

PUBLIC CONSULTATION ON VCS PROGRAM NON-NATIVE MONOCULTURE REQUIREMENTS

24 OCTOBER 2023

1 INTRODUCTION

Verra is considering clarifications or adjustments to the recently updated VCS Standard requirement restricting use of non-native monocultures¹ to ensure it sufficiently considers the potential benefits of using non-native monocultures in certain contexts. Therefore, Verra is opening a public consultation on potential revisions to Section 3.19.27(3) of the VCS Standard, v4.5.

All VCS Program documents may be found on the Verra website at https://verra.org/project/vcs-program/rules-and-requirements/.

1.1 Goal of this Consultation

This consultation aims to collect feedback on how using non-native monocultures for VCS Program afforestation, reforestation and revegetation (ARR) and wetland restoration and conservation (WRC) activities may achieve additional emissions reductions and removals without harming communities or the environment. Specifically, Verra invites stakeholder input on using non-native monocultures in specific land-use contexts.

1.2 Consultation Process and Timeline

Verra will review all comments received and may publish further updates or clarifications to the affected VCS Program rules and requirements based on this consultation. The planned timeline for implementing the consultation and publishing the proposed updates is set out in Table 1.

¹ The VCS Program Definitions, v4.4 defines monoculture as "a crop or a population of a single species" and non-native species as "a species that is not endemic to the region, or is not projected to exist in the ecosystem, as demonstrated by peer-reviewed literature, expert judgment, or government registry."



Table 1: Tentative timeline

Tentative Date(s)	Activity
24 October-26 November 2023	Public consultation
27 November-31 December 2023	Review of comments and proposals from consultation and feedback received outside the consultation
End of January 2024	Publication of potential VCS Program update/clarifications and consultation responses

Please provide comments on the proposed updates outlined below. We especially appreciate your responses to the questions in the "Requested Feedback" section. Comments may be submitted electronically via the online form by 26 November 2023. After the consultation, we will use the input provided on these proposals to finalize any changes to the associated VCS rules and requirements.

We look forward to receiving your feedback. Please let us know at <u>programupdates@verra.org</u> if you have any questions during this consultation.

2 PROPOSED UPDATE: ALLOWING THE USE OF NON-NATIVE MONOCULTURES IN ARR AND WRC ACTIVITIES IN SPECIFIC LAND-USE CONTEXTS

2.1 Background

Version 4.5 of the VCS Standard, released on 29 August 2023, introduced new ecosystem health safeguards, including Section 3.19.27(3): "For ARR and WRC activities, the project shall not introduce non-native monocultures." This update was part of broader improvements to social and environmental safeguards intended to align with the Integrity Council for the Voluntary Carbon Market's Core Carbon Principles and ensure that the VCS Program meets its objectives of driving carbon finance toward activities that reduce and remove emissions, improve livelihoods, and protect nature.

From 27 June to 31 July 2023, Verra consulted on adding the requirement "The project shall not introduce non-native monocultures for the purpose of restoration" to the VCS Standard as part of the proposed safeguards updates. Verra refined the requirement language based on the <u>public comments</u> from that consultation, other stakeholder input, and applicable scientific literature. For example, the most recent Intergovernmental Panel on Climate Change (IPCC) Assessment Report (2022) concludes, "[W]hen Nature-based Solutions (NbS) include forest plantations or other large-scale conversion of land use, there is a risk that they result in maladaptation and malmitigation, including climate injustice (Seddon et al., 2019; Cousins, 2021)."

Verified Carbon Standard

PROPOSAL FOR PUBLIC CONSULTATION

Verra received feedback after the August 2023 VCS Program update was released that indicated further consultation and potential refinement of the requirement was merited.

The proposal below should be considered in the context of the other requirements in the Ecosystem Heath section of the VCS Standard, v4.5, which are not proposed for revision as part of this consultation:

- 3.19.25 The project shall not have negative impacts on biodiversity and ecosystems. Projects shall identify any risks to ecosystems due to project activities and implement measures to ensure no negative impacts on ecosystems.
- 3.19.26 Projects in, or adjacent to, habitats for rare, threatened, or endangered species shall demonstrate that they will not adversely impact such habitats.
- 3.19.27 For projects that include planting or introduction of species:
 - The project shall not introduce any invasive species or allow an invasive species to thrive as part of project activities. Project proponents shall identify invasive species using, in order of priority, local, regional, or global invasive species registries. In instances where no local or regional registries exist, the project proponent may use a locally applicable information source other than a registry and shall provide the source used in the project documents.
 - 2) The project shall not use any species in the project activities that threaten the existence of endangered species...
- 3.19.28 Activities that convert natural non-degraded ecosystems, or drain or degrade the hydrological functions of a natural, non-degraded ecosystem, are not eligible under the VCS Program.
 - 1) Evidence shall be provided in the project description that any ARR, ALM, WRC or ACoGS project areas were not cleared of existing natural non-degraded ecosystems due to the project activity (e.g., evidence indicating that clearing occurred in the pre-project land use due to natural disasters such as hurricanes or floods).
 - 2) Such proof is not required where such clearing or conversion took place at least 10 years prior to the proposed project start date, or where the dominant land cover is an invasive species and threatening ecosystem health as demonstrated using the Global Invasive Species Database and supporting documents such as evidence from peer reviewed literature or expert judgment.
 - 3) Where the project restores degraded lands through ARR and WRC activities, the project proponent shall demonstrate that the project activity restores the project area to a native ecosystem type represented in the same ecoregion as the project. Such demonstration shall use remote sensing, aerial imagery, modeling, or other relevant literature.



2.2 Proposal

For small landowners, planting non-native monocultures is a way to maximize efficiency and productivity of plantings. At a small scale, use of non-native monocultures species can generate livelihood benefits and enable conservation or restoration activities with little to no negative impact.

In specific land-use contexts, or when combined with native ecosystem restoration, non-native monoculture species may provide climate benefits without harming ecosystems and may provide the following positive externalities:

- Degraded lands have already lost ecosystem function and production. Therefore, establishing
 non-native monocultures on degraded lands presents limited environmental risk and may have
 ecosystem benefits. Growing wood products on degraded lands may also reduce pressure on
 natural forests.
- Land used for intensive agriculture is unlikely to be restored to a natural state without human intervention and shares many similarities with degraded lands.

The introduction of non-native monocultures may also be used to complement and fund natural ecosystem restoration. Requiring that a portion of the project area be dedicated to restoration ensures a balance between safeguarding biodiversity and ecological resilience with climate mitigation. This approach is similar to requirements in the Forest Stewardship Council standards and national policies. The VCS Program proposal would allow non-native monocultures where 30% or more of the total project area is dedicated to native ecosystem restoration, in alignment with the global "30x30 initiative."

Verra proposes altering the non-native monoculture requirement by identifying specific land-use contexts where non-native monocultures may be introduced as part of ARR and WRC activities. The requirement would be removed from 3.19.27(3) and included as a standalone requirement numbered 3.19.28.

Proposed Changes to the VCS Standard

3.19.27 For projects that include planting or introduction of species:

3) For ARR and WRC activities the project shall not introduce non-native monocultures

3.19.28 For ARR and WRC activities, the project shall not introduce non-native monocultures in project activity instances larger than 100 hectares, except where the following conditions are met:

- 1) At least 30 percent of the project area is designated for native ecosystem restoration to be carried out by the project proponent during project activities, and
- 2) The area of the project to be populated by non-native monoculture(s) either:
 - a) Is classified in scientific literature or by national or local governments as degraded² or

² The VCS Program Definitions defines a degraded ecosystem as "an ecosystem where ecosystem function is disrupted to an extent where it can no longer sustain its biotic and abiotic characteristics as demonstrated by peer-reviewed literature or expert judgment." (This footnote would not be included in the VCS Standard.)



PROPOSAL FOR PUBLIC CONSULTATION

b) Has been used for intensive agriculture in the past ten years.

Proposed Changes to the VCS Program Definitions

The following definitions would be added to the VCS Program Definitions as part of the VCS Standard update.

Intensive agriculture

Agricultural land-use practices that require additional inputs such as machinery, fertilizer, and pesticides to increase or maintain agricultural outputs

Native ecosystem restoration

Returning to a landscape composed of naturally occurring and self-sustaining biotic and abiotic components demonstrated by peer-reviewed literature, expert judgment, or government registry

3 REQUESTED FEEDBACK

Verra is requesting feedback on the following:

- 1) In your opinion, should using non-native monocultures be an eligible activity for generating carbon credits? Please justify your response.
- 2) The area limit intends to allow smallholders to undertake projects that include non-native monocultures, as these projects are unlikely to have significant negative ecosystem impacts. Is 100 ha an appropriate limit for project activity instances that use non-native monocultures? If not, is a smaller area more appropriate? Please justify.
- 3) To be eligible to plant non-native monocultures, should a project need to meet both conditions (1) and (2) in the proposed 3.19.28? Please justify why or why not.
- 4) We propose that at least 30% of the project area be dedicated to native ecosystem restoration. In your opinion, is this an appropriate minimum restoration threshold? If not, what percentage of land should be dedicated to native ecosystem restoration? Please provide your rationale for the suggested amount.
- 5) Should legally mandated conservation land be counted toward the 30 percent requirement for native ecosystem restoration? Explain your rationale.
- 6) What data sources for land classification (e.g., government data, peer-reviewed scientific literature) should be allowed to demonstrate that projects occur on lands considered degraded or under intensive agriculture?
- 7) Is the definition of "intensive agriculture" appropriate, or is there another definition that would be more appropriate? Please explain your suggestion. Is there another threshold, test, or condition in which introducing non-native monoculture(s) would be appropriate in the context of ARR and WRC projects in the VCS Program to ensure ecosystem health is protected?