Verified Carbon Standard
A VERRA STANDARD

Program Guide

17 January 2023

v4.3

ABOUT VERRA

Verra sets the world's leading standards for climate action and sustainable development. We build standards for activities as diverse as reducing deforestation, to improving agricultural practices, to addressing plastic waste, and to achieving gender equality. We manage programs to certify that these activities achieve measurable high-integrity outcomes. And we work with governments, businesses, and civil society to advance the use of these standards, including through the development of markets. Everything we do is in service of increasingly ambitious climate and sustainable development goals – and an accelerated transition to a sustainable future.

Verra's certification programs include the Verified Carbon Standard (VCS) Program and its Jurisdictional and Nested REDD+ (JNR) framework, the Climate, Community & Biodiversity Standards (CCBS) Program, the Sustainable Development Verified Impact Standard (SD VISta) Program, and the Plastic Waste Reduction Program.

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1 INTRODUCTION

The Verified Carbon Standard (VCS) Program provides a global program and standard for GHG emission reduction and removal projects and programs. It uses as its core the requirements set out in *ISO 14064-2, ISO 14064-3, and ISO 14065*. The *VCS Program Guide* (this document) is the overarching program document and provides the rules and requirements governing the VCS Program and describes the constituent parts of the program such as the project and program registration process, the Verra Registry system, the methodology development and review process, and the accreditation requirements for validation/verification bodies.

1.1 Version

VCS Program editions are labeled with a version number and program documents are correspondingly version controlled. *VCS Version 4* is the fourth working version of the VCS, having been preceded by *VCS Version 1* (the initial version), *VCS 2007,* and *VCS 2007.1* which were two releases of the same version, but with the latter version incorporating the agriculture, forestry, and other land use (AFOLU) specifications), and *VCS Version 3*.

VCS Version 4 was released on 19 September 2019 and becomes the applicable version with immediate effect, except where grace periods were set out for particular requirements.

VCS Version 4 is comprised of all the program documents labeled v4.x, where x is a running number starting at zero. Individual program documents may be updated from time to time, as developments require, and their version numbers will be incremented using the v4.x format. Such updated documents still form part of Version 4 and the VCS Program edition should be referred to as *VCS Version 4* regardless of the version numbers of the individual program documents. Where documents are updated, an appendix to the document will clearly state the updates made and their effective date. VCS Program stakeholders will be informed of the updates, and the updates will also be cataloged on the Verra website. Readers shall ensure that they are using the most current version of this and all other program documents.

Note that errata documents may also be issued periodically to correct errors in text, equations, or figures in VCS Program documents or methodologies. In addition, clarification documents may be issued to provide additional guidance on the VCS Program rules or methodological requirements. Errata and clarification documents are posted to the Verra website alongside the relevant program document or methodology and are effective on their issuance date. Project proponents and validation/verification bodies must apply and interpret the VCS Program rules and methodological requirements consistent with any errata and clarifications. Errata and clarifications will be incorporated into the next issued version of the relevant program document or methodology, at which time the errata and clarifications will be moved to an archive page on the Verra website.

New versions of the VCS Program will be issued periodically when major edition updates are required. Development of new versions of the program will include public consultation and will be announced on the Verra website and to VCS Program stakeholders.

The VCS Program documents for previous versions of the VCS Program are available on the Verra website and these should be referred to for the rules and requirements under such previous versions of the VCS Program.

Note that projects, programs, and verified carbon units (VCUs) are not labeled in the Verra Registry with a specific version of the VCS Program (i.e., projects are not "Version 3 projects" or "Version 4 projects", and likewise with VCUs). The VCS Program documentation is merely labeled with a version in order to provide version control over the program documents.

Where external documents are referenced, such as ISO 14064-2, ISO 14064-3, and ISO 14064, and such documents are updated, the most recent version of the document shall be used.

1.2 Language

The operating language of the VCS Program is English. The VCS Program documents may be translated into other languages to facilitate local use. However, the English versions of VCS Program documents, and the interpretation of same, shall take precedence over any other language translations.

1.3 Definitions

Definitions as set out in the VCS Program document *Program Definitions*, *ISO 14064-2*, *ISO 14064-3,* and *ISO 14065*shall apply to all VCS Program documentation. Note that defined terms in the VCS Program documents, in common with ISO convention, are used without capital first letters.

2 OVERVIEW OF THE VCS PROGRAM

2.1 Program Objectives

The VCS Program establishes the rules and requirements that operationalize the *VCS Standard* to enable the validation of GHG projects and programs and the verification of GHG emission reductions and removals that can be used both in voluntary and compliance markets. The VCS Program aims to:

1) Establish clear rules and procedures to enable the successful development of GHG projects and programs and the creation of high-quality GHG credits;
2) Create a trusted and fungible GHG credit, the VCU;
3) Stimulate innovation in GHG mitigation technologies and measures as well as procedures for validation, verification, and registration, all within a context of quality, credibility, and transparency;
4) Provide a secure registry system for all VCUs that offers assurance against double counting and provides transparency to the public;
5) Demonstrate workable frameworks and offer lessons that can be incorporated into other GHG programs and climate change regulation;
6) Provide oversight to ensure that investors, buyers and the market recognizes VCUs as being real, additional, and permanent; and
7) Link carbon markets worldwide through a coherent and robust framework.

2.2 Program History

The Climate Group, the International Emissions Trading Association, and the World Business Council for Sustainable Development are the partner organizations that founded the VCS Program. The World Economic Forum also partnered in the development of the VCS Program for part of the process. *VCS Version 1* was released on 28 March 2006 as both a consultation document and a standard for use by the market. *VCS Version 2* was released in October 2006 as a consultation document and did not replace *VCS Version 1* as the applicable version. After two years of work, two rounds of public consultation, and the work of the 19-member steering committee[1] and seven technical working groups, *VCS 2007* was released on 19 November 2007. *VCS 2007.1*, which incorporated requirements for agriculture, forestry, and other land use projects, was released on 18 November 2008. *VCS Version 3* was issued on 8 March 2011. *VCS Version 4* was released on 19 September 2019.

[1] The members of the steering committee were Jan-Willem Bode, Derik Broekhoff, Mike Burnett, Robert Dornau, Steve Drummond, Mitchell Feierstein, Yoshito Izumi, Mark Kenber, Adam Kirkman, Andrei Marcu, Erin Meezan, Ken Newcombe, Mark Proegler, Robert Routliffe, Richard Samans, Marc Stuart, Einar Telnes, Bill Townsend and Diane Wittenberg.

2.3 Program Scope

The VCS Program provides the standard and framework for independent validation of projects and programs, and verification of GHG emission reductions and removals, based on *ISO 14064-2* and *ISO 14064-3*. The scope of the VCS Program covers all those activities related to the generation of GHG emission reductions and removals, including jurisdictional programs and nested REDD+ projects. The scope does not include carbon footprint assessments or carbon neutrality claims.

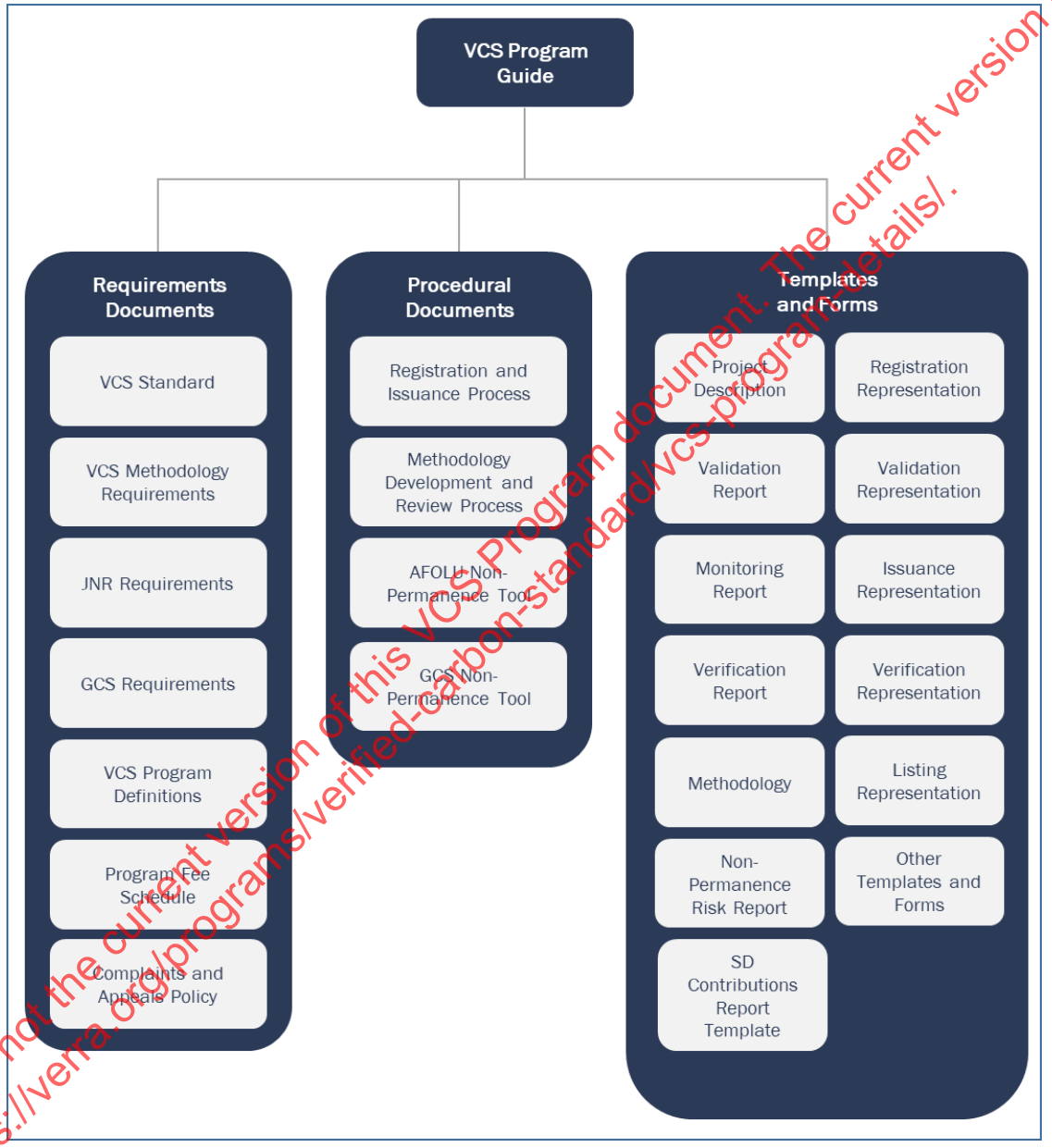
Participation is voluntary and based on objective criteria. The VCS Program is not discriminatory to project proponents, jurisdictional proponents, methodology developers, validation/verification bodies, or VCU buyers, sellers, or brokers.

2.4 Program Documents

The rules and requirements for the VCS Program are set out in the program documents. Projects, programs, and methodologies shall meet all the applicable rules and requirements set out in these documents.

The structure of the program documents is summarized in Diagram 1. The *VCS Program Guide* is the overarching program document, providing the rules and requirements governing the VCS Program and further describing the constituent parts of the program such as the project and program registration process, the Verra Registry system, the methodology development and review process, and the accreditation requirements for validation/verification bodies. Complementing the *VCS Program Guide* are requirements documents, procedural documents, and templates and forms. Verra may issue new documents, as developments in the VCS Program require, and the complete and current list of the program documents is available on the Verra website.

Diagram 1: Program Documents



In addition to the *VCS Program Guide*, the program documents currently include the following:

1) Requirements Documents

   a) *VCS Standard*. Provides the requirements for developing projects and for the validation and verification process.

   b) *Methodology Requirements*. Provides the requirements for developing new, revised, and consolidated methodologies, tools, and modules.

   c) *JNR Requirements*. Provides further requirements for developing jurisdictional REDD+

programs and nested REDD+ projects.

d) *Program Definitions*. Provides the definitions for terms used in the VCS Program documents.

e) *Program Fee Schedule*. Provides the fees related to the various parts of the VCS Program.

f) *Geologic Carbon Storage Requirements.* Provides the requirements for developing geologic carbon storage projects.

2) Procedural Documents

a) *Registration and Issuance Process.* Provides the procedures and rules for registering projects and issuing VCUs.

b) *JNR Registration and Issuance Process.* Provides the procedures and rules for registering jurisdictional baselines and jurisdictional REDD+ programs, as well as projects nested in jurisdictional programs and standalone projects operating under Scenario 1.

c) *JNR Validation and Verification Process.* Provides the process and requirements for the validation and verification of jurisdictional baselines and jurisdictional REDD+ programs.

d) *Methodology Development and Review Process.* Provides the procedures and rules for the development and review of new or revised VCS methodologies, tools, and modules.

e) *AFOLU Non-Permanence Risk Tool.* Provides the procedure for conducting non-permanence risk analysis and buffer determination for AFOLU projects.

f) *GCS Non-Permanence Risk Tool.* Provides the procedures for assessing the non-permanence risk and buffer determination required for Geologic Carbon Storage (GCS) projects.

3) Templates and Forms

a) *VCS Program Templates.* Templates for project descriptions, validation reports, monitoring reports, verification reports, and methodologies.

b) *Representations Templates.* Templates for deeds of representation made by project proponents and validation/verification bodies.

c) *Forms.* Forms such as for submitting methodologies under the methodology development and review process.

The following are normative (referenced) documents for the VCS Program:

1) *ISO 14064-2*, Greenhouse gases – Part 2: Specification with guidance at the project level for quantification, monitoring, and reporting of greenhouse gas emission reductions or removal enhancements.

2) *ISO 14064-3*, Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

3) *ISO 14065*, Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition.

4) *The GHG Protocol for Project Accounting* (Chapter 7, guidance related to additionality and common practice), WRI, 2005.

The four standards above are part of the requirements of the VCS Program, and their requirements shall be met either by the project proponent (*ISO 14064-2*) or the validation/verification body (*ISO 14064-3* and *ISO 14065*). Where there is any conflict between VCS Program documentation and the above normative references, the VCS Program documentation shall take precedence.

The program documents are also complemented by guidance documents. These guidance documents do not set out VCS Program rules and requirements, but they provide additional information to assist with the interpretation of the rules and requirements. It is strongly encouraged that such guidance is followed.

2.5 Roles and Responsibilities

2.5.1 Project and Jurisdictional Proponents

Project and jurisdictional proponents are the entities with overall control and responsibility for projects or programs. A project may have one project or jurisdictional proponent, or there may be multiple project or jurisdictional proponents who collectively have overall control and responsibility for a project or program. Project and jurisdictional proponents establish and operate projects and programs in accordance with the VCS Program rules. They are responsible for providing the project or program description, monitoring report, and supporting documentation (including evidence of project ownership or program ownership) to facilitate validation and verification.

Project and jurisdictional proponents sign unilateral representations with respect to their projects or programs and VCUs, and these are made available on the Verra Registry. Project proponents assume limited liability for the replacement of excess VCUs, as set out in Section 4.2.

Note – To aid the readability of the VCS Program documentation, the documents use project and jurisdictional proponent in the singular. For projects and programs with multiple project or jurisdictional proponents, "project proponents" or "jurisdictional proponents" should be substituted in place of "project proponent" or "jurisdictional proponent", as appropriate.

2.5.2 Methodology Developers

Methodology developers are entities that develop new or revised methodologies, modules, and tools that are subject to the methodology development and review process.

2.5.3 Validation/Verification Bodies

Validation/verification bodies are accredited to:

1) Validate projects and verify GHG emission reductions and removals.
2) Assess methodologies under the methodology development and review process.

Validation/verification bodies are only eligible to carry out work for the sectoral scopes for validation and

verification for which they hold accreditation and must sign the required agreement with Verra before they can perform validation or verification in connection with the VCS Program. The list of validation/verification bodies is available on the Verra website.

2.5.4 Verra Registry

The Verra Registry is responsible for ensuring that all required project and program documents have been submitted to Verra; issuing and maintaining accounts of VCUs for accountholders; ensuring the seamless flow of VCUs throughout the entire Verra Registry system; tracking and reporting the deposit/withdrawal of buffer credits to/from the centrally managed AFOLU pooled buffer account and jurisdictional pooled buffer account; and maintaining custody and records of VCU legal ownership.

2.5.5 VCU Buyers, Sellers, and Brokers

Buyers, sellers, and brokers are companies, organizations, or individuals who transact VCUs or facilitate the transaction of VCUs.

2.5.6 Verra

The VCS Program is managed by Verra, which is an independent, non-profit organization incorporated under the laws of the District of Columbia in the United States. Verra is responsible for managing, overseeing, and developing the program. It maintains an impartial position in the market and does not develop projects, programs, or methodologies, nor does it provide validation, verification, or consulting services.

One of Verra's roles is in respect of overseeing and ensuring the integrity of projects, programs, and VCUs in the Verra Registry system. Verra conducts reviews of project and program registration and VCU issuance requests. Verra is also responsible for overseeing the validation/verification bodies operating under the VCS Program. Where Verra identifies shortcomings in a validation/verification body's performance, it may provide feedback and require the validation/verification body to address non-conformities.

Verra reserves the right not to list projects, register projects and programs, or issue VCUs where it deems that they do not conform with the VCS Program rules or may otherwise impact the integrity of the VCS Program or the functioning of the broader carbon market. Verra reserves the right to delist projects, programs, and VCUs where it deems that they have not been registered or issued in accordance with the VCS Program rules. At listing, Verra may deny the request and reject the project where the listing request is frivolous, vexatious, or an abuse of process. Verra makes the reasons for such decisions publicly available on the project page on the registry.

Verra also reserves the right to take action against validation/verification bodies in accordance with the provisions set out in the agreements signed with Verra. The rights and obligations for validation/verification bodies are set out in such agreements.

Verra is also responsible for managing the methodology development and review process, and it reserves the right to not accept methodologies into the process, put on hold or reject methodologies in the

development and review process, or review, revise or set as inactive previously approved methodologies where it deems that they do not conform with the VCS Program rules, would sanction politically or ethically contentious project activities, or may otherwise impact the integrity of the VCS Program or the functioning of the broader carbon market.

Verra may convene steering committees, advisory committees, or working groups to support its work in specific areas. These groups draw in expertise from outside the organization to develop and support specific elements of the VCS Program. A full list of steering committees and working groups is available on the Verra website.

3 VCS PROGRAM CRITERIA FOR GHG PROJECTS AND PROGRAMS

All projects and programs shall meet the requirements set out in the *VCS Version 4* program documents.

GHG emission reductions and removals verified under the VCS Program and issued as VCUs shall meet the following principles:

Real

All GHG emission reductions and removals and the projects or programs that generate them must be proven to have genuinely taken place.

Measurable

All GHG emission reductions and removals must be quantifiable using recognized measurement tools (including adjustments for uncertainty and leakage) against a credible emissions baseline.

Permanent

Where GHG emission reductions or removals are generated by projects or programs that carry a risk of reversibility, adequate safeguards must be in place to ensure that the risk of reversal is minimized and that, should any reversal occur, a mechanism is in place that guarantees the reductions or removals will be replaced or compensated.

Additional

GHG emission reductions and removals must be additional to what would have happened under a business-as-usual scenario if the project had not been carried out.

Independently Audited

All GHG emission reductions and removals must be verified to a reasonable level of assurance by an accredited validation/verification body with the expertise necessary in both the country and sector in which the project is taking place.

Unique

Each VCU must be unique and must only be associated with a single GHG emission reduction or removal activity. There must be no double counting, or double claiming of the environmental benefit, in respect of the GHG emission reductions or removals.

Transparent

There must be sufficient and appropriate public disclosure of GHG-related information to allow intended users to make decisions with reasonable confidence.

Conservative

Conservative assumptions, values, and procedures must be used to ensure that the GHG emission reductions or removals are not over-estimated.

4 VERRA REGISTRY

The Verra Registry provides the public interface to all project, program, and VCU information. VCU serial numbers are generated by the registry, which ensures the uniqueness of projects, programs, and VCUs. In addition, the Verra Registry provides full transparency on project and program documentation, together with information on the project and jurisdictional proponents, VCU issuance and retirement, the AFOLU pooled buffer account, and the jurisdictional pooled buffer account.

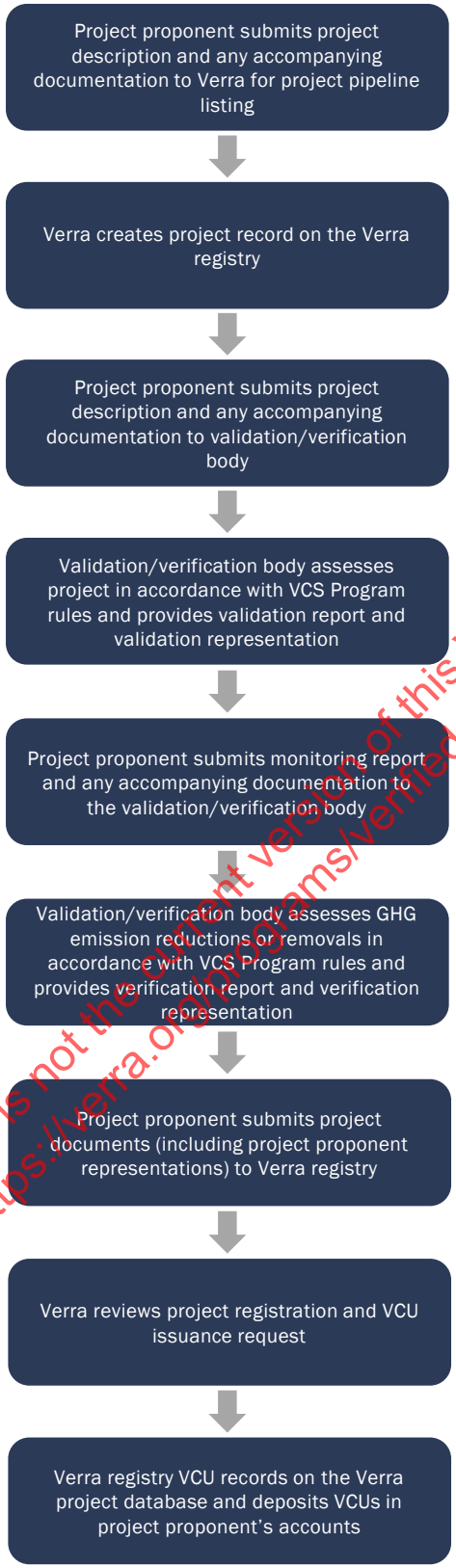
The AFOLU pooled buffer account holds non-tradable buffer credits to cover the non-permanence risk associated with AFOLU projects. It is a single account that holds the buffer credits for all projects. The account is subject to a periodic reconciliation, as set out in the VCS Program document *VCS Standard*. Likewise, the jurisdictional pooled buffer account holds the non-tradable buffer credits to cover the non-permanence risk associated with jurisdictional REDD+ programs and nested projects.

The Verra Registry provides accountholder services and is the entry point into the registry system for project and jurisdictional proponents, and VCU buyers and sellers. Such market participants open an account with the Verra Registry and project and program registration and VCU issuance is initiated with the Verra Registry.

The Verra Registry is responsible for: ensuring that projects and programs are registered and VCUs are issued in accordance with the VCS Program rules; providing services for holding, transferring, and retiring VCUs; managing AFOLU and jurisdictional buffer credits; and providing custodial services for VCUs and maintaining records of VCU legal ownership.

Project and jurisdictional proponents (or other eligible entities, as set out in the VCS Program documents *Registration and Issuance Process* and *JNR Registration and Issuance Process*) request listing and registration of projects and programs and VCU issuance, with the Verra Registry. Diagram 2 outlines the project life cycle and registration process, which is similar to the program life cycle and registration process. Once the project or program has been validated and the GHG emission reductions or removals verified, the project or jurisdictional proponent submits the relevant documents to the Verra Registry. Verra conducts a completeness review of the documents and may conduct a further accuracy review to assess conformance with the VCS Program rules. Where it is determined that the project or program complies with the VCS Program rules, Verra uploads the documents to the public Verra Registry and issues VCUs into the project or jurisdictional proponent's account. Note that validation and verification may be undertaken simultaneously, with registration and issuance of the VCUs occurring at the same time, or validation may occur before verification, with registration occurring before any subsequent issuance of VCUs.

Diagram 2: Project Life Cycle and Registration Process



The process and detailed rules and requirements for project pipeline listing, program listing, project, and program registration, and VCU issuance are set out in the VCS Program documents *Registration and Issuance Process* and *JNR Registration and Issuance Process*.

4.1 VCS Program Fees

Verra charges fees to cover administration costs, at the rates set out in the VCS Program document *Program Fee Schedule*.

4.2 VCU Liability And Statute Of Limitations

Registered projects and issued VCUs are subject to review by Verra, as set out in the VCS Program document *Registration and Issuance Process*. Project proponents are responsible for compensating for excess VCU issuance where Verra deems, acting reasonably, that there has been a material erroneous issuance of VCUs in respect of a project, as a result of the fraudulent conduct, negligence, intentional act, recklessness, misrepresentation, or mistake of the project proponent. A statute of limitations applies, whereby Verra can only require such compensation in relation to any verification completed after 8 April 2014 and up to the later of:

1) 6 years after the date of issuance of the relevant VCU; or
2) 12 months after the date upon which any second verification report with respect to the relevant VCU is accepted on the Verra Registry.[2]

[2] The relevant VCU will be issued following acceptance of a verification report for a project. For some types of AFOLU projects in particular, verification cycles may be longer than 6 years. In this regard, if the second verification report shows a VCU has been erroneously issued, Verra will have an additional 12 months to deal with that issue. Note also that where a VCU is erroneously issued from the last verification report of a project, Section 4.2(1) applies.

5 VCS PROGRAM ACCREDITATION

Validation/verification bodies are eligible to provide validation and verification services under the VCS Program if they have signed the required agreement with Verra and are:

1) Accredited under *ISO 14065* for scope VCS by an accreditation body that is a member of the International Accreditation Forum; or

2) Accredited under a VCS-approved GHG program.[3]

The validation/verification body shall hold such accreditation or approval for validation or verification (as applicable) for the sectoral scope(s) applicable to the methodology applied to the project. Where the methodology falls under more than one sectoral scope, the validation/verification body shall hold accreditation or approval for validation or verification (as applicable) for all relevant sectoral scopes.

Where the validation/verification body holds accreditation or approval for the verification of the relevant sectoral scope(s) but does not hold accreditation or approval for validation, it may validate project description deviations and inclusion of new project activity instances in grouped projects at the time of verification, under the following circumstances:

1) It holds accreditation or approval for validation in at least one other sectoral scope.

2) It has completed validation of at least five projects under the VCS Program or an approved GHG program, and such projects have been registered under the relevant program.

3) The validation activity does not entail the validation of a project description deviation that impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario (see the *VCS Standard* for further information on such deviations).

Validation/verification bodies are also eligible to conduct assessments (validation) of methodologies under the methodology development and review process. The validation/verification body shall hold accreditation for validation for the sectoral scope(s) applicable to the methodology. Where the methodology falls under more than one sectoral scope, the validation/verification body shall hold accreditation for validation for all relevant sectoral scopes.

To apply to become an approved validation/verification body with the VCS Program, organizations must complete a *Verra Validation/Verification Body Application Form* and submit the signed application, along with any supporting evidence (as required by the application) to secretariat@verra.org.

A list of validation/verification bodies approved to undertake validation and verification services under the VCS Program is available on the Verra website.

[3] Note that acceptance of accreditation under a VCS-approved GHG program is being phased out; see Verra website for further details.

6 METHODOLOGY DEVELOPMENT AND REVIEW PROCESS

The VCS Program document *Methodology Development and Review Process* outlines how methodologies, modules, and tools (collectively referred to as "methodologies") are developed and reviewed under the VCS Program.

6.1 Development of New or Revised Methodologies

The steps for the development of new methodologies and major revisions include a methodology idea note, a concept note, a draft methodology and draft project description, a public comment period, updates to address comments, an assessment by a verification/validation body, and a final review and decision by Verra. Verra may also require a technical working group or external expert assessment. Minor revisions have a simplified process. A methodology may be rejected or put on hold at any stage if it does not meet VCS Program rules and priorities.

6.2 Periodic Review of Approved VCS Methodologies

Verra periodically reviews methodologies approved under the VCS Program to ensure they continue to reflect best practices, scientific consensus, and evolving market conditions and technical developments in a sector. Verra conducts a review of each methodology every five years starting after the last update or review of the methodology, or when otherwise triggered. This includes ensuring that VCS methodologies are consistent with the latest VCS Program rules. As a result of a review, a methodology may require revisions to align with VCS Program rules and priorities. In place of a review, Verra may make a methodology inactive where no projects using the methodology have been registered within five years of the last update or review. Inactive methodologies can be reactivated by completing a review and any associated revisions. Inactive methodologies are not valid to be applied by new projects.

6.3 Compensation for Methodology Developers

Methodology developers are eligible to receive compensation until 31 December 2025 for methodologies that are approved under the VCS Program or that have moved from the concept note stage to the methodology drafting stage prior to 31 December 2022.

Compensation will be paid according to the number of VCUs issued using the methodology, at the rate and in accordance with the payment terms set out in the VCS *Program Fee Schedule*. Compensation is payable with respect to VCUs issued between 15 June 2010 and 31 December 2025. Compensation is payable for up to 60 million VCUs issued after 1 January 2023 or until 31 December 2025, whichever comes first. Methodology developers may elect not to receive compensation by notifying Verra at any time.

Where Verra approves the consolidation or revision of methodologies, the compensation due to the developer of the consolidated or revised methodology and the underlying methodologies respectively will be determined on a case-by-case basis by Verra.

Where an eligible methodology is withdrawn or put on hold, compensation remains payable until 31 December 2025 in respect of continuing issuance of VCUs to registered projects that have applied the methodology.

Only methodologies developed under the VCS Program are eligible for the compensation mechanism. Developers of methodology revisions, modules, and tools are not compensated under the mechanism.

Note – Project proponents pay the same VCU issuance levy regardless of the methodology applied to the project. Verra pays any compensation to the methodology developer out of the VCU issuance levy payments made to Verra.

7 LINKING TO OTHER GHG PROGRAMS

To recognize work that has gone into developing other credible GHG programs, the VCS Program has a process for approving GHG programs that meet VCS Program criteria. A GHG program shall demonstrate alignment with VCS Program principles and requirements through a gap analysis and the Verra Board will make the final decision on whether to approve the GHG program. Approval of a GHG program under the VCS Program has three implications:

1) GHG credits under the approved GHG program may be canceled and issued as VCUs (converted into VCUs).

2) Validation/verification bodies under the approved GHG program are approved for validation and verification under the VCS Program (for the corresponding sectoral scopes for validation and verification, respectively, provided they have signed the required agreement with Verra).

3) Most methodologies under the approved GHG program may be used for developing projects under the VCS Program. See the Verra website for exclusions.

   The latest version of the approved GHG program methodology shall be used and relevant grace periods apply.

The list of approved GHG programs is available on the Verra website, together with any specific conditions or further clarifications with respect to the scope of approval.

7.1 Gap Analysis Methodology and Process

The approval of other GHG programs is based on the principle of full compatibility with the VCS Program. A gap analysis process is applied on a case-by-case basis to determine the other GHG program's conformance with VCS Program principles and requirements and to assess whether the GHG emission reductions or removals issued under the GHG Program are fully compatible with VCUs issued under the VCS Program.

Any party may initiate a gap analysis of another GHG program with the VCS Program. All relevant documentation in relation to the GHG program shall be provided to Verra, with appropriate authorization secured.

The onus is on the GHG program to demonstrate that it meets the VCS Program criteria. The costs of the assessment are borne by the GHG program or whoever initiates the gap analysis.

Based on the gap analysis report, the Verra Board will decide whether to approve the full GHG program or elements of the program.

7.2 Review of VCS Program-Approved GHG Programs

Approved GHG programs are reviewed periodically by Verra. Any changes made by an approved GHG

program which may affect its compatibility with the VCS Program shall be communicated immediately to Verra. In the event that it is considered that the changes lead to non-conformity with the VCS Program, the Verra Board may decide to suspend or terminate its recognition of the approved GHG program. Any projects approved under the GHG program prior to such Verra Board decision will not be affected by the suspension or termination.

8 COMPLAINTS AND APPEALS PROCEDURE

Project proponents, validation/verification bodies, methodology developers, and other stakeholders (including interested stakeholders) may submit inquiries to Verra at any time. In addition, the VCS Program provides a complaints and appeals procedure as set out in the Verra *Complaints and Appeals Policy* available on the Verra website.

APPENDIX 1: DOCUMENT HISTORY

Version	Date	Comment
v4.0	19 Sep 2019	Initial version released under VCS Version 4.
v4.1	20 Jan 2022	Clarified that a GHG program shall demonstrate alignment, rather than compliance, with the VCS Program principles and requirements in order to become an approved GHG program.
v4.2	22 Jun 2022	Incorporated clarification to indicate that proponents must use the latest version of an approved GHG program methodology element for developing projects under the VCS Program and that the lengths of grace periods under the approved GHG program for transition to new methodology element versions apply to projects using such methodology elements in the VCS Program (Section 7).
v4.3	21 Dec 2022	Main updates (all effective on the issue date, unless otherwise stated): 1) General updates to reflect updated Program Document names released in December 2022 VCS Program Update. *2)* Updated document in accordance with the new *Methodology Development and Review Process v4.2,* including updates to the Methodology Compensation Rebate. 3) Updated references from ISO 14064-3:2006 to ISO 14064-3:2019. References to the publication dates of other ISO standard documents were removed to facilitate transitions to the most recent versions of these ISO standards. 4) Language added to Section 2.5.6 to clarify Verra's process to reject project pipeline listing requests deemed to be frivolous, vexatious, or an abuse of process.
v4.3	17 Jan 2023	Minor formatting errors were corrected.

VERRA

Standards for a Sustainable Future

Verified Carbon Standard

Jurisdictional & Nested REDD+

Climate, Community & Biodiversity Standards

Sustainable Development Verified Impact Standard

Plastic Waste Reduction Standard