

# Procedure to Change Methodology through a Project Description Deviation

16 October 2024 v4.0



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### 1 INTRODUCTION

#### 1.1 Purpose of this document

This document provides a procedure for project proponents who wish to update their registered Verified Carbon Standard (VCS) project to the most recent version of a different methodology¹ or the most recent version of the currently applied methodology (referred to in this document as the "new methodology") via a project description deviation as described in Sections 3.21.2.(3)–(4) of the VCS Standard.² The procedure provides the steps that a project proponent must follow to complete the project description deviation correctly and have it assessed by a validation/verification body (VVB).

This process differs from the forthcoming VCS Methodology Change and Requantification Procedure, as it does not result in the reconciliation of Verified Carbon Units (VCUs). It applies only to projects switching their applied methodology for current and future monitoring periods.

## 2 PROCESS TO CHANGE PROJECT METHODOLOGY

#### 2.1 Apply the new methodology

- 2.1.1 The project shall conform with all requirements of the new methodology and meet all applicability conditions.
- 2.1.2 The project shall have all the data required to apply the new methodology. Applying a methodology deviation to circumvent having the required data is not permitted.
- 2.1.3 With respect to baseline scenario and additionality requirements, the following applies:
  - 1) For projects that are subject to baseline reassessment:<sup>3</sup> The project proponent shall reassess the baseline in accordance with Sections 3.2.6(1-4) and 3.2.7 of the VCS

¹ Projects may switch to a different methodology where permitted or required (see Section 3.21.2.(3) of the VCS Standard, v4.7). Permitted or required changes are outlined on the relevant methodology pages or announcements on the Verra website. Further methodology-specific guidance on how to use this procedure will be provided on the website or may be requested by reaching out to info@verra.org.

<sup>&</sup>lt;sup>2</sup> Section numbers are based on the VCS Standard, v4.7. Refer to the equivalent sections in future versions of the VCS Standard.

<sup>&</sup>lt;sup>3</sup> Agricultural Land Management (ALM), Avoided Conversion of Grasslands and Shrublands (ACoGS), Improved Forest Management (IFM), Reduced Emissions from Deforestation and Degradation (REDD), and Wetlands Restoration and Conservation (WRC)



- Standard. This will reset the applicable timeline for baseline reassessment outlined in Section 3.2.5 of the VCS Standard.
- 2) For projects that are not subject to baseline reassessment: Where the baseline scenario requirements in the new methodology are new or revised from the current methodology, the project proponent shall apply the new methodology to determine the most plausible baseline scenario and calculate the baseline emissions for the remainder of the crediting period.
- 3) Where the new methodology includes a new or revised project or standardized method for demonstrating additionality, the project proponent shall apply the new methods to demonstrate additionality from the project start date.
- 4) Where the project introduces design changes as part of the update, regulatory surplus shall be reassessed at the time of the methodology change and the project description shall be updated accordingly.
- 5) Where the new methodology provides requirements for projects transitioning to the methodology, such requirements shall be followed as part of this procedure.
- 2.1.4 The project proponent shall use the most recent versions of data sources to establish default values, data, or parameters that are new or monitored throughout the baseline validity period or crediting period, as applicable.

#### 2.2 Complete the project documentation

- 2.2.1 To submit the project description deviation for VVB assessment at verification, project proponents shall:
  - 1) Prepare a revised version of the project description using the most recent effective version of the VCS Project Description Template.
  - 2) Ensure that the monitoring report includes a description and justification of the project description deviation in Section 3.2 and a description and justification of the project baseline reassessment, where relevant, in Section 3.4.
  - 3) Prepare an updated ex-ante GHG emission reduction and carbon dioxide removal calculation spreadsheet for the baseline validity period or entire crediting period, as applicable.

Note – Project proponents aiming to receive Core Carbon Principles (CCP) labels for AFOLU projects must use the most recent version of the AFOLU Non-Permanence Risk Tool (including the 40-year longevity period requirement) to calculate their updated non-permanence risk rating.

2.2.2 Project proponents shall update at least Sections 1.4, 1.11, 1.12, 1.14, 1.15, 3, 4, and 5 of the project description.<sup>4</sup> Project proponents shall update other sections of the project description relevant to the methodology change as needed. Sections that are not revised shall

<sup>&</sup>lt;sup>4</sup> Section numbers are based on the VCS Project Description Template, v4.4. For projects revising a CCB-VCS Program Joint Project Description Template or a Joint Project Description & Monitoring Report Template, refer to the equivalent corresponding sections in those templates.



be completed with the original content of the project description and previously validated project description deviations where applicable.

#### 2.3 Assessment by a validation/verification body

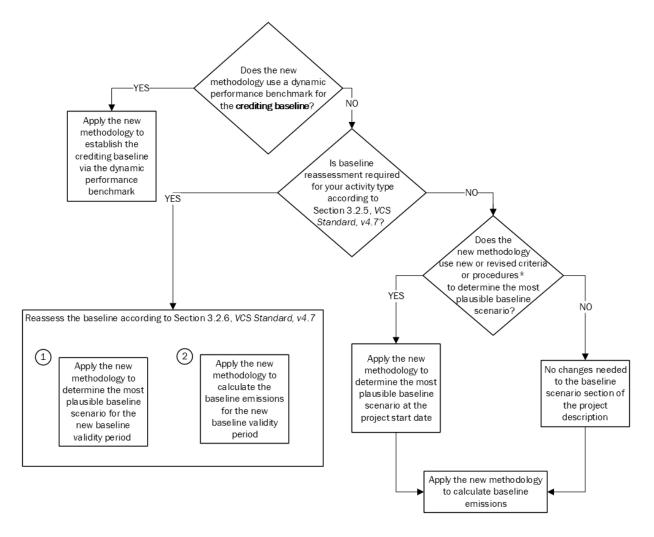
- 2.3.1 The VVB shall assess the project description deviation at verification, as outlined in Section 3.21 of the VCS Standard.
- 2.3.2 The VVB shall ensure the following sections of the VCS Verification Report Template<sup>5</sup> are completed:
  - 1) Section 3.2, with an assessment of the project description deviation and a validation of any changes to the following, where applicable:
    - a) Project eligibility
    - b) Project scale and estimated GHG emission reductions and carbon dioxide removals
    - c) Conditions prior to project initiation
    - d) Title and reference of methodology
    - e) Applicability of methodology
    - f) Project boundary
    - g) Baseline scenario
    - h) Additionality
    - i) Quantification of GHG emission reductions and carbon dioxide removals
    - j) Methodology deviations
    - k) Monitoring plan
  - 2) Section 3.4 where the project activity requires baseline reassessment (see Section 3.2.5, VCS Standard, v4.7)
  - 3) Section 5, with an overall conclusion regarding whether the project demonstrates conformance with the new methodology

<sup>&</sup>lt;sup>5</sup> Section numbers are based on the VCS Verification Report Template, v4.4. For VVBs using a CCB-VCS Program Joint Verification Report Template or a Joint Validation and Verification Report Template, refer to the equivalent corresponding section in those templates.



### **APPENDIX 1: FLOW CHARTS**

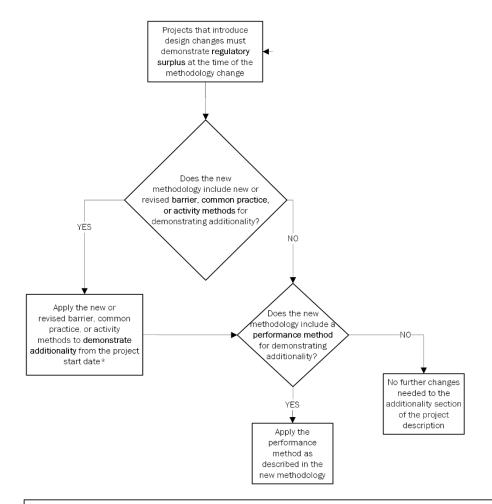
Figure 1. Guidance for applying the baseline scenario and baseline emissions requirements of the new methodology



<sup>\* &</sup>quot;new or revised criteria or procedures" refers to new or revised criteria or procedures for determining the most plausible baseline scenario in the new methodology versus the previous methodology



Figure 2. Guidance for applying the additionality requirements of the new methodology



<sup>\*</sup> When applying the new or revised barrier, common practice, or activity methods to demonstrate additionality, 1) project proponents <u>do not</u> need to redo steps that remain unchanged in the new methodology versus the previous methodology, and 2) project proponents must use historical data/information relevant at the time of the project start date. For example, if a project starts in 2018 and switches to a new methodology in 2026, the investment barrier analysis should assess the presence/absence of investment barriers in 2018, not in 2026.



### APPENDIX 2: DOCUMENT HISTORY

Version	Date	Comment
v4.0	16 Oct 2024	Initial version released as part of VCS Version 4



# Standards for a Sustainable Future









