



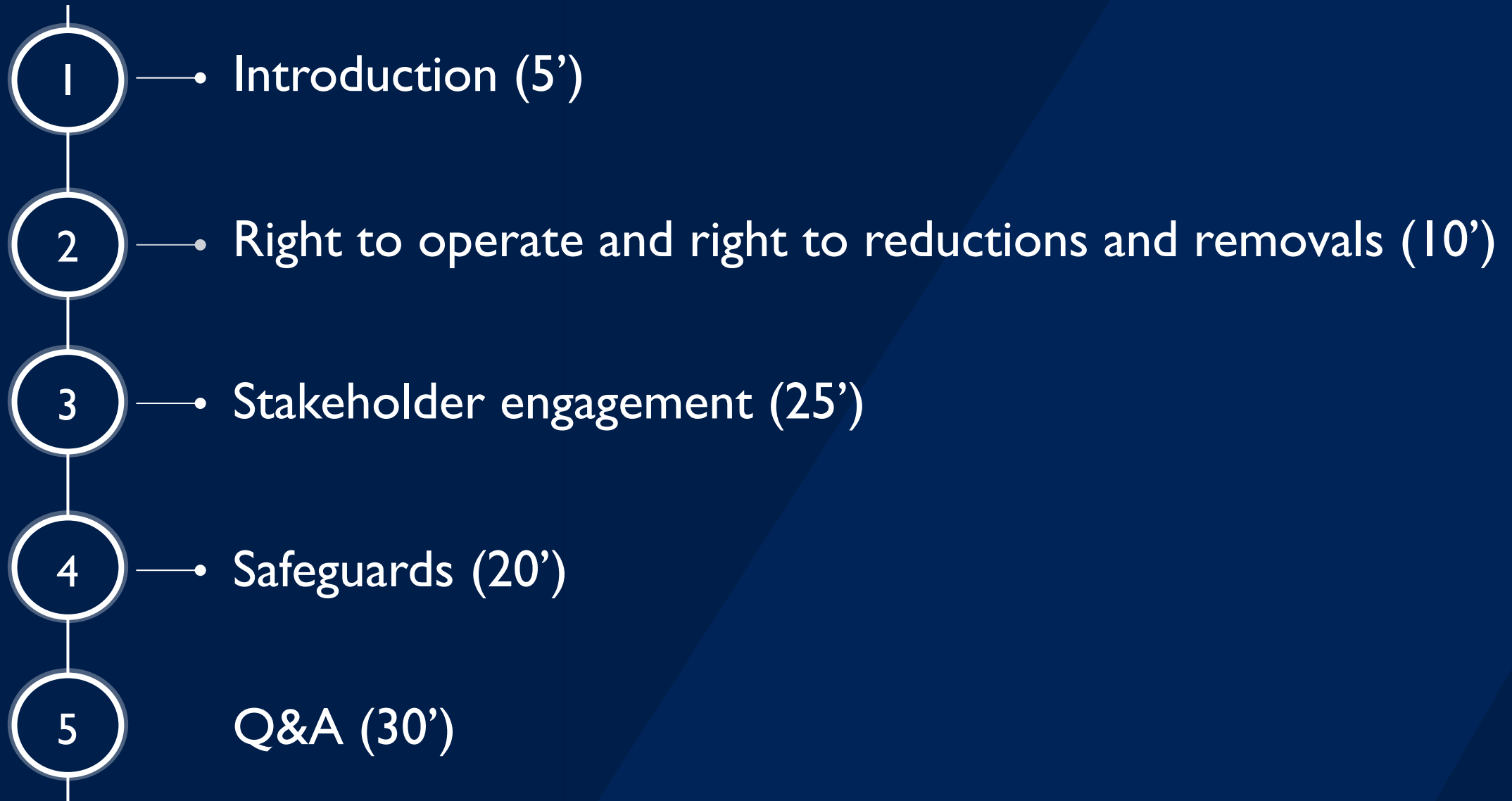
VCS Version 5 Updates & Template Training

Right to operate, stakeholder engagement,
and safeguards

9 September 2026

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

Agenda



A man wearing a red shirt and a white cap is shown in a close-up, looking intently at a branch of a plant. He is holding the branch with both hands, examining a cluster of small, round, red and green berries. The background is a soft-focus green, suggesting a natural, outdoor setting. The overall image has a slightly desaturated, cinematic feel.

INTRODUCTION

VCS Standard, v5.0 sections covered in this presentation



3.6 Right to operate and right to reductions and removals



3.17 Stakeholder engagement



3.18 Environmental, social, and governance safeguards



**Iterative in
nature and
interconnected**

Effective dates

New projects:

All the sections in this presentation are effective for registration requests from projects with a project start date that occurs on or after 1 January 2027

Existing projects:

Except for the ecosystem conversion updates, all the sections in this presentation are effective from the next crediting period renewal request or verification approval request that includes a baseline reassessment submitted on or after 1 January 2030*



** Exempt from the clause "before the project start date"*



New guidance document



Scan to access
the guidance



VCS Guidance: Right to Operate, Sustainable Development, Stakeholder Engagement, and Safeguards

Version 5.0

9 June 2026

An aerial photograph of a lush green landscape. In the foreground, there are rolling green hills and dense tropical forest. A small village with a few buildings is visible on the left. In the background, a lake is nestled between the hills, and the sky is filled with dramatic, dark clouds. A large, semi-transparent blue triangle is overlaid on the right side of the image.

**Right to operate and right to
reductions and removals**

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

- Added and revised terms and definitions
(e.g., replacing ‘project ownership’ with ‘right to operate,’ ‘proof of right’ with ‘right to reductions and removals,’ and ‘property rights’ with ‘land or resource rights’)
- PPs must hold the right to operate and the right to reductions and removals at project start date and throughout project implementation
- New requirements to conduct:



A legal analysis to substantiate these rights
(all projects)



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



Templates – Legal analysis (all projects)

3.6 Right to operate and right to reductions and removals



VCS PROJECT DESCRIPTION TEMPLATE,
V5.0B

1.7 Right to Operate and Right to Reductions and Removals

For guidance on completing this section of the template, see the most recent version of the VCS Guidance: Right to Operate, Sustainable Development, Stakeholder Engagement, and Safeguards, v5.0.

1.7.1 Demonstration of Right to Operate and Right to Reductions and Removals

Analysis of applicable laws, regulations, and legal instruments

Fill out the table below with all the evidence that demonstrates the right to operate and the right to reductions and removals for the project and attach the evidence. Add as many rows as necessary.

Type of evidence	Type of right demonstrated	Scope of evidence
Select the evidence type from the sources listed in Section 3.6.2(1) of the VCS Standard, v5.0: Select	Select all that apply: ☐ Right to operate ☐ Right to reductions and removals	Explain what the evidence applies to, depending on the project context (e.g., entire project area, a portion of the project area where it spans multiple countries or jurisdictions, eligibility area or project activity instance for grouped projects).
	Justify how the evidence establishes a valid legal basis for the selected right(s), substantiated by the analysis of laws, regulations, and legal instruments (VCS Standard, v5.0, Sections 3.6.1 and 3.6.2(1)), including: - the specific provisions in laws, regulations, and legal instruments that underpin the evidence. - to the extent necessary, the institutional framework associated with the source of the right (e.g., the government agency that grants a permit). - to the extent necessary, any non-governmental entities involved (e.g., private landowner granting rights to the project proponent). For example, if the evidence is a permit to operate a facility, include which laws or regulations cover permits in the relevant sector (e.g., energy), and the name of the authority that issues the permit under the legal framework.	

Domestic carbon market regulations

Briefly describe any existing legislative framework governing carbon credit projects. Where no legislative framework for carbon credit projects currently exists but policy is being developed, include a brief description of how upcoming policy or legislation may impact the project's right to operate or right to reductions and removals.

Likelihood of affecting land or resource rights

Fill out the table, responding to all questions below, to determine whether the project is likely to affect land or resource rights.

Screening questions	a) Will the project involve changes in land use? ☐ Yes ☐ No If yes, explain the changes. If no, justify your response.
	b) Will the project affect Indigenous Peoples' and local communities' ability to access or use natural resources (including but not limited to land, water, forest products, and grazing areas)? (e.g., ability to access or use natural resources may be affected by project activities such as access controls; introducing physical barriers or enforcement measures; shifting cultivation, grazing, hunting, fishing, or fuelwood collection) ☐ Yes ☐ No If yes, explain how. If no, justify your response.
	c) Is the project located in an area where legal rights for Indigenous Peoples and local communities are not clearly defined or formally recognized under national law? (e.g., Consider whether any of the following apply: national law lacks explicit recognition of Indigenous or community-based land tenure; or the ILO Convention 169 or UNDRIP has not been ratified, or has been signed but not incorporated into domestic law) ☐ Yes ☐ No If yes, explain how. If no, justify your response.
	d) Will the project involve changes to legal ownership of or management rights to the land? (e.g., Has a lease or sale of land occurred in the last 5–10 years? Will the project shift land or resource management from local communities to the state or project proponent?) ☐ Yes ☐ No If yes, explain the changes. If no, justify your response.
Conclusion	If answering yes to any of screening questions (a)–(d), the project is considered likely to affect land or resource rights and Section 1.7.2 of this template must be completed. Is the project likely to affect land or resource rights? ☐ Yes ☐ No Justify your response.



Templates – Land or resource rights analysis

3.6 Right to operate
and right to reductions
and removals



1.7.2 Land or Resource Rights Analysis

Where the project is not likely to affect land or resource rights, as determined in Section 1.7.1, select “not applicable” and delete all the instructions and steps in the rest of this subsection.

☐ Not applicable

Where the project is likely to affect land or resource rights, delete “not applicable” above and fill out this section in alignment with the following information:

- Section 1, Step 1 “Identify stakeholders” of the project’s stakeholder engagement plan.
- Section 1.2.2 “Land or resource rights” of the project’s ESG risk assessment.

Step 1: Gather a team with the required expertise for the land or resource rights analysis

Describe the collective jurisdiction-specific knowledge and experience of the team conducting the land or resource rights analysis, explaining the appropriateness for the project context, according to Section 3.6.4 of the VCS Standard, v5.0.

Where expertise is demonstrated through partnerships with external organizations, according to Section 3.6.5 of the VCS Standard, v5.0, briefly describe the organization(s), their expertise,

and attach evidence of the formalization of such partnerships (e.g., memorandum of understanding, contract).

Step 2: Document existing land tenure and its categorization

Fill out the table to document existing land tenure and its categorization, according to Section 3.6.6(1) of the VCS Standard, v5.0.

Formal title search	Describe the formal search to document land tenure using information from relevant local authorities or government agencies to document land tenure (e.g., land titles, intermediary documents in the land registration process, protected area declarations, management licenses, other concession documents) or justify an alternative approach appropriate to the local context.
Land tenure categories	Describe the category or combination of categories of land tenure for the project (i.e., private, state or government, communal, open access). Where more than one category applies, identify each category and how it applies to the project area (e.g., across different project activity instances in grouped projects).

Steps:

1: Gather a team with the required expertise for the land or resource rights analysis

2: Document existing land tenure and its categorization

3: Identify existing customary rights

4: Identify overlapping claims to land or resource rights, competing claims to land or resource rights, and violent conflicts



Templates – MR

3.6 Right to operate and right to reductions and removals



1.13.1 Demonstration of the Right to Operate and Right to Reductions and Removals

New information and circumstances relevant to the right to operate and the right to reductions and removals

Changes to project proponents, information, or circumstances

Have any of the project proponents changed during the monitoring period via a deed of representation for accession, transfer, or release, in accordance with the *Registration and Issuance Process*?

☐ Yes ☐ No

Has any new information become available on, or have circumstances arisen that would change the project's legal basis for, the right to operate and the right to reductions and removals or the conclusion on whether the project is likely to affect land or resource rights? (e.g., new project activity instances in grouped projects which are governed by different laws, regulations, or legal instruments; regulatory framework changes; new customary rights holders identified)

☐ Yes ☐ No

If answering yes to either of the above, describe the changes, fill out the table below with the evidence for the right to operate and the right to reductions and removals, attach the evidence, and describe whether the new information indicates that the project is likely to

affect land or resource rights. (VCS Standard, v5.0, Sections 3.6.1, 3.6.2, and 3.6.7)

Domestic carbon market regulations

Briefly describe any changes to the existing legislative framework governing carbon credit projects. Where no legislative framework for carbon credit projects currently exists but policy is being developed, include a brief description of how upcoming policy or legislation may impact the project's right to operate or right to reductions and removals.

Analysis of applicable laws, regulations, and legal instruments

If answering yes to either of the questions above, fill out the table below with all the evidence that demonstrates the right to operate and the right to reductions and removals for the project and attach the evidence. Add as many rows as necessary.



Guidance – Section 2.3

3.6 Right to operate and right to reductions and removals

Concepts and examples of:

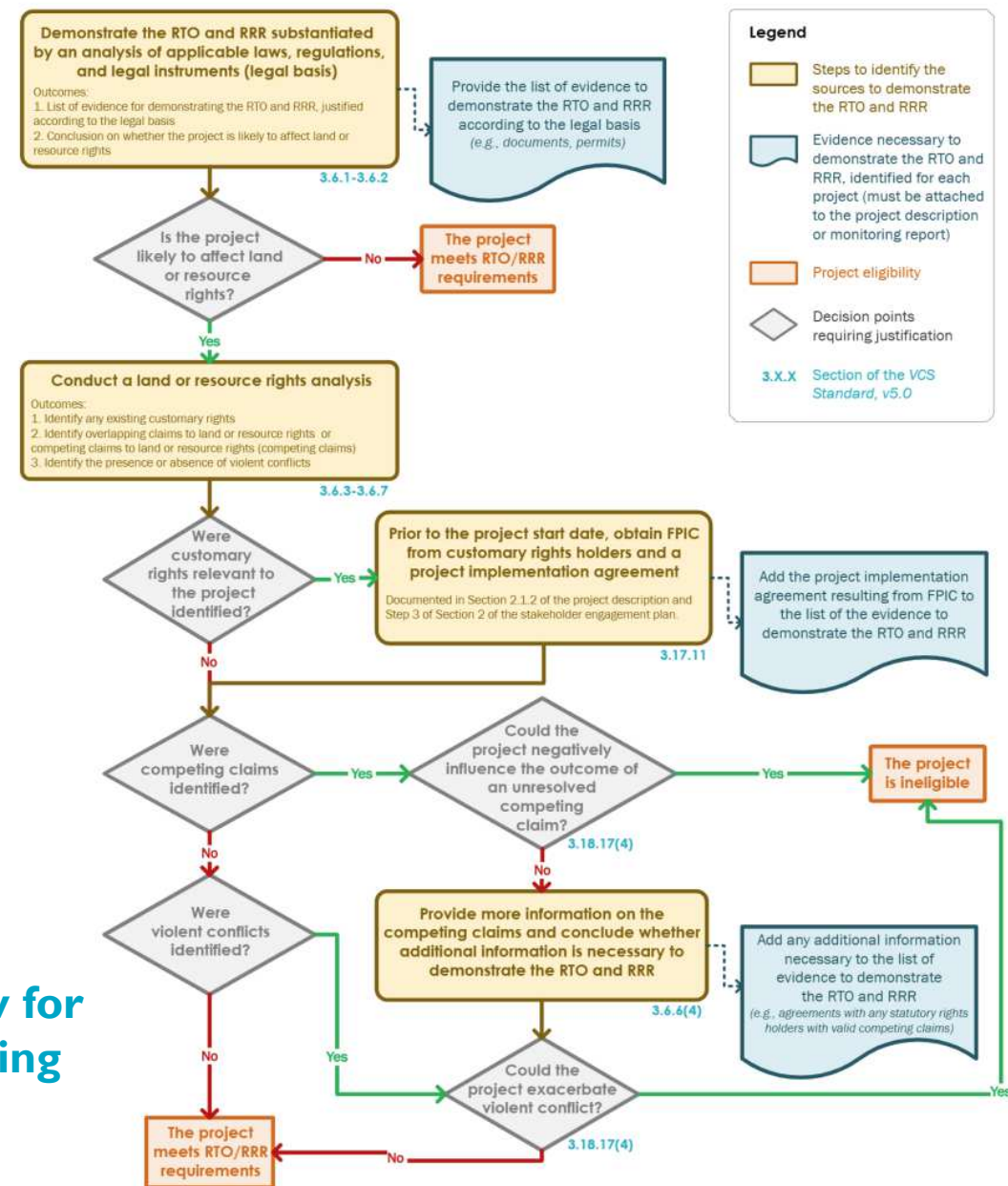
- A project's likelihood to affect land or resource rights
- Analysis of applicable laws, regulations, and legal instruments to substantiate RTO/RRR, for different project activity types

Guiding questions to:

- Identify customary rights
- Identify overlapping or competing claims to land or resource rights

Process flow for demonstrating RTO/RRR

Figure 2. Process flow for demonstrating the right to operate and right to reductions and removals





Satisfactory vs. unsatisfactory response



Satisfactory response

- Each field of the PD, MR, and Val/Ver report templates is completed, unless “N/A” (or similar) is acceptable.
- Justifications provide concrete information that is consistent with narrative information included in the PD.

Unsatisfactory response



- Fields are incomplete, ambiguous, or vague.
(e.g., this section is irrelevant to the project, without justification)
- The link between the evidence presented, how it demonstrates the RTO/RRR, and the relevant legal or institutional framework is unclear
(e.g., it is not clear whether the Ministry issuing a permit has the authority to do so)

A photograph of a sunset over the ocean. Two people are in a small boat on the water. The sky is filled with clouds, and the sun is low on the horizon, creating a warm, golden glow. The water has small waves. A large, semi-transparent yellow triangle is on the right side of the image.

Stakeholder engagement

3.17 Stakeholder engagement

(V5#16)



Engage stakeholders meaningfully before the project start date



Develop and implement a stakeholder engagement plan that includes:

- Stakeholder identification
- Stakeholder grouping
- Stakeholder classification

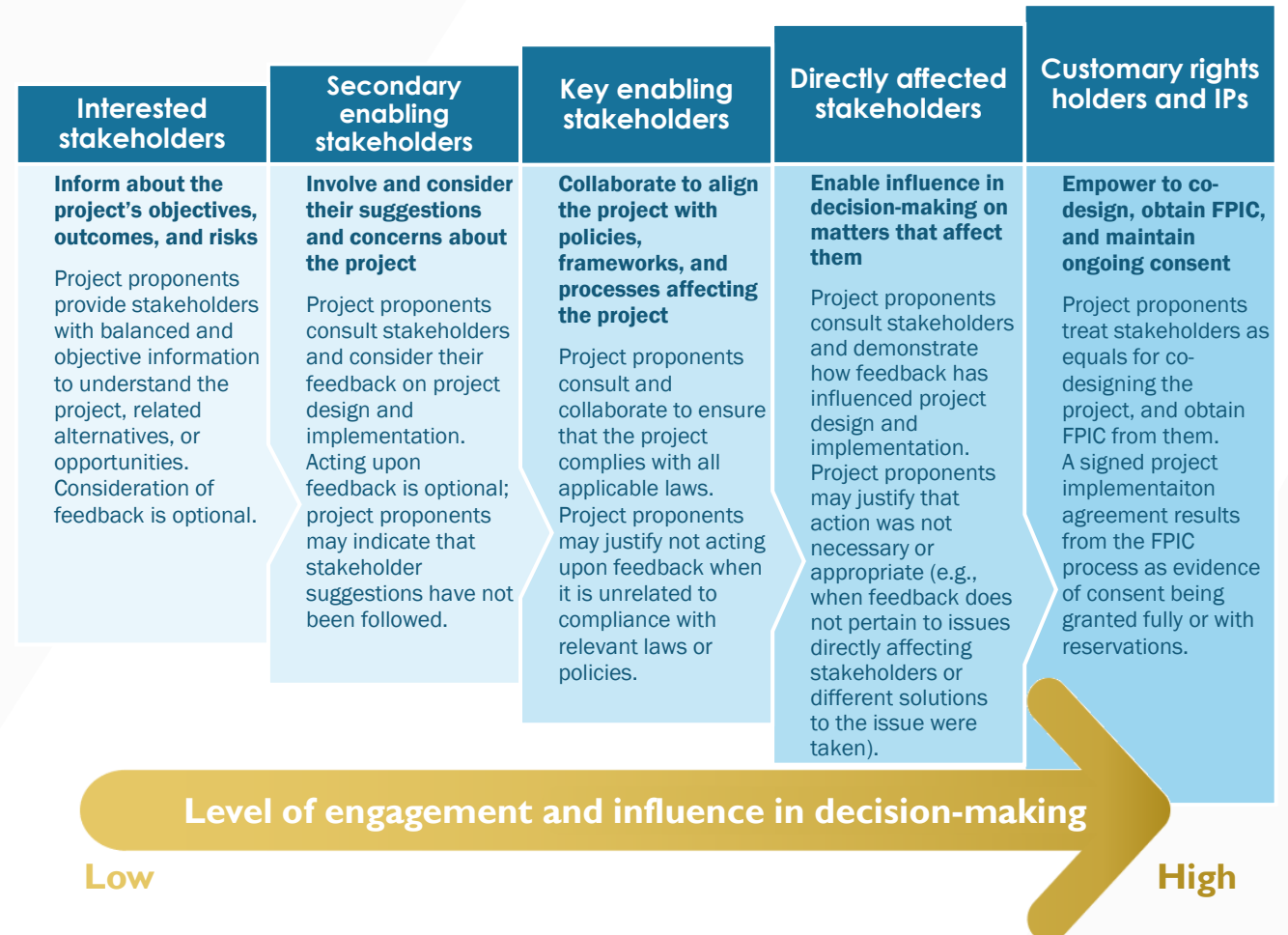


Make available a robust grievance redress mechanism to all stakeholders at the earliest stages of project development



Maintain a stakeholder input tracker

Stakeholder classification



3.17 Stakeholder engagement

(V5#16)



Obtain FPIC where customary rights holders and IPs are affected



Applies



Consultation

To all stakeholder groups in all projects, with differing levels of engagement according to the stakeholder group classification



Approach

Meaningful, effective, and informed engagement throughout the project lifetime
Processes are inclusive, culturally appropriate, and gender-sensitive



Objective

Enhance project acceptance, local stewardship, and the sustainability and durability of outcomes



Outcome

Stakeholder group feedback influences or informs project design and implementation, according to the required level of engagement



FPIC

Where IPs or customary rights holders are present in the project area, or where customary rights are affected by the project

Good-faith dialogue to co-design the project with affected rights holders, grounded in a rights-based approach
Processes are inclusive, culturally appropriate, and gender-sensitive, with parameters (e.g., who, what, how often) agreed with communities as early as possible

Respect and uphold the rights of IPs and customary rights holders

Consent granted or withheld; the project cannot proceed without consent

3.17.12 – 3.17.16 Benefit sharing (V5#58)



What is it and why does it exist?

- It is an **obligation** linked to the rights of IPs over their lands and resources
- It is intended to **compensate for the effects of the project** on their lands and rights, and, where agreed, to support broader benefits they prioritize
- In the VCS Program, benefit-sharing is **extended to land or resource rights holders** directly impacted by the project, and **IPs present in the project area**



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

3.17.12 – 3.17.16

Benefit sharing

(financial transparency)
(V5#58)



Key requirements and rationale:

- The BSM must be jointly designed with rights holders, based on transparent information (i.e., project's projected or actual revenues and costs)
- This enables BSM participants to make an informed decision about appropriate compensation (considering the impacts on their rights and the project's financial viability)
- When rights holders are:
 - Customary (recognized or not by the law): FPIC is required, and the BSM is documented in the resulting PIA
 - Statutory: BSM may be demonstrated with other appropriate instruments, such as contracts or formal arrangements

BSM = benefit-sharing mechanism

PIA = project implementation agreement (resulting from the FPIC process)

3.17.12 – 3.17.16 Benefit sharing (financial transparency) (V5#58)

Other key requirements:

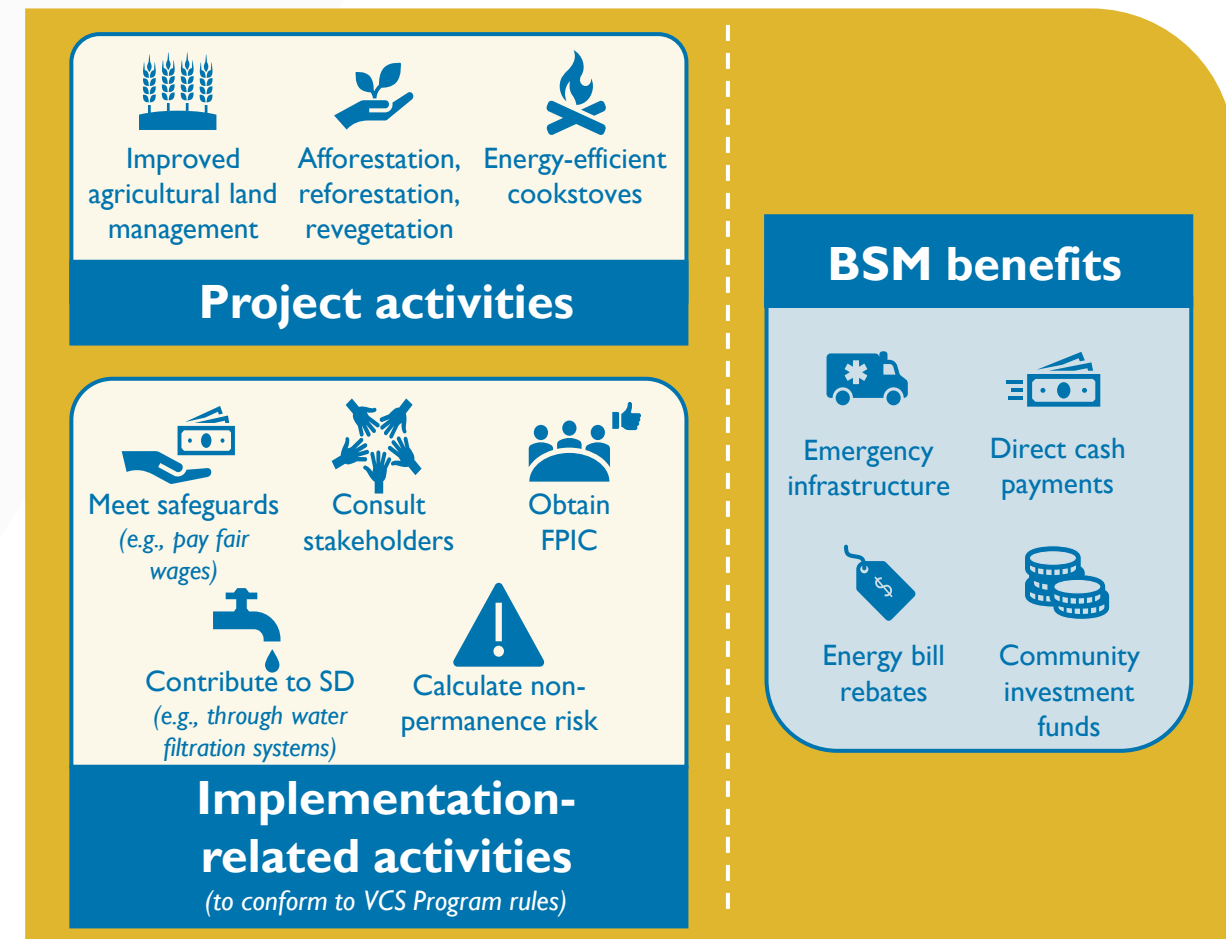


In-kind benefits may be included, under certain conditions



Co-develop a plan for the continuing function of in-kind benefits related to long-term infrastructure that is not necessary to implement project activities

Distinguishing BSM benefits:





3.17 Stakeholder engagement

New standalone template – Stakeholder engagement plan



Verified Carbon Standard
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VCS STAKEHOLDER ENGAGEMENT PLAN TEMPLATE, V5.0

- Prepare it before the PSD
- Update it, when necessary (e.g., new stakeholder groups identified)

1 STAKEHOLDER IDENTIFICATION

Fill out the tables in this section to document stakeholder identification.

Step 1.1: Identify stakeholders and stakeholder groups

Methods and processes used to identify stakeholders	Describe the methods and processes used to identify individuals, organizations, and entities that can potentially affect or be affected by the project. (VCS Standard, v5.0, Section 3.17.1(1)–(2)) Explain how such methods are inclusive, locally and culturally appropriate, and gender sensitive. (VCS Standard, v5.0, Section 3.17.4(2)) Where no stakeholders were identified through the methods and processes described above, justify why, and leave the rest of this table empty.
Indigenous Peoples and local communities identified in the project area	Were Indigenous Peoples (IPs) identified in the project area? ☐ Yes ☐ No Were local communities (LCs) identified in the project area? ☐ Yes, with customary rights² ☐ Yes, without customary rights ☐ No If answering yes to either question, explain how identified IPs and/or LCs as relevant participated in the stakeholder identification process and how their participation supported the identification of other stakeholders. (VCS Standard, v5.0, Section 3.17.1(1))
Identified stakeholders	Include a list of the stakeholders identified. A detailed list of identified stakeholders, including their contact information, should be treated as stakeholder private and confidential information and must be provided directly to the VVB before the site visit for validation.
Assigning stakeholders to a group	Describe how stakeholder groups were determined, considering stakeholders who derive similar income, livelihood, well-being, or cultural values from the project, or who might be similarly impacted by the project, and whose values are different from those of other groups. Explain how identified stakeholders were assigned to one or more stakeholder groups. (VCS Standard, v5.0, Section 3.17.1(3))
Stakeholders participating in illegal activities	Were stakeholders identified as undertaking illegal activities, excluding activities related to stakeholders holding or suspected of holding customary rights that may not be recognized by the law? (e.g., illegal loggers, poachers, organized crime) ☐ Yes ☐ No If yes, describe whether these stakeholders will be engaged in the project, and explain why. Note – The related risks must be described in the project's ESG risk assessment.

Sections:

1. Stakeholder identification

Step 1.1: Identify stakeholders and stakeholder groups

Step 1.2: Determine stakeholder groups' characteristics

2. Stakeholder engagement plan

Step 2.1: Describe activities for consulting and communicating with stakeholders

Step 2.2: Describe the plan to obtain free, prior, and informed consent from and design a benefit-sharing mechanism with customary rights holders and IPs

Step 2.3: Describe the plan to design a benefit-sharing mechanism with rights holders other than customary rights holders and IPs

Step 2.4: Describe the stakeholder input tracker



3.17 Stakeholder engagement

Templates – VCS PD/MR



VCS PROJECT DESCRIPTION TEMPLATE,
V5.0B

2.1 Stakeholder Engagement and FPIC Processes

2.1.1 Stakeholder Consultation and Ongoing Communication

2.1.2 Free, Prior, and Informed Consent

2.2 Benefit-Sharing Mechanism

2.3 Stakeholder Input Tracker

2.4 Grievance Redress Mechanism

2.4.1 Design Process and Summary of the Grievance Redress Mechanism*

2.4.2 Project Grievances

APPENDIX I. Sensitive information



VCS MONITORING REPORT TEMPLATE,
V5.0B

2.1 Stakeholder identification*

(prompts to identify whether an updated SE plan is needed)

2.2 Stakeholder Engagement and FPIC Processes

2.2.1 Stakeholder Consultation and Ongoing Communication

2.2.2 Free, Prior, and Informed Consent

2.3 Benefit-Sharing Mechanism

2.4 Stakeholder Input Tracker

2.5 Grievance Redress Mechanism

APPENDIX I. Sensitive information

* Sections that differ across templates



Guidance – Section 2.5

3.17 Stakeholder engagement

Concepts and examples of:

- Gender-sensitive approaches
- Culturally appropriate methods
- Freedom of expression and prevention of retaliation

Guiding questions to identify and examples of:

- Stakeholders for different project activity types and stakeholder classification
- Marginalized people and vulnerable people
- IPs and LCs with customary rights

Examples of:

- Consulting activities for different project activity types and stakeholder classifications
- Appropriate identification and stakeholder engagement plan
- Considerations for meaningful engagement
- Good practices for FPIC



Box 15. High-level examples of stakeholder identification and engagement plan

1. A REDD avoided deforestation project in a forested area with IPs and smallholder farmers

- Stakeholders identified: IPs whose logging rights will be restricted (community directly affected by activity restrictions), IPs who may be indirectly affected through displacement of activities (neighboring or seasonally affected community), smallholder farmers, forestry agency, local CSOs
- Grouping, classification, and engagement plan:
 - IPs with customary rights (two interconnected IP communities)

These communities have a supportive relationship and their interests are likely to be affected in interconnected ways. Therefore, they are grouped together for engagement purposes.

 - Classification: Customary rights holders and IPs (high impact on land or resource rights, so FPIC is required)
 - Characteristics: Collective governance; strong cultural ties to land; low familiarity with carbon markets; low literacy; women appear to have limited participation in decision-making due to social norms
 - Engagement approach: FPIC process through community assemblies and traditional governance structures; use of local languages and visual materials; separate or facilitated spaces for women to ensure free expression and meaningful participation
 - Smallholder farmers
 - Classification: Directly affected stakeholders (livelihoods depend on forest access)
 - Characteristics: Dependent on forest resources for income; seasonal availability; mixed literacy levels; potential time constraints due to agricultural cycles; women may have less access to extension services and decision-making spaces
 - Engagement approach: Combination of in-person consultations and accessible communication channels (e.g., SMS, local radio, community meetings); engagement scheduled around agricultural cycles to enable participation; use of simple language and practical demonstrations (e.g., field-based training); targeted outreach to women farmers (e.g., separate sessions or adapting timing and location)
 - Forestry agency
 - Classification: Key enabling stakeholder (provides permits, regulatory oversight, and alignment with national forest policy)

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2.5 Stakeholder Engagement

- Characteristics: High technical knowledge; formal mandate; focus on compliance and enforcement; structured decision-making processes
 - Engagement approach: Formal consultations and coordination meetings; provision of technical documentation and compliance information; ongoing engagement to ensure alignment with legal and regulatory requirements
 - Local CSOs
 - Classification: Secondary enabling stakeholders (support community engagement, capacity building, and technical assistance)
 - Characteristics: Strong local knowledge; trusted by communities; experience working with IPs or smallholder farmers; may represent or advocate for marginalized groups
 - Engagement approach: Regular coordination meetings and information sharing; involvement in facilitating stakeholder engagement and capacity building; use as intermediaries to support participation of marginalized or vulnerable people
- ##### 2. An improved agricultural land management soil carbon project supporting improved practices across 5000 farmers
- Stakeholders identified: Smallholder farmers, farmer cooperatives, extension services, local government agencies, local CSOs



Satisfactory vs. unsatisfactory response



Satisfactory response

- Each field of the stakeholder engagement plan, PD, MR, and Val/Ver report templates is completed, unless the template explicitly indicates that "N/A" (or similar) is acceptable.
- Stakeholder consultations took place and a grievance redress mechanism was established before the project start date.
- Where required, FPIC was obtained, a project implementation agreement was signed, and a jointly designed BSM was in place before the project start date.
- Justifications provide concrete information that is consistent with narrative information presented in the PD.
(e.g., conditions prior to project initiation, description of the project activity)



Unsatisfactory response

- Fields are incomplete, ambiguous, or vague.
(e.g., a section is marked as not applicable to the project, with no justification)
- Details are not specific enough or are not backed by evidence to enable an assessment
(e.g., the PD states that consultations happened and that all the community was present, or that 500 people attended with no attendance lists)
- Information is inconsistent with the narrative information included in the templates
(e.g., the stakeholder engagement plan states that there are no stakeholders for the project, yet goods or services will be invoiced to people from nearby communities)

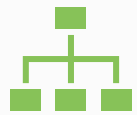
A vibrant green landscape featuring a winding river or canal in the background, with cows grazing in the foreground and a tractor visible in the distance. The scene is overlaid with a semi-transparent green diagonal shape on the right side.

Environmental, social, and governance (ESG) safeguards

3.18 ESG safeguards

(V5#17)

General improvements



Structure

Safeguards framework
(i.e., categories and sub-categories)



Approach

Risk-based approach to
safeguards that is digitally
compatible



New governance category

- Illegal activities
- Anti-corruption
- Anti-money laundering
- Emergency preparedness and response



Enhanced social requirements

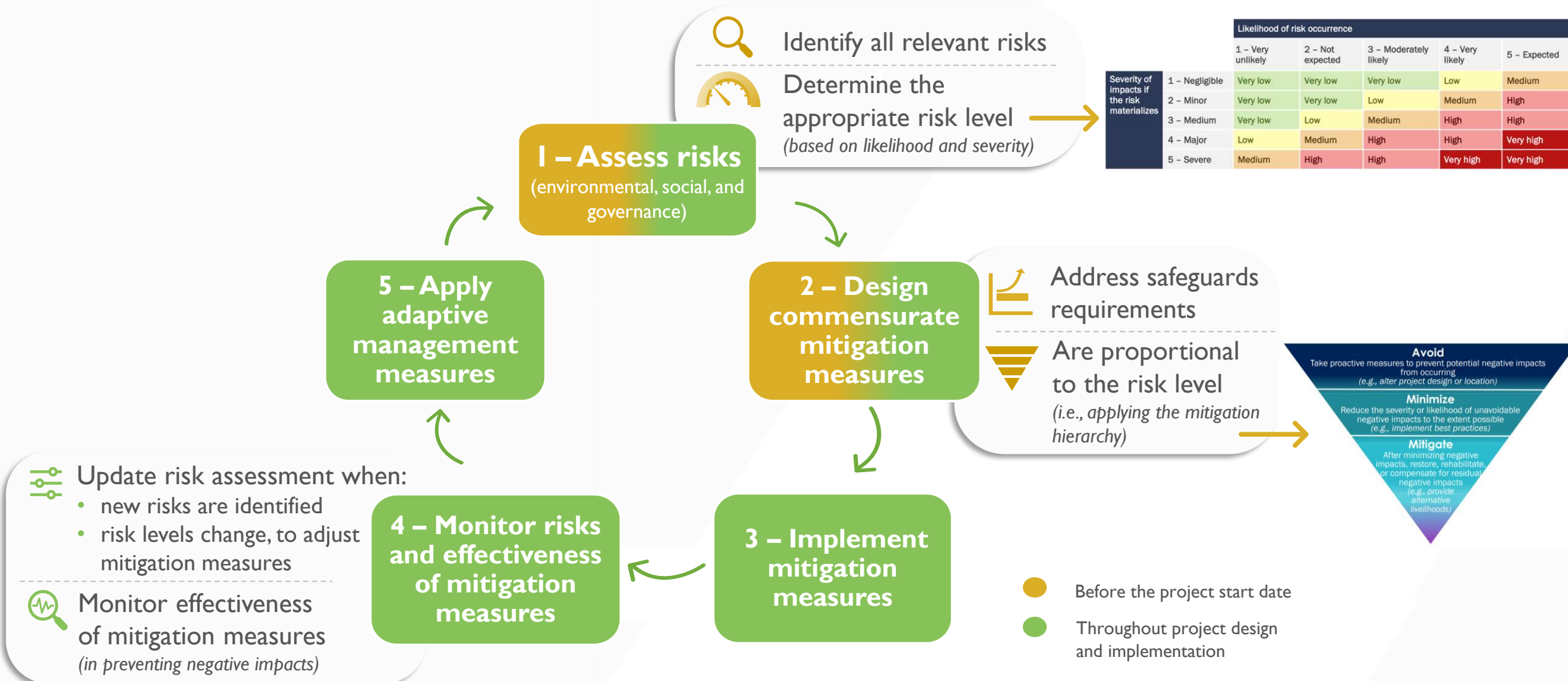
- Gender equality
- Land or resource rights
- Armed personnel



Risk-based approach



Purpose: Assess and manage risks, and apply adaptive management, to enhance protections to stakeholders and the environment





Difference among mitigation, adaptive management, and remediation

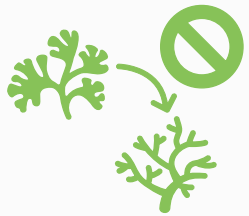
	 Mitigation measures	 Adaptation measures	 Remediation measures
Purpose 	Prevent or reduce anticipated risks of negative impacts <i>(i.e., avoid, minimize, mitigate)</i>	Adjust prevention or reduction when reality changes	Respond when prevention failed or impacts exceeded expectations
Type of action 	Proactive <i>(risk-based)</i>	Responsive <i>(risk-based)</i>	Reactive <i>(impact-based)</i>
Timing 	When risks are identified <i>(before the project start date and throughout implementation)</i>	Throughout project implementation <i>(triggered by monitoring results, stakeholder input, or changes in conditions)</i>	After harm has occurred



Ecosystem conversion

(V5#23)

Requirements only for projects with a project start date on or after 1 Jan 2027



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

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



New criteria to demonstrate high ecosystem degradation:

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



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



New standalone template – ESG risk assessment

3.18 ESG safeguards



VCS ESG RISK ASSESSMENT TEMPLATE, V5.0

How is it structured?

- Screening questions for safeguards sub-category applicability
- Risk identifying factors or questions

1.2.1. Human Rights (S1)

Screening question: Context and applicability of the safeguards category

Were directly affected stakeholders identified in the project's stakeholder engagement plan?

☐ Yes ☐ No

If yes, briefly describe the context, including the following, and fill out the table below:

- Whether the International Bill of Human Rights has been ratified by the country in which the project is located, and other relevant information on the human rights context in the project area
- Power dynamics among stakeholders, including who has access to land or resources, decision-making processes, information sharing, and project benefits, and whether any groups may have limited ability to participate in or influence project-related decisions
- Livelihood conditions and contextual factors that may lead to or reinforce discrimination, explaining how and why identified marginalized groups or vulnerable groups may be disproportionately affected
- Any factors that may affect stakeholders' ability to express views or raise issues, such as economic dependence, social hierarchies, gender roles, language barriers, or relationships with authorities or project actors

Risk assessment

ID	Risk	Risk level and justification		Mitigation measures
S1.1	Fill out this row to identify risks related to the following risk factor. Risk factor: Behaviors or actions that may create the perception or reality of undermining international, national, and local laws, regulations, and conventions for the realization of human rights Describe any risks identified. (VCS Standard, v5.0, Section 3.18.13)	Likelihood: Severity: Risk level:	Select Select Select	Explain which human rights instruments the project proponent will uphold and how. Justify how the law or standard that provides greatest/ protection for stakeholders' human rights will be applied. (VCS Standard, v5.0, Section 3.18.14)
S1.2	Could the project affect stakeholders' perceived or actual ability to realize their economic or social rights, including by reducing the availability or quality of, or access to, resources or basic services? (e.g., rights to food, housing, education, health, land, earning a living, a clean, healthy, and sustainable environment, including safe water and sanitation) ☐ Yes ☐ No	Likelihood: Severity: Risk level:	Select Select Select	



New standalone template – ESG risk monitoring report



**Verified Carbon
Standard**

A VERRA STANDARD

VCS ESG RISK MONITORING REPORT TEMPLATE, V5.0



1.2.1 Human Rights (S1)

Changes to the context and applicability of the safeguards category

Was this category identified as applicable to the project in the project's ESG risk assessment?

☐ Yes ☐ No

Has any new information become available or circumstances arisen that change the applicability of this category or reveal risks that were previously unidentified in the project's ESG risk assessment?

☐ Yes ☐ No

If answering yes to the first question, fill out the risk monitoring table below. Where new risks not included in the risk assessment are identified, add a new row at the end of the table, continuing the consecutive ID numbering.

If answering no to the first question and yes to the second question, copy and fill out the risk assessment table for that safeguards category from the VCS ESG risk assessment template.

If answering no to both questions, move to the next section.

Risk monitoring

ID	Changes to risk and risk level	Monitoring of mitigation measures	Adaptive management
S1.1	Fill out this column for all rows as follows: - Existing risks: Describe any changes to the risk or risk level. Where the risk level changed, explain why, state the new likelihood, severity, and resulting risk level, and justify how the updated levels are appropriate to the project. - New risks not included in the risk assessment: Describe the risks identified, state and justify their likelihood, severity, and resulting risk level.	Fill out this column for all rows as follows: - Existing risks: Describe the actions taken during the monitoring period to mitigate the risk and explain whether such actions helped prevent the potential impacts from happening or not. - New risks not included in the risk assessment: Justify the mitigation measures.	Fill out this column for all rows as follows: Describe any adaptive management measures taken during the monitoring period, including: - New or enhanced mitigation measures for the risk - Improvements in best practices or technologies that enhance or support mitigation measures - Actions to remedy any unintended negative impacts caused by the project Where adaptive management measures are derived from stakeholder input, explain how stakeholder input was considered.
S1.2			

Report on:

- Changes to the context and applicability
- Same risk IDs to report on monitoring of mitigation measures and adaptive management



3.18 ESG safeguards

Templates – VCS PD/MR

Minimal information remains in the PD/MR



VCS PROJECT DESCRIPTION TEMPLATE,
V5.0B

1.4.2 AFOLU Project Eligibility →

2.5.1 Ecosystem Restoration

2.5.2 Management Experience

2.5.3 Legal Compliance

1.4.2 AFOLU Project Eligibility

Could the project lead to ecosystem conversion to an intensive land use ecosystem (classified under T7 in IUCN's Global Ecosystem Typology)?²

☐ Yes ☐ No

If yes, respond to the following question. If no, justify your response and move on to the next section. (VCS Standard, v5.0, Sections 3.2.1 and 3.18.8)

Is the project an ALM, ARR, or WRC project?

☐ Yes ☐ No

If yes, respond to the following question. If no, the project is not eligible in the VCS Program (VCS Standard, v5.0, Sections 3.2.1 and 3.18.8).

Has the ecosystem exhibited high ecosystem degradation for at least 10 years prior to the project start date?

☐ Yes ☐ No

If yes, justify high ecosystem degradation for at least 10 years prior to the project start date in accordance with Sections 3.18.8 and 3.18.9 of the VCS Standard, v5.0.

If no, justify high ecosystem degradation within 10 years prior to the project start date and that, in accordance with Sections 3.18.8 and 3.18.9 of the VCS Standard, v5.0, such degradation is:

- 1) *due to natural or anthropogenic disturbances unrelated to the project (e.g., wildlife, storm, flood, earthquake, slash and burn shifting agriculture), and*

² International Union for Conservation of Nature (IUCN). IUCN Global Ecosystem Typology.
<https://iucn.org/resources/publication/iucn-global-ecosystem-typology-20>



VCS MONITORING REPORT TEMPLATE,
V5.0B

2.6.1 Management Experience

2.6.2 Legal Compliance



Guidance – Section 2.6

3.18 ESG safeguards

General content:

- Background on project risks and relevance of safeguards
- Importance of safeguards categories

Considerations and examples of:

- Risk likelihood and severity scales
- Risk levels and expected depth of mitigation measures

Table 3. Risk severity scale and considerations

Severity scale	Considerations
1 – Negligible Minimal impacts that have temporary and easily reversible consequences Example: Minor noise disturbance during daytime site visits during the construction period	• No adverse effect on rights, health, livelihoods, or ecosystems • Only inconvenient • No stakeholder grievances anticipated
2 – Minor Limited, short-term impacts with manageable consequences Example: Temporary access disruption to non-essential paths with clear alternatives	• Does not affect fundamental rights or essential resources • Impacts can be addressed through simple adjustments • Low likelihood of grievances escalating
3 – Medium Noticeable adverse impacts that affect stakeholders or ecosystems, but are reversible with reasonable effort Example: Reduced access to certain forest products affecting supplemental income for some households	• Affects livelihoods, access to resources, or well-being for a defined group • Impacts should be addressed through targeted measures • May generate grievances or disagreement

Table 5. Expected depth of mitigation measures based on the risk levels and examples

Risk level	Expected depth of mitigation measures	Example
Very low	The risk is acknowledged and monitored through project implementation. No dedicated mitigation measures are necessary beyond conformance to any applicable safeguards for the category.	Risk of noise and dust resulting from temporary and periodic maintenance activities disturbing stakeholders in a grid-connected solar photovoltaic installation. Likelihood: 3 – Moderately likely. Justification: Maintenance activities occur routinely during implementation (i.e., under normal operations). Severity: 1 – Negligible. Justification: Short-term and reversible impacts, with no anticipated effect on rights, livelihoods, or ecosystem condition. Mitigation measures: Report maintenance log events and noise complaints, and schedule maintenance during the daytime.
Low	Simple mitigation measures are designed, implemented, and monitored throughout project implementation. Measures focus on preventing escalation or proactively addressing issues where they arise, without requiring dedicated resources or specialized management structures.	Risk of minor workplace injuries that project workers may experience during routine project implementation activities (e.g., slips, minor cuts, heat stress). Likelihood: 3 – Moderately likely. Justification: Even with basic controls, minor incidents are possible. Severity: 2 – Minor. Justification: The expected consequence is short-term and reversible. Mitigation measures: Operational health and safety induction for all workers and contractors; adequate protection equipment; transport plan for clinics.
Medium	Mitigation measures are designed, implemented, and monitored throughout project implementation. Measures have clear responsibilities and established monitoring periodicity. Measures should be	Risk of perceived inequity in beneficiary selection in a cookstoves project, where some households believe they were unfairly excluded. Likelihood: 4 – Very likely. Justification: Similar projects commonly face expectation and inclusion challenges, even with good processes. Severity: 2 – Minor. Justification: Community cohesion may be affected, leading to recurring grievances, but impacts are generally reversible.



Satisfactory vs. unsatisfactory response



Satisfactory response

- All screening questions are responded for all safeguards categories in the standalone ESG risk assessment and risk monitoring report templates.
- When a safeguards category is applicable to the project, all required fields in the risk assessment or risk monitoring tables is completed.
- Each field of the PD, MR, and Val/Ver report templates is completed, unless the template explicitly indicates that "N/A" (or similar) is acceptable.
- Justifications provide concrete information that is consistent with narrative information presented in the PD.
(e.g., conditions prior to project initiation, description of the project activity)



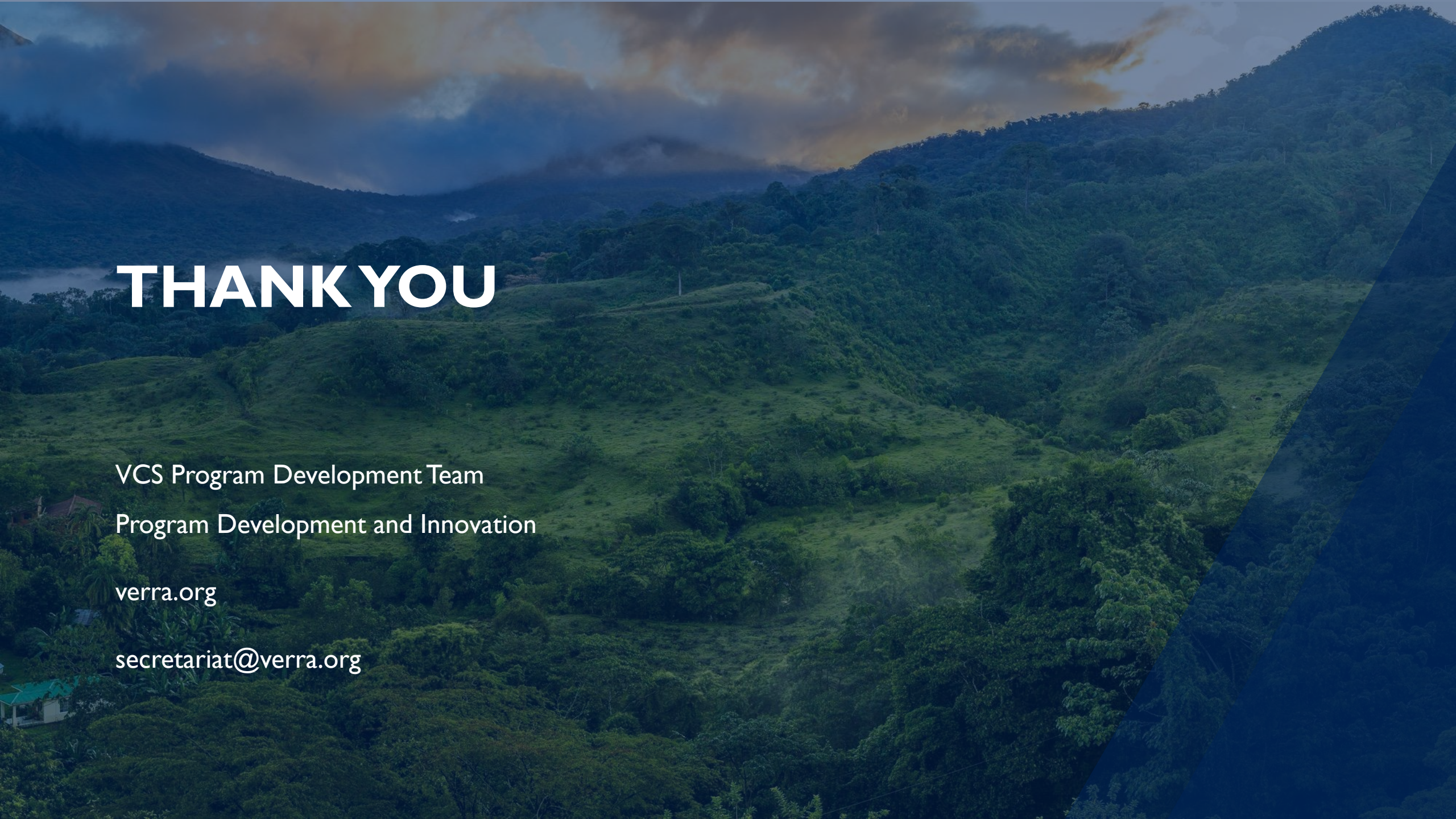
Unsatisfactory response

- Fields are incomplete, ambiguous, or vague.
(e.g., a section is marked as not applicable to the project, with no justification)
- Details are not specific enough or are not backed by evidence to enable an assessment
(e.g., all ESG risks are rated as low, with no explanation of how likelihood and severity were determined and no description of the mitigation measures in place)
- Information is inconsistent with the narrative information included in the templates
(e.g., risks to Indigenous Peoples' rights are rated as low, even though the project will clearly disrupt areas where those peoples hold cultural practices)

A man wearing a red shirt and a white cap is shown in a close-up, looking intently at a branch of coffee plants. He is holding a cluster of coffee cherries, which are in various stages of ripeness, showing red, green, and yellow colors. The background is a soft-focus view of more coffee trees and foliage. The entire image has a dark, semi-transparent overlay.

Q&A

For all other questions: secretariat@verra.org



THANK YOU

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