems. There was broad support that global or ecoregional datasets may be inaccurate in regions with low data.</p> <p>To establish baselines, respondents suggested combining data approaches, tailored methodologies that consider project context, benchmarks that emphasize specific biodiversity attributes, local data and expertise, and remote sensing systems. They raised questions about how Verra would navigate the lack of access to collecting data and how baselines will function in mixed conservation/restoration projects.</p> <p><b>Leakage</b></p> <p>Nearly half of the respondents prefer a combined approach between directly monitoring predetermined leakage belts (option 1) and applying default values (option 2). The rest preferred, in descending order, option 2, neither, and option 1.</p>	<p><b>Quantification approach</b></p> <p>The next draft will include a refined quantification approach, considering consistency with the rest of the requirements under review along with the comments received in the consultation (e.g., reconsidering arithmetic mean for the calculation).</p> <p><b>Crediting baseline</b></p> <p>Verra is exploring viable alternatives to have third parties develop a crediting baseline for prioritized ecosystems for the Nature Framework launch, together with a proposed interim approach for projects outside of the potential prioritized ecosystems.</p> <p><b>Leakage</b></p> <p>Verra is researching the next draft of the leakage approach, and will consider collaboration with other standards and methodology developers in the biodiversity credit space.</p>

Public Consultation Comment Summary	Verra Response to Comments
<p>The first half (supporting a mixed approach) considered that predefined values could set thresholds depending on activities. A hybrid approach would be ideal, with direct monitoring where feasible, default where impractical, and standardized guidance. They claim option 2 could provide a more straightforward and cost-effective way to estimate leakage.</p> <p>Respondents provided suggestions on leakage, such as 1) assessing it within the additionality claims made, 2) allocating funds for direct monitoring outside project boundaries, 3) educating local communities, 4) lobbying local government, 5) reporting the nature of the leakage to all stakeholders, 6) establishing an independent audit system to assess abnormal leakage changes, 7) consider that leakage will inevitably occur, and 8) add a 'Nature fluctuation' buffer.</p>	

### 3.5 Biodiversity Significance

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents supported the Significance approach and recommended attributes to include (e.g., area management, protecting customary use by Indigenous Peoples and local communities, ensuring participation in decision-making, access to justice, ecosystem intactness or services, cultural importance).</p> <p>Regarding the proposed Significance attributes, respondents recommended providing buyers with more information on Targets 1-4, including key biodiversity areas, and creating a final scoring encompassing all 4 GBF targets (e.g., Gold/Silver or A++/A+). On the selected indicators and maps, respondents shared risks associated with considering the percentage of ecoregion protected, the negative impacts on local stewards due to the Target 3 indicator, the maps' unclearness, and the STAR metric's paywall for commercial use for Target 4.</p> <p>Comments included these suggestions to signal Indigenous Peoples and local communities' stewardship and cultural values as a Significance attribute: 1) including a qualitative analysis or mapping exercise by the communities to identify areas of cultural importance, 2) specific indicators regarding their involvement (e.g., cultural heritage protection, collaborative decision-making, traditional knowledge, respect for sacred sites, or ancestral practices), and 3) foster capacity-building that enables their effective participation.</p>	<p>Verra is further developing the Significance approach (e.g., exploring the development of maps that projects can use to identify their project location and report on their Significance).</p>

### 3.6 Monitoring

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents commented that monitoring should be 1) revised on a 5-year basis, 2) prescriptive, 3) science-based, 4) legally bound within the management plan, and 5) delivering transparent data verifying conservation outcomes. They also called Verra to detail frequency or monitoring methods for all four types of Condition indicators.</p> <p>Other suggestions included providing resources and references for community-led monitoring.</p> <p>Respondents also voiced that monitoring Condition indicators annually would be an entry barrier and suggested seeking alternative pathways, such as enabling flexible monitoring periods according to the indicator's characteristics. For instance, those that entail seasonal considerations, require complex manual methods, or can leverage technology easier to report on yearly.</p>	<p>As noted in the Nature Framework's first draft, Verra will include a detailed monitoring section in the next draft, considering the public consultation's input and the pilot projects' learnings.</p>

## 4 Communications and Claims

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents generally supported the claims section and expressed that misrepresentation and false claims by project proponents or buyers are difficult to manage or police. Penalization, as proposed by the draft Nature Framework, is a welcome solution that might be challenging to enforce.</p> <p>Respondents suggest providing examples of misrepresented claims, clarifying the difference between claims from validated and verified projects, addressing differences with claims for carbon, including a way to describe the quantification of uplift, and exemplifying a claim for listed projects to enable early funding.</p> <p>Respondents posed questions on whether buyers should demonstrate no net loss or net gain before buying credits for nature-positive claims, if corporates would claim credits as contributions to the Global Biodiversity Framework targets, how penalties would be enforced, and how claims would be included in the dispute resolution mechanisms for impacted communities.</p>	<p>Verra will include more details and examples in the next Nature Framework draft. For instance, explaining differences with other biodiversity-related claims across all Verra programs.</p>



## 5 Value Proposition and Use Case for Nature Credits

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents shared a general perception of weakness in the value proposition and use case, as demand motivations and the available resources for this nascent market are still unclear. Use cases seem more strongly linked with insetting or purely philanthropic uses. For instance, respondents mentioned companies might need different financial instruments to address their dependencies.</p> <p>Respondents also called Verra to clarify the relationship between the Nature Framework, VCS Program, and the Climate, Community &amp; Biodiversity Standards (CCBS) Program.</p> <p>Some participants supported the proposal, as they consider it offers companies a way to support conservation, Indigenous Peoples, and local communities while addressing biodiversity loss, mitigating risks like supply chain disruptions and asset damage due to environmental degradation while aligning with initiatives like SBTN and the Taskforce on Nature-Related Financial Disclosures (TNFD).</p> <p>Respondents urged Verra not to discard offsetting purposes from the outset and clarify that success will largely depend on the funding mechanisms, market demand, and establishment of compliance frameworks.</p> <p>Regarding stacking, respondents shared that the possibility of stacking questions the additionality of carbon projects and has the potential to be a pathway for less effective and lower-quality projects to enter the market. They also shared that the combined crediting approach poses questions for the existing CCBS and SD VISTA Programs and how their value is perceived in the carbon market. Project developers and end-buyers must be clear on how the two parallel crediting programs can be used together.</p>	<p>Verra will continue considering the value proposition and use cases, informed by our participation in external discussions and forums. Examples include:</p> <ul style="list-style-type: none"> <li>• Exploring with other Verra initiatives, such as the Scope 3 Standard Program, on potential insetting claims</li> <li>• Leveraging the pilot projects expertise to build more robust and concrete use cases</li> <li>• Evaluating the potential claims and use cases under the Nature Framework along with claims made under VCS, CCBS, and SD VISTA Programs</li> <li>• Leveraging Verra-wide digitalization efforts to avoid double-counting or integrity risks</li> </ul>

## 6.2 Relationship between Verra's Nature and Carbon Credits

Public Consultation Comment Summary	Verra Response to Comments
<p>Half of the respondents supported the proposal, claiming it is a good precautionary step and an initial phase to avoid double counting. They suggest complementing it with a robust financial additionality assessment and reassessment at every verification.</p> <p><b>Discounting when stacking</b></p> <p>Opinions were divided on this topic. Some respondents supported discounting Nature Credits when projects seek to stack and considered it valid if the indicators relate to carbon storage. They highlighted that CCBS-labeled VCUs sold at a premium might risk double-counting and suggested that requirements limit the indicators indirectly correlated to carbon when stacking.</p> <p>Those who were unsupportive considered it would disincentivize projects with multiple benefits requiring additional monitoring costs. Similarly, it would convey a message of reduced importance or confidence in the credits, reduce long-term viability, complicate the overall crediting system, and challenge significant benefit sharing by local communities.</p> <p>These respondents' main concern was that designing a project that delivers both Nature Credits and VCUs should be a priority and not discouraged, as this relationship is crucial for financial viability. Biodiversity elements add substantial costs and complexity to projects, which carbon credits alone cannot cover. Nature credits are essential for filling the financial gap and ensuring the longevity and permanence of carbon projects. The market's understanding and approach to these credits will significantly influence their effectiveness and the overall success of biodiversity restoration efforts.</p>	<p>Verra will continue to deepen our thinking and testing approaches to clarify and streamline concurrent VCUs and Nature Credits use, considering what we learned from the pilot process and the input received in the consultation.</p>

## 7 Definitions

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents expressed that while the Nature Framework proposed adequate definitions, additional terms could be included, such as biodiversity, reference value, significance attributes, ecoregion intactness index, traditional knowledge, intellectual property, “grid cell’s” defined area/size, project boundary, project crediting period, and project ownership.</p> <p>They also identified suggestions, such as aligning the definition of Ecosystem Condition with TNFD (adapted from UN SEEA EA) and incorporating more definitions related to marine and coastal ecosystems.</p>	<p>Verra will revisit the definitions in the next draft and ensure all relevant terms are defined to support implementation of the Nature Framework.</p>

## 8 Technical Annex

Public Consultation Comment Summary	Verra Response to Comments
<p>Respondents had divided opinions on the appropriateness of a globally standardized, third-party implemented approach, with scope for ecoregion-specific refinement, for crediting baselines. Those who supported it favored practical implementation and continuous refinement to ensure its effectiveness. Undecided respondents questioned the proposal’s availability for use, how it would be implemented, and the testing made to the approach’s feasibility.</p> <p>Others expressed that while powerful for modeling global biodiversity dynamics, the approach cannot model baselines for most indicators in the tropics, given the lack of ground data. They also flagged that the approach would not consider local actors’ knowledge and that suitable project verifiers may be unavailable.</p> <p>Supporters claimed that utilizing the jurisdictional risk mapping tool will simplify project development and verification and offer consistency and flexibility. Highlighted challenges include the risk of loss being more complex than carbon and the complexities of large jurisdictions that fail to capture regional heterogeneity.</p> <p>Respondents commented that extensive testing is needed to use the Beyer <i>et al.</i> layer to determine how it affects the number of credits. Respondents asked for clarifications on who would draft the ecoregional baselines and what the interim approach would be until the database is developed.</p>	<p>Verra and The Biodiversity Consultancy are further developing the crediting baseline approach and technical quantification components based on the feedback and learnings from the piloting process. The Technical Annex will be updated accordingly.</p>

9 Worked Example

Public Consultation Comment Summary	Verra Response to Comments
<p>Some respondents considered that the worked example demonstrates the approach’s critical risks. For instance, all composition indicators relate to species richness, and the two biomass indicators track almost the same subset of ecological outcomes. They suggest prescribing indicator selection to prevent this.</p> <p>Respondents requested clarification on the determination of reference values, the calculation and deductions of leakage, how the optional “function” and “pressures” Condition components would be valued, whether the biomass structure indicator is directly associated with biodiversity metrics, the steps required to establish a market price and quantify the actual tradeable financial value.</p> <p>They also claimed that the example is achievable only using registered scientists and is too simple to apply to real projects. They suggested providing a worked example of a conservation project with standardized Condition indicator values closer to 1 compared to a restoration project and a more complicated example from a different ecosystem type.</p>	<p>Verra will explore and include several examples in the next draft, potentially from different activities or ecosystem types.</p>