VCS

CONTENTS

ABBREVIATIONS

ACoGS	Avoided conversion of grasslands and shrublands
AFOLU	Agriculture, forestry, and other land use
ALM	Agricultural land management
APD	Avoiding planned deforestation
ARR	Afforestation, reforestation, and revegetation
AUDD	Avoiding unplanned deforestation and degradation
CCBS	Climate, Community & Biodiversity Standards (Verra)
CCP	Core Carbon Principles (ICVCM)
CCS	Carbon capture and storage
CDM	Clean Development Mechanism
CIW	Conservation of intact wetlands
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation (International Civil Aviation Organization)
E&I	Energy and industry
ERA	Extended rotation age / cutting cycle
FAO	United Nations Food and Agriculture Organization
FPIC	Free, prior, and informed consent
GCS	Geological carbon storage
GHG	Greenhouse gas
GWP	Global warming potential
ICVCM	Integrity Council for the Voluntary Carbon Market
IFM	Improved forest management
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IPs	Indigenous Peoples
ISO	International Organization for Standardization

JNR	Jurisdictional and Nested REDD+ (Verra)
LDC	Least developed country
LCs	Local communities
LS	Livestock systems
LtPF	Logged to protected forest
NGO	Non-governmental organization
NPRT	Non-permanence risk tool
ODS	Ozone-depleting substances
PV	Photovoltaic
REDD	Reduced emissions from deforestation and degradation
RIL	Reduced impact logging
RWE	Restoring wetland ecosystems
SDG	United Nations Sustainable Development Goals
SD VISta	Sustainable Development Verified Impact Standard (Verra)
SOC	Soil organic carbon
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNFCCC	United Nations Framework Convention on Climate Change
VCS	Verified Carbon Standard (Verra)
VCU	Verified Carbon Unit
VVB	Validation/verification body
WRC	Wetland restoration and conservation

1 INTRODUCTION

Commented [A1]: Note to readers: Copy-editing updates were made to the *VCS Standard,* v4.7 for the purpose of streamlining and clarifying language. These updates have not been denoted in track changes.

The *VCS Standard* provides a global standard for GHG emission reduction and carbon dioxide removal projects and programs. It uses as its core the requirements set out in *ISO 14064-2*, *ISO 14064-3,* and *ISO 14065*. The three principal documents of the program are the *VCS Program Guide,* the *VCS Standard,* and the *Registration and Issuance Process*. The terminology used in these program documents is defined in the *VCS Program Definitions.*

The *VCS Program Guide* should be read before using the *VCS Standard* and describes:

- the VCS Program rules.
- the constituent parts of the program such as the project and program registration process, the Verra Registry~~, the methodology development and review process,~~ and the accreditation requirements for validation/verification bodies (VVBs).

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The *VCS Standard* provides the requirements for:

- developing projects.
- validation, monitoring, and verification of projects and GHG emission reductions (reductions) and carbon dioxide removals (removals).

The *Registration and Issuance Process* provides the procedures for registering projects with the VCS Program and issuing Verified Carbon Units (VCUs).

For projects with authorized representatives,[1] "project proponent" should be read as "project proponent or authorized representative" throughout this document.

1.1 Version

Detailed information about version control of VCS Program documents is contained in the *VCS Program Guide*.

1.1.1 This *VCS Standard* document is updated periodically and readers shall ensure that they are using the most recent applicable version of the document.[2]

[1] See the *VCS Program Definitions* for the definition of authorized representative.

[2] This is determined by the effective date of the most recently released version (i.e., where a new version is released, it is only effective after the specified date).

1.1.2 Where external documents are referenced (e.g., *2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories*) and such documents are updated, the most recent version of the document shall be applied.

Previous versions of the *VCS Standard* and other VCS Program documents are archived and available on the Verra website. The *Document History and Effective Dates*~~*Document History and Effective Dates*~~ section of this document contains information on changes made from previous versions and when those changes take effect. These changes are also described in the "Summary of Effective Dates" document that corresponds with each update, which is available on the Verra website.

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1.2 Language

1.2.1 The operating language of the VCS Program is English. Project documents shall be in English.

2 VCS PROGRAM DESIGN

2.1 ~~Scope of the~~ VCS Program Scope[3]

~~2.1.1 The scope of the VCS Program includes:~~

~~1) the seven Kyoto Protocol greenhouse gases.~~

~~2) ozone-depleting substances (ODS).~~

~~3) project activities supported by a methodology approved in the VCS Program through the methodology development and review process.~~

~~4) project activities supported by a methodology approved in an approved GHG program, unless explicitly excluded (see the Verra website for exclusions).~~

~~5) jurisdictional REDD+ programs and nested REDD+ projects as set out in the *Jurisdictional and Nested REDD+ (JNR) Requirements*.~~

~~2.1.2 The scope of the VCS Program excludes projects that can reasonably be assumed to have generated GHG emissions primarily for the purpose of their subsequent reduction, removal, or destruction.~~

~~2.1.3~~2.1.1 Eligibility of certain project activities is specified at ~~The~~the program level and based on location, as set out ~~VCS Program excludes certain project activities under the circumstances indicated~~ in Table 1. Where a methodology specifies applicability conditions for a project activity based on geography, such specification takes precedence over the default geographic eligibility in Table 1.

Table 1. Default eligibility for ~~Excluded~~ project activities

	~~Exclusions from VCS Program Scope~~Project activity	~~Exclusion location~~Default eligibility for new project registrations and crediting period renewals
1	Grid-connected electricity generation ~~activities~~ using hydroelectric power plants	~~Non-LDCs: excluded.~~ Small-scale projects in least developed countries (LDCs)[5]: ~~projects with~~

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[3] See the *VCS Program Guide* for more information about the scope of the *VCS Program*.

[5] ~~Least Developed Country.~~A ~~a~~s designated by the United Nations, available at: https://www.un.org/ohrlls/content/list-ldcs

	~~Exclusions from VCS Program Scope~~Project activity	~~Exclusion location~~Default eligibility for new project registrations and crediting period renewals
	~~The exclusion does not apply to o~~Ocean energy plants (e.g., wave, tidal, salinity gradient, ~~and~~ ocean thermal energy conversion) are not hydroelectric power plants. Grid-connected means >50% of total generation is exported to a national or regional grid.[4]	Small-scale hydroelectric projects have a ~~maximum~~ capacity of [6] ~~greater than~~ 15 MW ~~excluded~~or less, determined by the rated capacity or authorized capacity (as indicated in the activity approval from the regulator, government, or similar entity), whichever is higher.
2	**Grid-connected electricity generation ~~activities~~ using wind, geothermal, or terrestrial solar photovoltaic (PV) power plants** The following are not wind, geothermal, nor terrestrial solar PV power plants: • ~~exclusion does not apply to~~ Concentrated solar thermal-to-electricity • ~~,~~ Floating solar ~~photovoltaic~~PV • ~~, or~~ Stand-alone energy storage ~~systems~~ (e.g., batter~~yies~~). • Energy storage co-located with renewable energy and with capacity to store at least four hours of the renewable energy plant nameplate generation[7] • ~~Grid-connected means >50% of total generation is exported to a national or regional grid.~~	~~Non~~Activities in ~~-~~LDCs~~:~~ ~~excluded~~
3	**~~Activities r~~Recovering waste heat for combined cycle electricity generation or to heat or ~~/~~cool via cogeneration or trigeneration** ~~The exclusion does not apply to w~~Waste gas recovery ~~or~~ and electricity generation using waste heat recovery outside of combined cycle	~~Non-~~Activities in LDCs~~:~~ ~~excluded~~

[4] See the *VCS Program Definitions* for the definition of grid-connected electricity generation.

~~[6] The installed/rated capacity or authorized capacity (as determined in the activity approval from the project regulator, government, or similar entity), whichever is lower~~

[7] For example, a 50 MW nameplate capacity renewable energy plant needs at least a 200 MWh battery (50 MW × 4 hours = 200 MWh) on-site.

	~~Exclusions from VCS Program Scope~~Project activity	~~Exclusion location~~Default eligibility for new project registrations and crediting period renewals
	applications (e.g., organic Rankine cycles) are not combined cycle, cogeneration, nor trigeneration.~~,~~	
4	~~Activities g~~Generating electricity and/or thermal energy for industrial use from the combustion of non-renewable biomass, agro-residue biomass, or forest residue biomass The following are eligible industrial uses of electricity or thermal energy generated from combustion of non-renewable biomass, agro-residue biomass, or forest residue biomass that are not restricted by the default eligibility: • ~~exclusion does not apply to~~ Gasification • ~~,~~ Pyrolysis (e.g., biochar production) • ~~,~~ Combusting biofuels • ~~,~~ Biogas~~,~~ • Fractions of renewable biomass in refuse-derived fuels • ~~,~~ Agro/forest biomass residues in waste streams that are sent to landfills~~,~~ • Carbon dioxide~~O_2~~ capture and storage from ~~renewable~~ biomass combustion • ~~, or~~ Thermal efficiency improvements (e.g., cookstoves)~~.~~	Activities in ~~Non-~~LDCs~~: excluded~~
5	Activities that involve switching from a higher to a lower carbon content fossil fuel to generat~~e~~ing electricity and/or thermal energy ~~using fossil fuels or that involve switching from a higher to a lower carbon content fossil fuel~~ Activities involving the following are not restricted to the default eligibility: ~~The exclusion does not apply to the use of~~ • Captured flare ~~and/~~or vent gas • ~~or~~ Waste containing previously used petroleum products (e.g., used plastics, oils, lubricants) • Improving energy-efficient use of fossil fuel (e.g., liquefied petroleum gas-based cookstoves)~~.~~	~~Non~~Activities in ~~-~~LDCs~~: excluded~~
6	~~Activities r~~Replacing ~~electric lighting with more energy efficient electric lighting, such as the replacement of~~ incandescent electrical bulbs ~~with~~	Activities in ~~Non-~~LDCs~~: projects with maximum energy efficient~~

	Exclusions from VCS Program ScopeProject activity	Exclusion locationDefault eligibility for new project registrations and crediting period renewals
	compact fluorescent lights (CFLs) or with light emitting diodes (LEDs) or compact fluorescent lights (CFLs) or replacing CFLs with LEDs	improvement savings greater than 60 GWh/year or emission reductions greater than 60 kt CO_2e/year excluded
	Activities installing and/or replacing electricity transmission lines and/or energy efficient transformers	Non-LDCs: projects with maximum energy efficient improvement savings greater than 60 GWh/year or emission reductions greater than 60 kt CO_2e/year excluded
	Activities that reduce hydrofluorocarbon 23 (HFC 23) emissions	All countries: excluded

2.2 VCS Program Principles

Concept

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The VCS Program principles apply to the way in which project proponents develop projects and monitor, quantify, and report reductions and removals. The principles are aligned with those described in *ISO 14064-2* and the Core Carbon Principles (CCPs) developed by the Integrity Council for the Voluntary Carbon Market (ICVCM).

The VCS Program principles also guide Verra in the development, interpretation, and enforcement of the VCS Program rules and ensure the credibility of resulting VCUs. The principles guide Verra's decision-making in project reviews where requirements do not address specific project situations and further judgment is needed.

The VCS Program principles should continually guide a project proponent's decision-making as they develop their project and create project documents. Project proponents should be able to demonstrate to a VVB, Verra, and stakeholders that their decision-making is aligned with the VCS Program principles. For example, when applying the "accurate and conservative" principle (Table 2Table 2) to data and parameters used for GHG measurements and estimates, "accurate" should be applied first. Accuracy can be achieved by reducing systemic errors or bias as far as is judged necessary to obtain an accurate value (e.g., considering seasonality, ensuring representative sampling, assessing technical specifications against real operating conditions). Then, project proponents should either reduce random errors as far as possible through precise measurement and select a conservative value

consistent with the residual uncertainty interval, or where reducing uncertainty further is not practical, select a conservative default factor. Some methodologies specify conditions under which a conservative default factor may be used.

When conducting validation and verification, VVBs assess whether project proponents have appropriately applied the VCS Program principles in developing their projects and creating project documents. For example, where a project applies a default factor from peer-reviewed literature that is not representative of project conditions (e.g., not valid for the project's climatic zone), uses national averages instead of available project-specific data without demonstrating that the national averages are accurate and conservative, or does not select a conservative value from data obtained through measurements within the precision interval, the VVB raises this as non-conformance to the "accurate and conservative" principle.

Requirements

2.2.1 Project proponents shall apply the VCS Program principles set out in Table 2~~Table 2~~ to guide their decision-making when developing projects and monitoring, quantifying, and reporting on reductions and removals and other project outcomes. ~~The application of principles is fundamental to ensuring that GHG-related information is a true and fair account. The principles below shall provide the basis for, and guide the application of, the VCS Program rules.~~

Table 2. VCS Program principles

Principle	Description
Accurate and conservative	Reductions and removals are quantified accurately as far as can be judged according to the data and information available at the time. Uncertainty is minimized as far as is practical. Conservative assumptions, values, and procedures are used to address any residual uncertainty or where a simplified approach is more practical.[8]
Complete	All required information about the project and its environmental outcomes is included in project reporting to support assessment and replicability of results.
Consistent	Each version of the VCS Program rules and methodologies are applied in a consistent manner to enable meaningful comparisons of environmental outcomes over time and across projects.

[8] Applying the "conservative" principle to reductions and removals equates to lower emissions and higher removals in the baseline scenario, and higher emissions and lower removals in the project scenario. See the definitions of "accuracy" and "precision" in the most recent version of the *IPCC Guidelines for National Greenhouse Gas Inventories* for more guidance on applying this principle.

Relevant	The selected GHG sources, sinks, reservoirs, and data are appropriately chosen to support assessment of conformance to the VCS Program rules and to achieve the intended environmental outcomes.
Transparent	Sufficient information about the project and its environmental outcomes is publicly disclosed in an accessible manner to allow intended users to make decisions with reasonable confidence and enable scrutiny of activities, claims, and replicability of results.

~~***Principles taken from ISO 14064-2***~~

~~**Relevance**~~
~~Select the GHG sources, sinks, reservoirs, data, and methodologies appropriate to the needs of the intended user.~~

~~**Completeness**~~
~~Include all relevant GHG emissions and removals. Include all relevant information to support criteria and procedures.~~

~~**Consistency**~~
~~Enable meaningful comparisons of GHG-related information.~~

~~**Accuracy**~~
~~Reduce bias and uncertainties as far as is practical.~~

~~**Transparency**~~
~~Disclose sufficient and appropriate GHG-related information to allow intended users to make decisions with reasonable confidence.~~

~~**Conservativeness**~~
~~Use conservative assumptions, values, and procedures to ensure that GHG emission reductions or carbon dioxide removals are not overestimated.~~

~~*Note – Accuracy should be pursued as far as possible, but the hypothetical nature of baselines, the high cost of monitoring of some types of GHG emission reductions and carbon dioxide removals, and other limitations make accuracy difficult to attain in many cases. In these cases, conservativeness may serve as a moderator to accuracy in order to maintain the credibility of project and program GHG quantification.*~~

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2.3 Timing of Crediting

2.3.1 VCUs are issued for reductions and removals that have been verified in accordance with VCS Program rules.

2.3.2 Project activities are eligible for immediate crediting of future avoided emissions under the conditions set out below, which are addressed at the level of the applied methodology:

1) The project immediately avoids future GHG emissions as a result of an upfront intervention that permanently precludes further emissions from the source.[9] VCUs are issued only after such an intervention has occurred and the reductions have been verified.

Note – Reduced emissions from deforestation and degradation (REDD) projects do not qualify for immediate crediting because future GHG emissions are not permanently precluded.

2) The physical processes that would generate GHG emissions in the absence of an intervention are well-understood, stable, and quantifiable. Models used to simulate such processes and default factors associated with input parameters meet the requirements set out in the *VCS Methodology Requirements*.

2.3.3 VCUs may only be issued for GHG emissions avoided over a ten-year period, even where such GHG emissions are likely to have continued over a longer period of time under the baseline scenario.[10]

2.3.4 Ozone-depleting substances (ODS) projects are eligible for immediate crediting of future avoided emissions, and ODS methodologies may use such a crediting model.

Note – Crediting of ODS projects shall still be in relation to the baseline scenario. In many cases, methodologies credit projects for all of the ODS destroyed by the project (minus any project emissions and leakage). However, it is possible that projects destroy ODS from existing stockpiles and only a portion of the ODS would have been emitted under the baseline scenario.[11]

2.4 AFOLU and GCS Non-Permanence Risk and Pooled Buffer Accounts

Concept

Non-permanence risk in certain agriculture, forestry, and other land use (AFOLU) and geological carbon storage (GCS) projects is addressed through a project risk analysis, using the *AFOLU Non-Permanence Risk Tool (NPRT)* and the *GCS NPRT*, respectively. These tools determine the number of credits to be deposited in the AFOLU pooled buffer account or the GCS pooled buffer account, respectively. The

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[9] For example activities that destroy chlorofluorocarbons recovered from refrigeration equipment, thereby immediately precluding their future release into the atmosphere, and composting projects that divert organic waste from landfill sites, thereby immediately precluding future methane emissions

[10] For example, a composting project that diverts organic waste from a landfill site may be eligible for crediting (in relation to a specific amount of composted organic waste) for the GHG emissions that would have occurred at the landfill site over a ten-year period. Any emissions that would have occurred beyond the ten-year period (in relation to the specific amount of composted organic waste) are not eligible. Note that in this particular example, the ten-year rule applies to the specific amount of composted organic waste, and the usual rules on the duration of the project and project crediting period still apply.

[11] For example, if the baseline scenario includes use of the ODS to service existing equipment and a certain proportion of such ODS would be recovered and destroyed at the end of that equipment's life (whether voluntarily or due to regulation), then the volume of credits granted to the project will reflect this.

pooled buffer accounts hold non-tradable buffer credits to cover the non-permanence risk associated with AFOLU and GCS projects.

Buffer credits are canceled to cover carbon known or believed to be lost.~~12~~ As such, the VCUs issued to projects that subsequently fail are not canceled and do not have to be "paid back." ~~All VCUs issued to AFOLU and GCS projects (as with all projects) are permanent.~~~~13~~

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The full rules and procedures for AFOLU and GCS projects with respect to non-permanence risk are set out in Section 3.2 of the *VCS Standard* and Section 2.34 of the *GCS Requirements* respectively.

Requirements

2.4.1 The AFOLU and GCS pooled buffer accounts are subject to periodic reconciliation. Reconciliation is based on a review of existing AFOLU and GCS verification reports and an assessment of project performance. This process identifies projects that have failed or underperformed and seeks to identify their common characteristics. The risk analysis criteria and buffer withholding percentages set out in the AFOLU NPRT and the GCS NPRT are adjusted accordingly to ensure that there are always sufficient buffer credits in the AFOLU and GCS pooled buffer accounts to cover project losses.

2.4.2 Project risk assessments are subject to periodic review by Verra. This process consists of a review of a sample of AFOLU and GCS project risk reports to identify any inconsistencies in the process and application of the *AFOLU NPRT* and the *GCS NPRT*, and VVB assessment of this. The risk analysis criteria and risk ratings set out in the tool may be adjusted to ensure consistent and accurate application of the tool.

2.5 AFOLU Leakage Evaluations

2.5.1 Market leakage evaluations are subject to periodic review by Verra. This process consists of a review of a sample of AFOLU project leakage assessments to identify any inconsistencies in the process and application of the leakage requirements in Sections 3.14.8~~3.14.8~~–3.14.10~~3.14.10~~, methodologies, and the *VCS Methodology Requirements,* and VVB assessment of this. The leakage requirements may be adjusted to ensure consistent and accurate application.

~~12 The VCS approach provides environmental integrity because the AFOLU and GCS pooled buffer accounts maintain an adequate surplus to cover unanticipated losses from individual project failures, and the net GHG benefits across the entire pool of AFOLU and GCS projects will be greater than the total number of VCUs issued.~~

~~13 However, VCUs may be canceled as part of quality control of registered projects, in accordance with the *Registration and Issuance Process*,~~ ~~Section 6.~~

3 PROJECT REQUIREMENTS

This section sets out the rules and requirements for projects certifying with the VCS Program. Specific requirements for AFOLU ~~and ODS~~ projects are set out throughout this section to address unique circumstances for ~~these~~ this project type~~s~~. GCS project requirements are set out in the *GCS Requirements*.

To complete the VCS certification process, project proponents must undergo validation and verification as described in Section 4 and in the *Registration and Issuance Process* to demonstrate how their projects:

- meet the rules and requirements set out below.
- have applied an ~~approved~~ eligible methodology in full.

Once projects complete validation and verification, they become eligible to request registration and VCU issuance, respectively.

3.1 General Requirements

Concept

Establishing a consistent and standardized certification process is critical to ensuring the integrity of projects certified with the VCS Program. Accordingly, certain high-level requirements must be met by all projects, as set out below.

Requirements

3.1.1 Projects shall meet all applicable VCS Program rules ~~and requirements set out under the VCS Program, including this document. Projects shall be guided by the principles set out in Section 2.2.1~~.

3.1.2 Project proponents shall apply methodologies listed on the Verra website.

3.1.3 Modules and tools shall be applied in accordance with the VCS Program rules and the applied methodology.

3.1.4 The version of a methodology, module, or tool that is applied shall be active on the date that

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the respective project request is submitted to Verra for the following types of requests:[14]

1) Registration

2) Verification approval where the verification includes:

   a) baseline reassessment and/or

   b) a methodology change through a project description deviation

3) Crediting period renewal

4) Requantification

~~3.1.2~~3.1.5 The project proponent may continue to apply the versions described in Section 3.1.4 for the remainder of the project crediting period or baseline reassessment period, whichever is shorter, unless otherwise specified on the Verra website.[15]

~~3.1.3 Project proponents shall apply in full one or more methodologies eligible under the VCS Program, including any tools or modules referred to by the methodology, noting the exception set out in Section 3.14.2. The list of methodologies and their validity periods is available on the Verra website.~~

~~3.1.4 Project proponents shall:~~

~~1) apply the most recent version of a methodology unless a grace period applies to the project as set out in Section 3.22.~~

~~2) update to the most recent version of the applied methodology when reassessing the baseline or renewing a crediting period.~~

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~~3.1.5~~3.1.6 Project proponents shall conduct themselves lawfully at all times and ensure that the project and ~~i~~implementation of project activities ~~shall~~ do not lead to the violation of any ~~applicable~~ national, state or provincial, local or municipal, or any other applicable law, regardless of whether the law is enforced. Where laws conflict, the more restrictive requirement shall prevail.

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~~3.1.6~~3.1.7 Where a methodology permits the project proponent to choose a model:[16]

1) the model shall conform to the *VCS Methodology Requirements*.

[14] A list of active methodologies, modules, and tools is published on the VCS Program Methodologies page on the Verra website. Where a version will be inactivated, its planned inactivation date is published on the respective document's webpage on the Verra website.

[15] Any additional requirements or restrictions that apply to the use of inactive versions for ongoing crediting periods or baseline reassessment periods are provided on the respective document's webpage on the Verra website.

[16] See the *VCS Program Definitions* for the definition of model.

2) it shall be demonstrated at validation that the model is appropriate to the project circumstances and its use will lead to an appropriate quantification of reductions and/or removals.

~~3.1.7~~3.1.8 Where a methodology permits the project proponent to choose a third-party default factor or standard to ascertain GHG emission data and any supporting data for establishing baseline scenarios and demonstrating additionality, the default factor or standard shall conform to the relevant requirements in the *VCS Methodology Requirements*.

~~3.1.8 Where the rules and requirements of an approved GHG program conflict with the rules and requirements of the VCS Program, those of the VCS Program shall take precedence.~~

~~Where project proponents apply methodologies from approved GHG programs, they shall conform to any specified capacity limits[17] and requirements related to the application of the methodology and any referenced tools, as outlined by the approved GHG program.~~

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3.1.9 Implementing partners working with the project proponent shall be identified in the project description, including their roles and responsibilities over the project crediting period with respect to at least implementation, management, and monitoring of the project.

3.1.10 Project proponents shall demonstrate that during each verification period:

1) project activities ~~that lead to the intended GHG benefit~~ have been implemented in accordance with the project design.

2) where no new project activities have been implemented, previously implemented project activities continued to be implemented.[18]

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3.2 AFOLU-specific Matters

Concept

There are seven AFOLU project categories in the VCS Program, which are described in Appendix 1. AFOLU projects are subject to specific requirements related to project implementation, monitoring, and other matters. ~~This section sets out high-level requirements related to AFOLU-specific matters.~~ ~~Additional~~Other AFOLU-specific requirements are ~~also~~ set out throughout this document.

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Table 3. AFOLU project categories

Sectoral scope	Project categories

~~[17] See the *VCS Program Definitions* for the definition of capacity limit.~~

[18] For example, forest patrols or improved agricultural practices of community members

14. Forestry and other land use (forests, wetlands, and grasslands)	Afforestation, reforestation, and revegetation (ARR)
	Improved forest management (IFM)
	Reduced emissions from deforestation and degradation (REDD)
	Wetland restoration and conservation (WRC)
	Avoided conversion of grasslands and shrublands (ACoGS)
15. Agriculture	Agricultural land management (ALM)
	Livestock systems (LS)

Requirements

General

~~3.2.1 AFOLU projects shall fall into one or more of the following categories eligible in the VCS Program (see *Appendix 1 Eligible AFOLU Project Categories* for full definitions):~~

~~1) Afforestation, reforestation, and revegetation (ARR)~~

~~2) Agricultural land management (ALM)~~

~~3) Avoided conversion of grasslands and shrublands (ACoGS)~~

~~4) Improved forest management (IFM)~~

~~5) Reduced emissions from deforestation and degradation (REDD)~~

~~6) Wetland restoration and conservation (WRC)~~

~~Further information on eligible activities covered by approved methodologies can be found in the *VCS Methodology Requirements.*~~

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~~3.2.2~~3.2.1 Activities that result in further ecosystem degradation, or ecosystem conversion[19] to an intensive land use ecosystem (classified under T7 in IUCN Global Ecosystem Typology),[20] are not eligible in the VCS Program. An exception is made where ALM, ARR, or WRC projects convert

[19] See the *VCS Program Definitions* for the definitions of ecosystem degradation and ecosystem conversion.

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

ecosystems that conform to Section 3.18.8.

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~~3.2.3~~3.2.2 Where projects are located within a jurisdiction covered by a jurisdictional REDD+ program, project proponents shall follow the requirements in this document and those related to nested projects set out in the *Jurisdictional and Nested REDD+ Requirements*.

~~3.2.4 Implementing partners working with the project proponent shall be identified in the project description, including their roles and responsibilities over the project crediting period with respect to at least implementation, management, and monitoring of the project.~~

~~3.2.5 Project proponents shall demonstrate that during each verification period:~~

~~1) project activities that lead to the intended GHG benefit have been implemented in accordance with the project design.~~

~~2) where no new project activities have been implemented, previously implemented project activities continued to be implemented.[21]~~

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Baseline Reassessment

~~3.2.6~~3.2.3 Project proponents shall reassess the baseline in accordance with Sections 3.2.4 – 3.2.5 at the ~~following~~ intervals set out in Table 4~~Table 4~~.:

Table 4. Baseline reassessment intervals

Project activity type	Baseline reassessment interval
Improved forest management (IFM)	5 years
REDD where the baseline is not allocated from jurisdictional level data	
Avoided conversion of grasslands and shrublands (ACoGS)	
Conversion of intact wetlands (CIW)	
REDD where the baseline is allocated from jurisdictional level data	In accordance with the applied methodology
ALM projects with soil organic carbon (SOC) stock change	
Afforestation, reforestation, and revegetation (ARR)	

~~[21] For example, forest patrols or improved agricultural practices of community members~~

Restoring wetland ecosystems (RWE)	

Note – Baselines for the project types listed in Table 4~~Table 4~~ are reassessed periodically within the crediting period. Proponents of AFOLU project types with shorter crediting periods (i.e., ALM projects without SOC stock change and livestock systems projects) are only required to reassess the baseline at crediting period renewal, in accordance with Section 3.8.

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~~3.2.7~~3.2.4 At baseline reassessment, the project proponent shall:

1) apply the most recent version of the VCS Program rules, including an active methodology in accordance with Section 3.1.4 ~~and applied methodology or its replacement. Grace periods for using the previous version of a methodology are set out in Section 3.22 and in the document history section of each VCS Program document~~.

~~1)~~2) demonstrate regulatory surplus in accordance with Section 3.13, including an assessment of laws and regulations applicable at the time of baseline reassessment.

~~2)~~ reassess the validity of the baseline scenario, unless otherwise specified in the applied methodology.[22] The reassessment shall conform to the requirements of the applied methodology for establishing the baseline scenario and include an evaluation of the impact of any new national or sectoral policies and changes in conditions relevant to the project activity~~capture changes in the drivers and/or behavior of agents that cause changes in land use, hydrology, sediment supply, and/or land or water management practices and changes in carbon stocks, all of which shall be incorporated into revised estimates of the rates and patterns of land-use change and estimates of baseline emissions.[23]~~

3) ~~reassess the validity of the original baseline scenario, including an evaluation of the impact of new relevant national and/or sectoral policies and circumstances on the validity of the baseline scenario~~.[24] Where the baseline scenario is:

   a) still valid, the GHG emissions and/or carbon stocks associated with the original baseline scenario shall be ~~reassessed~~ requantified for the new baseline validity period in accordance with the applied methodology.

   b) no longer valid, the ~~current~~ new baseline scenario shall be established and the associated GHG emissions and/or carbon stocks shall be quantified for the new

[22] For example, where specified in the applied methodology, projects using a dynamic performance benchmark for the crediting baseline are exempt from reassessing the validity of the baseline scenario at baseline reassessment.

~~[23] Brown, S., M. Hall, K. Andrasko, et al. 2007. "Baselines for land-use change in the tropics: application to avoided deforestation projects." *Mitigation and Adaptation Strategies for Global Change* 12 (6): 1001–26. https://doi.org/10.1007/s11027-006-9062-5~~

[24] For example, agricultural or forestry management practices, drivers and behavior of agents that cause changes in land use, hydrology, sediment supply, and land or water management practices and carbon stock dynamics

baseline validity period ~~in accordance with VCS Program rules~~in accordance with VCS Program rules and the applied methodology.~~.~~

~~4) provide ex-ante baseline projections for only the baseline reassessment period specified in Section 3.2.3.~~

~~5)~~4) ~~update~~revise Sections ~~1.14,~~ 3.1–3.4, 3.5.1, 4, and 5 of the project description.[25] ~~to reflect any changes detected in conforming to the requirement in Section 3.2.4(2) and any updates to baseline emission quantifications.~~

~~6)~~5) submit the revised project description for validation, in accordance with the most recent applicable VCS Program rules, ~~validate the reassessment~~ at the same time as the subsequent verification.

Commented [A20]: #101

~~3.2.8~~3.2.5 The following applies ~~with respect~~ to sectoral scope 15 (agriculture) projects with respect to ~~ALM~~ baseline reassessment:

1) For baselines set at validation using historical management data specific to the project lands, the ~~historical~~ previous baseline shall be:

   a) compared to relevant, ~~published~~ credible, and verifiable data on current common practice in the project region at each baseline reassessment.

   b) updated to reflect current common practice in the project region where there is a significant difference between the ~~historical~~ previous baseline and current common practice.

2) Baselines set using regional data on common practice (i.e., data not specific to the project lands) shall be updated to reflect current practices at each baseline reassessment using similar datasets (e.g., agricultural census data) as those used to establish the previous baseline ~~at validation~~.

~~3) ALM projects focusing exclusively on reducing N_2O, CH_4, and/or fossil-derived CO_2 emissions (i.e., those that do not include soil organic carbon stocks) are exempt from the 10-year baseline reassessment requirement.~~

Commented [A21]: #101

~~3.2.9~~3.2.6 Where ALM, ARR, IFM, or REDD project activities occur on wetlands, the project shall conform to:

1) the respective project category requirements (i.e., ALM, ARR, IFM, or REDD).

2) WRC requirements, unless the expected emissions from or change in the soil organic carbon pool in the project scenario is deemed de minimis or may be conservatively excluded as set out in the applied methodology.

~~3.2.10~~3.2.7 A WRC project boundary shall include CH_4 emission sources for all WRC activities and

[25] Section numbers are based on the *VCS Project Description Template, v4.4.*

N_2O emission sources for RWE activities, unless deemed de minimis or the project proponent demonstrates that it is conservative to exclude these sources.

Non-Permanence Risk

3.2.8 Non-permanence risk analysis shall only be applied to reductions and removals generated through carbon sinks. Project activities generating reductions in N_2O, CH_4, or fossil fuel-derived CO_2 are not subject to such analysis.

Commented [A22]: #08

3.2.9 AFOLU non-permanence risk analyses shall be assessed for the project area specified in the project description. Where risks are only relevant to a portion of the project area, the project proponent shall:

1) use the highest risk score applicable to the project area; or
2) divide the project area into sub-areas with similar risks, such that a single total risk rating can be determined for each sub-area and noting the following:
   a) Justification for the method of division shall be provided.
   b) The total risk rating and net change in carbon stocks shall be reported for each sub-area.

3.2.10 Where a project proponent implements multiple project activities, a non-permanence risk analysis shall be conducted separately for each project activity.

Commented [A23]: #78

3.2.11 Project proponents shall prepare a non-permanence risk report at validation and verification:

1) in accordance with the *Procedure for Applying the AFOLU Non-Permanence Risk Tool (NPRT)*.
2) using the digital *AFOLU NPRT* available in the Verra Project Hub~~*Non-Permanence Risk Assessment Calculator*~~.
3) to be included as an appendix to the project description or monitoring report, as applicable, or provided as a stand-alone document.

Commented [A24]: #08

3.2.12 Project longevity[26] for projects with non-permanence risk shall be at least 40 years.

Commented [A25]: #08

3.2.13 Proponents of projects with tree harvesting shall:

1) demonstrate that the permanence of the project's carbon stock is maintained.
2) put in place management systems to ensure the carbon against which VCUs are issued is not lost during a final cut with no subsequent replanting or regeneration.

[26] See the *VCS Program Definitions* for the definition of project longevity.

3) include post-harvest replanting and subsequent harvest plans in a government- or professional forester-approved forest management plan.

3.2.14 Proponents of WRC projects shall ensure that the permanence of their soil carbon stock will be maintained by demonstrating that the project area is not subject to erosion, migration, or inundation.

3.2.15 The maximum quantity of reductions that may be sought by a WRC project is limited to the difference between project and baseline scenarios after a 100-year time frame. Projects unable to establish and demonstrate a difference greater than 5% between the baseline and project for at least 100 years are not eligible. These criteria do not apply to projected impacts on soil carbon stocks from sea level rise, as the risk of soil carbon stock loss associated with sea level rise is assessed in the *AFOLU NPRT*.

3.2.16 Buffer credits shall be deposited in the AFOLU pooled buffer account based upon the non-permanence risk report assessed by the VVB.[27] Buffer credits cannot be traded.

3.2.17 Project proponents that demonstrate through the non-permanence risk analysis their project's longevity, sustainability, and ability to mitigate risks may be eligible for release of buffer credits from the AFOLU pooled buffer account.

3.2.18 Validation of non-permanence risk assessments may be conducted by the same VVB that conducts validation or verification of the project, and at the same time as such validation or verification.

Loss Event Reporting and Monitoring

3.2.19 When an instance leaves a grouped project or non-grouped project with multiple activity instances before the end of the project longevity, one of the following applies:

1) The project proponent shall conservatively assume a loss of all previously verified reductions and removals associated with the instance.

2) The project proponent shall continue to monitor the instance for at least the remainder of the project longevity and the following applies:

   a) The project proponent shall follow the monitoring requirements of the applied methodology during the crediting period.

   b) Where the project proponent demonstrates that the applied methodology's monitoring requirements cannot be followed (e.g., due to loss of access to the project area), Verra may approve the use of a robust remote sensing-based approach, appropriate for the project type, to detect loss events.

[27] The procedures with respect to the deposit and release of buffer credits are set out in the *Registration and Issuance Process*.

c) Where the crediting period is less than the project longevity, a remote sensing-based approach may be used in the post-crediting period for the remainder of the project longevity.

d) Where a loss is identified, it shall be quantified according to the applied methodology or approved remote sensing approach. Where this is not possible, the project proponent shall conservatively assume a loss of all previously verified reductions and removals associated with the instance.

3.2.20 Where the project crediting period is longer than 40 years, the requirements under Section 3.2.193.2.19 shall apply until the end of the crediting period.

3.2.21 Where an event occurs that is likely to qualify as a loss event,[28] the project proponent shall follow the loss event reporting requirements set out in the *Registration and Issuance Process*.

3.2.22 At the verification after the loss event, the monitoring report shall restate the loss from the loss event and calculate the net reductions and removals for the monitoring period, including the loss event, in accordance with the requirements set out in the applied methodology and the *Registration and Issuance Process*.

3.2.23 Where a reversal has occurred, at the next verification the project proponent shall follow the buffer account reconciliation requirements set out in the *Registration and Issuance Process* and the following applies:

1) For unavoidable reversals,[29] the baseline may be reassessed, including any relevant changes to baseline carbon stocks. The reassessed baseline shall be validated at the verification event after the reversal. Allowing baseline revisions after unavoidable reversals supersedes any methodological requirements for a fixed baseline.

2) For avoidable reversals,[30] no further VCUs shall be issued to the project, or any other project with the same project proponent or combination of project proponents, until the deficit is remedied. The deficit is equivalent to the full amount of the reversal, including GHG emissions from losses to project and baseline carbon stocks.

3) For all reversals, the same geographic boundary shall be maintained. The entire project area, including areas degraded or disturbed by the reversal event, shall continue to be monitored. Project proponents may not seek GHG credits from any increased rate of sequestration from natural regeneration after a reversal until the loss from the reversal is recovered.

3.2.24 Where project proponents fail to submit a verification report during the prescribed period since

[28] See the *VCS Program Definitions* for the definition of loss event.

[29] See the *VCS Program Definitions* for the definition of unavoidable reversal.

[30] See the *VCS Program Definitions* for the definition of avoidable reversal.

the previous verification,[31] a percentage of buffer credits is put on hold under the conservative assumption that the carbon benefits represented by buffer credits held in the AFOLU pooled buffer account may have been reversed or lost in the field.

3.2.25 Where a project has non-permanence risk, ~~T~~the permanence of carbon stocks shall be monitored for at least 40 years. and the following applies:

1) Verra may agree with the project proponent to monitor a project or class of project types where the crediting period is less than 40 years. The terms of such monitoring shall be agreed in advance.

2) Verra may monitor a project for permanence without the project proponent's agreement where the project proponent terminates the project or its monitoring.

3.2.26 Where a project has a crediting period of less than 40 years and an avoidable reversal occurs within 40 years of the project start date, project proponents shall compensate the AFOLU pooled buffer account according to the procedures in the *Registration and Issuance Process*.

3.2.27 ~~Each p~~Project proponents shall sign an AFOLU Buffer Deed~~a written agreement with Verra to compensate the AFOLU pooled buffer account for reversal events~~.

~~3.2.28 The remaining balance of buffer credits is canceled at the end of the project longevity or at the end of monitoring, whichever is later.~~

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Long-term Average ~~GHG Benefit~~of Forest Carbon Stocks

~~*Concept*~~

~~The GHG benefit of a project is the difference in carbon stocks stored in the selected carbon pools between the project and baseline scenarios, adjusted for any project emissions of N_2O, CH_4, and fossil-derived CO_2, and leakage emissions. Proponents of ARR and IFM projects with harvesting activities are required to calculate a long term average of the GHG benefit of their project.~~

~~*Requirements*~~

~~3.2.29~~ Proponents of ARR and IFM projects shall apply the VCS tool *Calculating the Long-term Average of Forest Carbon Stocks*[32] at validation and crediting period renewal. ~~with harvesting activities[33] shall:~~

~~3.2.30 stratify sample plots to be proportionally representative of areas with and without harvesting~~

[31] See the *Registration and Issuance Process* for more details on prescribed periods.

[32] At time of publication, currently under development

~~[33] See the VCS Program Definitions for the definition of harvesting activity.~~

activity.

3.2.313.2.28 calculate the long-term average GHG benefit for the area of each stratum, covering the entire project area.

3.2.32 ARR and IFM projects with harvesting activities shall not be issued GHG credits above the long-term average GHG benefit maintained by the project (calculated using the procedure in Section 3.2.28).

3.2.33 The loss of carbon due to harvesting in ARR and IFM projects shall be included in the quantification of project emissions. The long-term average GHG benefit shall be calculated using the following procedure:

1) Establish the period over which the long-term average GHG benefit will be calculated, as follows:

Project type	Calculation period
Projects with even-aged management	At least one full harvest/cutting cycle and must include last harvest/cut in the cycle[34]
• ARR projects under conservation easements with no intention to harvest after the project crediting period • Selectively cut IFM projects	Duration of the project crediting period

a) include at minimum one full harvest/cutting cycle and the last harvest/cut in the cycle, for ARR and IFM projects undertaking even-aged management.

b) be the length of the project crediting period for ARR projects under conservation easements with no intention to harvest after the project crediting period and for selectively cut IFM projects.

2) Calculate the expected total GHG benefit of the project for each year of the established time period. This is the to-date GHG emission reductions and/or carbon dioxide removals from the project scenario minus those from the baseline scenario ($PE_t - BE_t$). Sum the total GHG benefit of each year over the established time period ($\Sigma_t PE_t - BE_t$) and calculate the mean GHG benefit of the project over the established time period using the following equation:

[34] For example, where the total project crediting period is 40 years and the harvest cycle is 12 years, the long-term average GHG benefit will be determined for a period of 48 years.

$$LA = \frac{\sum_{t=0}^{n} PE_t - BE_t}{n}$$

Where:

LA = Long term average GHG benefit

PE_t = Total to-date GHG emission reductions and carbon dioxide removals generated in the project scenario (t CO_2e). Project scenario reductions and removals shall also consider project emissions of CO_2, N_2O, CH_4, and leakage.

BE_t = Total to-date reductions and removals projected for the baseline scenario (t CO_2e)

t = Year

n = Total number of years in the established time period

3) For ARR projects using a dynamic performance benchmark, the total with project GHG benefit is used to set the long term average.[35] The value of the change in stocking index ($\Delta SI_{wp,t}$) is monitored up until the time at which the long term average is reached, and then fixed for the remainder of the crediting period. The following equation shall be used to calculate the long term average for ARR projects using dynamic performance benchmarks:

$$LA = \frac{\sum_{t=0}^{n} PE_t}{n}$$

4) The long term average GHG benefit shall be calculated at each verification, meaning it may change over time based on monitored data.

3.2.34 Project proponents may seek GHG credits at each verification until the total number of GHG credits issued has reached the long term average GHG benefit. After that, the project may no longer issue further GHG credits.

3.2.35 Buffer credits are withheld only when GHG credits are issued. The number of buffer credits to withhold is based on the change in carbon stocks only (not the net GHG benefit).[36] Use the following equation to calculate the long term average change in carbon stock:

$$LC = \frac{\sum_{t=0}^{n} PC_t - BC_t}{n}$$

Where:

LC = Long term average change in carbon stock (t CO_2e/year)

[35] This is because the change in the dynamic crediting baseline is unknown and may not be accurately modeled when the long term average is set.
[36] Thus, the buffer credits are based on the long-term average change in carbon stock.

~~PC_t = Total to-date carbon stock in the project scenario (t CO_2e)~~

~~BC_t = Total to-date carbon stock projected for the baseline scenario (t CO_2e)~~

~~t = Year~~

~~n = Total number of years in the established time period~~

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~~3.3 ODS-specific Matters~~

~~*Concept*~~

~~This section sets out high-level requirements related to ODS-specific matters. Additional ODS-specific requirements are also set out throughout this document.~~

~~*Requirements*~~

~~Eligible ODS~~

~~3.3.1 ODS residing in stockpiles or recovered directly from any of the products set out in Section 3.3.2 are eligible. The following ODS controlled by the Montreal Protocol for which the Intergovernmental Panel on Climate Change (IPCC) publishes a global warming potential (100-year time horizon) are eligible:~~

~~1) Annex A, Group I~~

~~2) Annex B, Group I~~

~~3) Annex C, Group I~~

~~3.3.2 The destruction of ODS recovered from the following products is eligible:~~

~~1) Refrigeration equipment, systems, or appliances~~

~~2) Air conditioning equipment, systems, or appliances~~

~~3) Fire suppression equipment or systems~~

~~4) Thermal insulation foams~~

~~3.3.3 The destruction of ODS recovered from pre-polymers, aerosol products, or other products is not eligible.~~

~~ODS Origin~~

~~3.3.4 Where ODS is recovered from products that have been imported specifically for their disassembly, the following applies:~~

~~1) The products shall not originate from any country in which any law, statute, or other regulatory framework requires the recovery and destruction of the relevant ODS from such products.~~

2) The project proponent shall provide documentary evidence, such as shipping manifests, bills of lading, and evidence of collection of the products in the originating country, to demonstrate product origin.

3.3.5 Documentary evidence shall be provided to verify the origin of all ODS destroyed by the project. Examples of evidence are shipping manifests, bills of lading, other commercial documentation, and addresses of households, commercial premises, and other evidence of product collection. Such evidence shall be appropriate to the nature and scale of the project.

Destruction Technology

3.3.6 The project shall use a destruction technology that meets the screening criteria for destruction technologies set out in the UNEP April 2002 Report of the Technology and Economic Assessment Panel (TEAP), Volume 3b, Report of the Task Force on Destruction Technologies,. The report also sets out requirements for destruction and removal efficiency (DRE).

3.3.7 For concentrated sources (e.g., refrigerants), projects shall use a destruction technology with a minimum verified DRE of 99.99%.

3.3.8 For dilute sources (i.e., foams), projects shall use a destruction technology with a minimum:

1) verified DRE of 95%.

2) recovery and destruction efficiency (RDE) of 85%.[37]

Note – The May 2005 TEAP report provides a theoretical model for calculating RDE and methodologies must specify a practical approach to calculate RDE, such as those provided in RAL GZ 728 (Quality Assurance and Test Specifications for the Demanufacture of Refrigeration Equipment, 2007), the WEEE Forum standard (Requirements for the Collection, Transportation, Storage, Handling and Treatment of Household Cooling and Freezing Appliances containing CFC, HCFC or HFC, 2007), or another appropriate approach.

Commented [A29]: #42

3.43.3 GCS-specific Matters

Concept

Geological carbon storage is an umbrella term that broadly refers to carbon capture and storage activities, geological carbon mineralization, and carbon capture, utilization, and storage in geologic reservoirs. High-level requirements related to GCS-specific matters are set out in the *GCS Requirements*. Additional GCS-specific requirements are set out throughout this document.

[37] RDE describes the proportion of blowing agent (ODS) remaining in the foam immediately prior to decommissioning which is recovered in the overall end-of-life management step, including ultimate destruction. For a full specification of RDE, see the UNEP May 2005 Report of the Technology and Economic Assessment Panel, Volume 3, Report of the Task Force on Foam End-of-Life Issues.

Requirements

General

~~3.4.1~~3.3.1 GCS projects shall follow the requirements set out in the *GCS Requirements*.

~~3.5~~3.4 Project Documentation

Concept

Project proponents prepare a project description for validation and a monitoring report for verification. The project description describes the project's reduction and removal activities. The monitoring report describes the data and information related to the monitoring of reductions and removals.

Requirements

Project Description

~~3.5.1~~3.4.1 Project proponents shall use one of the following templates~~, available on the Verra website,~~ and conform to all instructional text within the template:

1) A digital project description template in the Verra Project Hub, where the project applies a digitalized methodology

~~1)~~ The VCS Project Description Template or a

2) ~~A~~ combined project description template[38] available on the Verra website, where the applied methodology is not digitalized.

Note – The Verra Project Hub provides current information on available digitalized methodologies and any exceptions related to digital project submissions.

~~2) An approved GHG program project description template where the project is registered with an approved GHG program~~

~~3.5.2 All information in project documents shall be presumed to be public. Commercially sensitive information may be protected, as set out in the *Registration and Issuance Process*, w~~Where it ~~can be is~~ demonstrated, to Verra's satisfaction, that such information is commercially sensitive, this information~~. may be protected, as set out in the *Registration and Issuance Process*.~~

~~3.5.3 The validation/verification body~~VVB ~~shall confirm that any information designated by the project proponent as commercially sensitive meets the VCS Program definition of commercially sensitive information.~~

~~3.5.4 The following information in project documents shall not be considered commercially sensitive~~

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Commented [A31]: #43

[38] For example, the *CCB and VCS Project Description Template*

and shall be provided in public versions of the project documents:

1) Determination of the baseline scenario

2) Demonstration of additionality

3) Quantification of the estimated and actual GHG emissions reductions and carbon dioxide removals

4) Monitoring of GHG emissions reductions and carbon dioxide removals

5) Calculation of the non-permanence risk score

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Monitoring Report

3.4.2 Project proponents shall use one of the following templates and conform to all instructional text within the template:

1) A digital monitoring report template in the Verra Project Hub, where the project applies a digitalized methodology

1)2) tThe *VCS Monitoring Report Template* or a combined monitoring report template available on the Verra website, where the applied methodologyas appropriate, and conform to all instructional text within the template. is not digitalized

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3.4.3 The monitoring report shall specify the number of reductions and/or removals generated in each calendar year of the monitoring period.

3.4.4 The monitoring report shall be verified prior to submission to Verra.

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Monitoring Periods

3.5.53.4.5 The monitoring period shall be a distinct time period that does not overlap with previous monitoring periods. Projects are not eligible for crediting of reductions and removals generated in previous monitoring periods.

3.5.63.4.6 Grouped projects, AFOLU projects, and other projects with a risk of a reversal or loss event shall not have gaps between monitoring periods.

3.5.7 The monitoring report shall specify the number of GHG emission reductions and/or carbon dioxide removals generated in each calendar year of the monitoring period.

3.5.8 The monitoring report shall be verified prior to submission to Verra.

Commercially Sensitive Information

3.4.7 All information in project documents shall be presumed to be public. Where the project proponent it is demonstratesd that to Verra's satisfacinformation that information is qualifies as commercially sensitive, this information may be protected, as set out in the *Registration and Issuance Process*.

3.4.8 The VVB shall confirm whether any information designated by the project proponent as commercially sensitive meets the VCS Program definition of commercially sensitive information.

3.4.9 The following information in project documents may ~~shall~~ not be designated as~~considered~~ commercially sensitive and shall be provided in public versions of the project documents:

1) Determination of the baseline scenario

2) Demonstration of additionality

3) Quantification of the estimated and actual reductions and removals

4) Monitoring of reductions and removals

5) Calculation of the non-permanence risk score

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~~3.6~~3.5 Project Design

Concept

Projects may be designed in various ways depending on the number and combination of project activities and project activity instances. A project may be: ~~The VCS Program allows for different approaches to project design. These include:~~

- one instance of a single ~~installation of a~~ project activity[39] (e.g., one anaerobic biodigester at a single wastewater treatment facility).
- multiple instances of a single ~~a project with more than one~~ project activity (e.g., multiple spatially distinct land parcels in which ~~,[40] such as an AFOLU project that includes REDD and ALM components~~ARR activities are implemented).~~.~~
- multiple instances of multiple project activities ~~a project with more than one project activity instance,[41] such as a clean cookstove project that distributes cookstoves to a number of different communities.~~(e.g., multiple households, some of which receive clean cookstoves while others receive water purification systems).
- multiple project activities within a single instance (e.g., REDD and WRC activities implemented in a single, contiguous peatland).
- a grouped project, which ~~are~~ is designed for the addition of new instances after registration and is based on key concepts including initial project activity instances, batch of instances,

[39] See the *VCS Program Definitions* for the definition of project activity.

~~[40] See the *VCS Program Definitions* for the definition of project activity.~~

~~[41] See the *VCS Program Definitions* for the definition of project activity instance.~~

eligibility areas, and eligibility criteria (e.g., a clean cookstoves project that plans to distribute cookstoves to new households after registration).

- an expanding GCS project (e.g., a carbon capture and storage (CCS) project that adds new capture sites over time).~~structured to allow the expansion of a project activity subsequent to project validation.~~

Requirements

Multiple Project Activities

~~3.6.1~~ Projects may include multiple project activities where specified by the applied methodology or where :

~~3.6.2~~ more than one methodology is applied~~, and/or~~

~~3.6.3~~3.5.1 ~~the applied methodology allows multiple project activities.~~[42]

~~3.6.4~~3.5.2 Where more than one methodology is applied, ~~to a~~ the project proponent shall establish baseline scenarios and demonstrate additionality for each project activity separately according to each methodology, unless either of ~~with multiple project activities,~~ the following applies:

1) The applied methodologies refer to the same tools and procedures for establishing the baseline scenario and demonstrating additionality.~~Each project activity shall be specified separately in the project description, referencing the relevant methodology.~~

2) It is not logical or practicable to establish separate baseline scenarios or provide separate demonstrations of additionality for each project activity.[43]~~All criteria and procedures set out in the applied methodologies in relation to applicability conditions, demonstration of additionality, determination of baseline scenario, and GHG emission reduction and carbon dioxide removal quantification shall be applied separately to each project activity, noting the following:~~

   ~~a) A single set of criteria and procedures for demonstrating additionality may be applied where the applied methodologies reference the same additionality tool and/or procedures, and where separate demonstration of additionality for each project activity is not practicable,[44] noting the following:~~

[42] For example, projects may combine agroforestry or enrichment planting with community forestry in a single project where applying an ARR methodology for planting activities and an IFM methodology for community forestry activities.

[43] For example, separate demonstration of additionality may not be practicable for project activities that are implemented at a single facility and therefore represent a single investment.

~~[44] For example, separate demonstration of additionality may not be practicable for project activities that are implemented at a single facility and therefore represent a single investment.~~

i) The project proponent shall demonstrate to the VVB that separate demonstration of additionality is not practicable, failing which separate demonstration of additionality shall be provided.

ii) Where a methodology specifies requirements for demonstrating additionality in addition to those specified in the referenced additionality tool and/or procedures, such requirements shall be conformed to.

b) The criteria and procedures for identifying the baseline scenario may be combined where the relevant methodologies or the referenced additionality tool and/or procedures specify criteria and procedures for combining baseline scenarios.

3) The criteria and procedures relating to all other aspects of the methodologies may be combined.

4) Where AFOLU projects are required to assess non-permanence risk and determine buffer withholding, this shall be done separately for each project activity.

3.6.5 Where a single methodology is applicable to more than one project activity and does not provide procedures for application to more than one project activity, the project proponent shall conform to the requirements in Section 3.6.2.

Commented [A36]: #78

3.6.6 Proponents of AFOLU projects that include multiple project activities shall:

1) apply one or more methodologies such that each project activity is covered under an eligible AFOLU project category.[45]

2) clearly delineate the geographic extent of the area of each activity covered by a different methodology.

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Multiple Project Activity Instances

3.6.7 Both grouped and non grouped projects may have multiple project activity instances.

3.6.8 Non-grouped projects shall not include further project activity instances subsequent to initial

[45] For example:

- Projects that combine agroforestry or enrichment planting with community forestry in a single project and where farmers integrate these activities within a single landscape must follow i) an ARR methodology for planting activities and ii) an IFM methodology for community forestry activities (except where the activities have been combined in a single methodology).
- Projects that integrate avoided grassland and shrubland conversion and improved grazing practices must follow i) an ACoGS methodology for grassland or shrubland protection activities and ii) an ALM methodology for improved grazing practices (except where both activities have been combined into a single methodology).
- Avoided conversion projects in landscapes that contain both forest and non-forest must follow i) a REDD methodology for forested lands and ii) an AcoGS methodology for non-forested lands.

project validation.[46]

3.6.9 The baseline determination and additionality demonstration for all project activity instances in a project shall be combined.[47]

3.6.10 Where a project includes multiple project activity instances from multiple project activities, the instances from each activity shall conform to the requirements in Sections 3.6.1–3.6.4.

3.6.11 Instances of the same project activity with the same project proponent and within ten kilometers of one other shall be part of the same project.

Capacity Limits

3.6.12 Where a capacity limit applies to a project activity, no project activity instance or cluster of project activity instances shall exceed the capacity limit, determined as follows:

1) Each project activity instance that exceeds 1% of the capacity limit shall be identified.

2) Where instances are within one kilometer of each other, they shall be grouped into clusters, with each instance within one kilometer of at least one other instance in the cluster. Instances that are not within one kilometer of any other instance shall not be assigned to clusters.

3) No further project activity instances shall be added to the project that would cause any of the clusters to exceed the capacity limit.

Commented [A38]: #78

Grouped Projects

Baseline Scenario and Additionality

3.6.13 Proponents of grouped projects shall specify one or more clearly defined geographic areas:

1) within which project activity instances may be developed.

2) using geodetic polygons as set out in Section 3.11.

3) all of which have initial project activity instances, unless it is demonstrated that the same (or at least as conservative) baseline scenario and rationale for additionality demonstration as applied to geographic areas with initial project activity instances is applicable to areas without initial project activity instances.

1) Determination of baseline scenario and demonstration of additionality are based upon the initial project activity instances. The initial project activity instances are those that are included in the project description at validation and shall include all project activity

[46] See Sections 3.6.11–3.6.23 for information on grouped projects.

[47] For example, multiple wind turbines must be assessed in combination rather than individually.

instances currently implemented on the issue date of the project description. The initial project activity instances may also include any instances of the project activity that have been planned and developed to a sufficient level of detail to enable their assessment at validation.

3.6.14 Where a grouped project includes multiple project activities, the project description shall designate which project activities may occur in each geographic area.

3.6.15 The project proponent shall determine a single baseline scenario for a project activity in a grouped project for the entirety of each designated geographic area, in accordance with the methodology applied to the project. Where this is not possible, the geographic area shall be redefined or divided to allow this requirement to be met.

3.6.16 The additionality of the initial project activity instances shall be demonstrated for the entirety of each designated geographic area, in accordance with the methodology applied to the project. Where this is not possible, the geographic area shall be redefined or divided to allow this requirement to be met.

3.6.17 Where factors relevant to determining the baseline scenario or demonstrating additionality require assessment across a given area, the area shall be, at a minimum, the grouped project geographic area.[48]

New Project Activity Instance Eligibility Criteria

3.6.18 Proponents of grouped projects shall include at least one set of eligibility criteria for the inclusion of new project activity instances:

1) for each combination of project activity and geographic area, and baseline scenario and demonstration of additionality, specified in the project description.

2) ensuring that new project activity instances:

a) meet the applicability conditions set out in the methodology applied to the project.

b) use technologies or measures in the same manner as specified in the project description.

c) are subject to the baseline scenario determined in the project description for the specified project activity and geographic area.

d) have characteristics with respect to additionality that are consistent with the initial

[48] Examples of such factors include common practice; laws, statutes, regulatory frameworks, or policies relevant to demonstration of regulatory surplus; determination of regional grid emission factors; and historical deforestation and degradation rates.

~~instances for the specified project activity and geographic area.[49]~~

Grouped Project Eligibility Areas

3.5.3 Proponents of grouped projects shall:

1) specify one or more grouped project eligibility areas, which may be spatially distinct or overlapping.

2) establish at least one initial project activity instance[50] in each eligibility area.

3) determine the baseline scenario and demonstrate additionality separately for each eligibility area.

3.5.4 The physical boundary of an eligibility area shall align with a jurisdiction or combination of jurisdictions and be within a single country.[51]

3.5.5 The determination of baseline scenario and demonstration of additionality for an eligibility area shall:

1) be based on the initial project activity instances.

2) apply across the entire eligibility area.

3.5.6 For each eligibility area, project proponents shall specify eligibility criteria for adding new project activity instances to the eligibility area.

3.5.7 Eligibility criteria shall ensure that all instances added to an eligibility area:

1) are uniquely identifiable.

2) share the same baseline scenario as the initial instances, or where multiple project activities are implemented in each instance, the same combination of baseline scenarios.

3) share the same conditions relevant to additionality as the initial instances.[52]

4) implement the same technologies or measures as the initial instances.

~~[49] For example, the new project activity instances have financial, technical, and/or other parameters (such as size/scale) consistent with the initial instances, or face the same investment, technological, and/or other barriers as the initial instances.~~

[50] See the *VCS Program Definitions* for the definition of initial project activity instance.

[51] For example, a state or multiple states within one country as a single eligibility area, and a county in one country and a county in an adjacent country as two eligibility areas

[52] For example, common practice; laws, statutes, regulatory frameworks, or policies relevant to demonstration of regulatory surplus; determination of regional grid emission factors; historical deforestation and degradation rates

5) meet all applicability conditions of the applied methodology.

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~~Inclusion~~ Addition of New Project Activity Instances

~~3.6.19 New project activity instances may be added to grouped projects after initial project validation. New project activity instances shall:~~

~~1) occur within one of the designated geographic areas specified in the project description.~~

~~2) conform to at least one complete set of eligibility criteria for the inclusion of new project activity instances. Partial conformance to multiple sets of eligibility criteria is insufficient.~~

~~3) be included in the monitoring report with sufficient technical, financial, geographic, and other relevant information to demonstrate conformance to the applicable set of eligibility criteria and enable evidence gathering by the VVB.~~

~~4) have evidence of project ownership of each project activity instance by the project proponent from the respective start date of each project activity instance.~~

~~5) have a start date that is the same as or later than the grouped project start date.~~

~~6) only be eligible for crediting from the start date of the project activity instance or the start of the verification period in which they were added to the grouped project, whichever is later, through to the end of the total project crediting period.~~

~~7) not be or have been enrolled in another project registered with the VCS Program.~~

~~8) conform to the clustering and capacity limit requirements for multiple project activity instances set out in Sections 3.6.9–3.6.10.~~

~~3.6.20 Where inclusion of a new project activity instance necessitates the addition of a new project proponent to the project, such instances shall be included in the project description:~~

~~1) within five years of the project activity instance start date where the project activity is an AFOLU activity.~~

~~2) within two years of the project activity instance start date for all other activity types.~~

~~The procedure for adding new project proponents is set out in the *Registration and Issuance Process*.~~

3.5.8 Where project proponents add new project activity instances, these shall be added to a project in one or more batches at verification.

3.5.9 Project proponents shall hold the right to operate and the right to reductions and removals for each new instance in a batch, demonstrated in accordance with Section 3.6.

3.5.10 All instances within a batch shall:

1) be within a single eligibility area.

2) conform to the eligibility criteria established for the eligibility area.

3) have been implemented during the monitoring period being verified.

4) only be eligible for crediting up to the end of the project crediting period.

5) never have been enrolled in another project registered with the VCS Program, unless authorized by Verra.

3.5.11 Where the addition of a new batch of project activity instances impacts the leakage assessment of the existing instances, activity-shifting, market, and ecological leakage shall be reassessed for the entire project area.

Capacity Limits

3.5.12 Projects, grouped or otherwise, shall not exceed the capacity limit of the applied methodology.

3.5.13 A project shall not be a fragment of another project, including projects registered with other GHG programs. A project is considered a fragment of another project where all of the following conditions are met:

1) The project applies a methodology with a capacity limit.

2) The project area is within 1 kilometer of the other project's project area. This does not apply to mobile project activities under sectoral scope 7.

3) The project has the same project proponent as the other project.

4) The project implements the same project activity as the other project.

5) The project start date is within two years of the other project's project start date.

6) The capacity of the project and the other project summed together exceeds the capacity limit of the applied methodology.

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~~AFOLU Grouped Projects~~

~~3.6.21 AFOLU non-permanence risk analyses, where required, shall be assessed for the project area specified in the project description.[53] Where risks are only relevant to a portion of the project area, the project proponent shall:~~

~~1) use the the highest risk score applicable to the project area; or~~

~~2) divide the project area into sub-areas with similar risks, such that a single total risk rating can be determined for each sub-area and noting the following:~~

~~a) Justification for the method of division shall be provided.~~

~~[53] For requirements related to geographic areas of grouped projects, see Section 3.11.1.~~

b) The project monitoring and verification reports shall list the total risk rating for each sub-area and the corresponding net change in the project's carbon stocks in the same area.

c) The risk rating for each sub-area applies only to the net change in the project's carbon stocks generated by the sub-area within the project area.

3.6.22 Activity shifting, market leakage, and ecological leakage evaluations, where required, shall be:

1) undertaken as set out in Sections 3.15.6–3.15.16 and in conformance to the applied methodology.

2) undertaken on the initial project activity instances within each geographic area.

3) reassessed where new instances of the project activity are included in the project.

3.6.23 New instances shall not overlap with any of the components of another AFOLU project zone, as set out in Section 3.11.3.

Project Description for Grouped Projects

3.6.24 A grouped project shall be described in a single project description containing the following in addition to the content required for non-grouped projects:

1) A delineation of the geographic area(s) within which all project activity instances shall occur, specified by geodetic polygons as set out in Section 3.11

2) One or more determinations of the baseline for the project activity in accordance with the applied methodology

3) One or more demonstrations of additionality for the project activity in accordance with the applied methodology

4) One or more sets of eligibility criteria for the inclusion of new project activity instances at subsequent verification events

5) A description of the central GHG information system and controls associated with the project and its monitoring

3.6.25 Where the project includes more than one project activity, the requirements in Section 3.6.22(2)–(4) shall be addressed separately for each project activity.

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3.73.6 Right to Operate and Right to Reductions and Removals

Commented [A42]: All changes in this section (3.6) #14

Concept

Project proponents must hold the right to operate and the right to reductions and removals. Such rights derive from the regulatory framework applicable to the project activities in the country or jurisdiction in which the project is located. For example, the right to operate an energy efficiency project might be

based on permits or concessions that enable facility operations, whereas the right to operate an AFOLU project might be based on land or resource rights, including customary rights. The right to reductions and removals might derive directly from the right to operate, from land or resource rights, or be governed by a specific regulation in the jurisdiction.

Accordingly, project proponents must determine the legal basis for the right to operate and the right to reductions and removals. Where the project may affect land or resource rights, project proponents must also conduct an analysis of such rights to identify any customary rights, overlapping claims or competing claims, and violent conflicts in the project area, and to determine whether additional measures are needed to secure the right to operate and the right to reductions and removals. ~~Project and jurisdictional proponents must demonstrate that they have the legal right to control and operate project or program activities.~~

Requirements

General

3.6.1 At project start date and throughout project implementation, project proponents shall hold the right to operate[54] and the right to reductions and removals,[55] substantiated by an analysis of applicable laws, regulations, and legal instruments. ~~The project description shall be accompanied by evidence establishing one or more of the following types of project ownership accorded to the project proponents or program ownership accorded to the jurisdictional proponents[56] arising:~~

~~3.7.1~~3.6.2 The analysis required in Section 3.6.1 shall determine the following, in accordance with guidance in the *VCS Project Description Template* and *VCS Monitoring Report Template*:

1) ~~-~~Whether at least one of the following establishes a valid and non-conflicting legal basis for the right to operate and the right to reductions and removals: ~~or granted under statute, regulation, or decree by a competent authority.~~

   a) Law, statute, regulation, permit, authorization, or decree, by means of a concession title

   b) A contractual right to the project area (e.g., facility, land), the equipment or process that generates reductions or removals, or the reductions or removals

[54] See the *VCS Program Definitions* for the definition of right to operate.

[55] See the *VCS Program Definitions* for the definition of right to reductions and removals.

~~[56] See the *VCS Program Definitions* for the definitions of project ownership and program ownership.~~

c) Land or resource rights[57] granted under statute, regulation, or decree by a competent authority

~~a)~~d) An enforceable and irrevocable agreement with the holders of land or resource rights, or rights to the conservation or management processes that generate reductions and removals

2) ~~-~~Whether the project is likely to affect land or resource rights~~under law.~~

Land or Resource Rights Analysis

3.6.3 Where the analysis described in Sections 3.6.1–3.6.2 determines that a project is likely to affect land or resource rights, the project proponent shall conduct a land or resource rights analysis informed by input received through stakeholder engagement, before the project start date, following guidance in the *VCS Project Description Template*.

3.6.4 Project proponents shall conduct the land or resource rights analysis with a team that collectively has knowledge and experience in the jurisdiction in the following topics as appropriate and justified for the project context:

1) Land tenure regulation

2) Customary rights and related social and gender dynamics

3) Decision-making systems

4) International human rights law

5) Existing and potential conflicts

3.6.5 Where project proponents do not have the expertise specified in Section 3.6.4, they shall partner with external organizations (e.g., local NGOs) that have the required knowledge and experience.

3.6.6 Land or resource rights analysis shall identify and analyze any claims to land or resource rights relevant to the project as follows, and conclude whether additional measures[58] are necessary to establish such rights:

1) Existing land tenure categorization (i.e., private, state, communal, open access)

2) Any existing customary rights, including a list of community lands and territories, associated customary rights, and their location

[57] See the *VCS Program Definitions* for the definition of land or resource rights.

[58] For example, a project implementation agreement signed by customary rights holders through a free, prior, and informed consent (FPIC) process

3) The presence or absence of overlapping claims to land or resource rights, competing claims to land or resource rights, and violent conflicts.[59]

4) Where competing claims to land or resource rights are identified, the location of the land or resource rights subject to such claims, associated claimants, process and estimated timeline to secure the rights or resolve disputes, and how the project's grievance redress mechanism facilitates reporting of any such claims.

~~3.7.2~~3.6.7 For verification, project proponents shall update the land or resource rights analysis to account for any new circumstances (e.g., newly identified customary rights or competing claims identified through the project's grievance redress mechanism) and determine whether the project proponent retains the right to operate and the right to reductions and removals.

~~2) by virtue of a statutory, property, or contractual right in the plant, equipment, or process that generates reductions and/or removals (where the project/program proponent has not been divested of such ownership).~~

~~3) by virtue of a statutory, property, or contractual right in the land, vegetation, or conservation or management process that generates reductions and/or removals (where the project/program proponent has not been divested of such project/program ownership).~~

~~4) by virtue of an enforceable and irrevocable agreement with the holder of the statutory, property, or contractual right in the plant, equipment, or process that generates reductions and/or removals which vests project/program ownership in the project/program proponent.~~

~~5) by virtue of an enforceable and irrevocable agreement with the holder of the statutory, property, or contractual right in the land, vegetation, or conservation or management~~

[59] See the *VCS Program Definitions* for the definitions of overlapping claims to land or resource rights, competing claims to land or resource rights, and violent conflict.

process that generates reductions and/or removals which vests project/program ownership in the project/program proponent.

6) from the implementation[60] or enforcement of laws, statutes, or regulatory frameworks that require activities be undertaken or incentivize activities that generate reductions and/or removals.

3.83.7 Project Start Date

Concept

This section includes requirements for establishing the project start date.[61] The project start date is used to determine the project's conformance to other VCS Program requirements, such as stakeholder engagement requirements (see Section 3.17).of a non-AFOLU project is the date on which the project begins generating GHG emission reductions and/or carbon dioxide removals. The project start date of an AFOLU project is the date on which activities that lead to the generation of reductions and/or removals are implemented (e.g., preparing land for seeding, planting, changing agricultural or forestry practices, rewetting, restoring hydrological functions, implementing management or protection plans). Projects must complete validation within specific timeframes from the project start date.

Requirements

Establishing the Project Start Date

3.7.1 The project start date shall:

1) be consistent with the definition of project start date in the *VCS Program Definitions*.

2) conform to any criteria set out in the applied methodology.

3) be established based on implementation of the earliest of the first significant actions, where the project includes multiple project activities.

4) be no later than the initial crediting period start date.

Table 5Table 5 provides examples of project start dates for specific project types.

Table 5. Examples of actions used to establish project start date[62]

[60] Implementation here means enacted or introduced, consistent with use of the term in CDM rules on Type E+ and Type E- policies.

[61] See the *VCS Program Definitions* for the definition of project start date.

[62] These actions may also be the initial crediting period start date, where they meet the definition of initial crediting period start date (see the *VCS Program Definitions*).

Project type or category	Examples of first significant action
Geological carbon storage (GCS), energy and industry (E&I)	• Signing contract to purchase equipment or begin construction • Signing contract to purchase distributed units
Afforestation, reforestation, and revegetation (ARR)	• Purchasing and transporting to the project area seedlings or equipment for site preparation • Signing a lease or commitment to plant trees in the project area • Acquiring right to operate, where combined with demonstrable commitment to implement ARR activities
Improved forest management (IFM)	• Demonstrable commitment to alter past management practices (e.g., submitting planned changes to a formal authority, landowners adopting strategic intent to change management practices) • Approval of newly developed or revised management plan • Acquiring right to operate, where combined with demonstrable commitment to adjust past or intended management practices
Reduced emissions from deforestation and degradation (REDD)	• Demonstrable commitment to adjust past or intended management practices (e.g., adopting strategic intent to change management practices) • Approval of newly developed or revised conservation management plan • Acquiring right to operate, where combined with demonstrable commitment to adjust past or intended management practices
Wetland restoration and conservation (WRC) – Rewetting wetland ecosystems (RWE)	• Signing contract committing to implement rewetting activities • Purchasing equipment
Wetland restoration and conservation (WRC) – Conservation of intact wetlands (CIW)	• Acquiring right to operate (e.g., establishing conservation easement) combined with demonstrable commitment to implement activities • Approval of newly developed or revised conservation management plan
Avoided conversion of grasslands and shrublands (ACoGS)	• Demonstrable commitment to adopt strategies to mitigate conversion in the project area • Approval of newly developed or revised conservation management plan • Acquiring right to operate, where combined with demonstrable commitment to adjust past or intended practices

Project type or category	Examples of first significant action
Agricultural land management (ALM)	• Signing contract committing to improved ALM practice change • Purchasing or installing equipment (e.g., low-till drill, fences for rotational grazing, drip irrigation systems) • Approval of newly developed or revised crop or livestock management plan (e.g., input procurement plan, integrated pest management plan)
Livestock systems (LS)	• Signing contract committing to improved LS practice change • Purchasing equipment (e.g., new fencing, watering systems)

3.7.2 The project start date shall not be determined based on either of the following:

1) Pilot testing in the project area that:

a) is limited to research (e.g., feasibility studies or trials),

b) comprises activities that are not monitored as part of the project, or

c) does not introduce permanent changes in land use

2) Stakeholder engagement activities that are required to occur prior to the project start date[63]

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~~Non-AFOLU Projects~~

~~3.8.1 Non-AFOLU projects shall complete validation:~~

~~1) within four years of the project start date where applying a new VCS methodology within two years of its approval by Verra.~~

~~2) within two years of the project start date otherwise.~~

~~*Note: New VCS methodology in this context refers to both newly issued VCS methodologies and newly issued VCS revisions to approved GHG program methodologies. The extended deadline does not apply in relation to any subsequent versions of such new methodologies and new methodology revisions that may be issued.*~~

~~AFOLU Projects~~

~~3.8.2 AFOLU projects shall initiate the pipeline listing process (as set out in the *Registration and*~~

[63] For example, stakeholder rights assessment, stakeholder identification, drafting of the stakeholder engagement plan, obtaining free, prior, and informed consent (FPIC), conducting initial consultation or participation activities, establishing ongoing communications and grievance mechanisms, socioeconomic risk assessment

Issuance Process) within three years of the project start date.

3.8.3 Validation shall be completed within eight years of the project start date for:

1) AFOLU projects with ex-ante reduction/removal estimates of 20 000 t CO_2e per year or less.

2) ARR, RWE, and IFM (excluding logged to protected forest, LtPF) projects of any size.

3.8.4 All other AFOLU projects shall complete validation within five years of the project start date.

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ODS Projects

3.8.5 The following applies to ODS project start dates:

1) The project start date shall not be before the Montreal Protocol production phase-out deadline for the relevant ODS (except for critical/essential uses) as it applies to the host country and/or any country from which ODS destroyed by the project is imported; or

2) The project start date shall not be before the date the host country and/or any country from which ODS destroyed by the project is imported implements the production phase-out, or consumption phase-out where such country does not produce the relevant ODS, of the relevant ODS (critical/essential uses exempted). Such phase-outs shall be implemented in combination with an import ban on the relevant ODS (critical/essential uses exempted).[64]

Note — The project may destroy ODS that has not been phased out under either of the two options above (e.g., where one ODS has contaminated another), but it shall receive no credit for the destruction of such ODS. The relevant production phase-out deadlines are those of the individual substances and not the substance groups.

3.8.6 Where the project imports ODS, the project proponent shall provide documentary evidence, such as shipping manifests and bills of lading, to demonstrate that the ODS originates from a country meeting the phase-out requirements in Section 3.8.5.

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Standardized Methods

3.8.7 Projects applying a standardized method for determining additionality shall initiate the project pipeline listing process set out in the Registration and Issuance Process within the project validation timelines set out in Sections 3.8.1–3.8.5. Validation may be completed at any time up to concurrently with the first verification.[65]

[64] This project start date requirement accounts for countries that phase-out the relevant ODS in advance of their Montreal Protocol production phase-out deadline.

[65] For example, a non-AFOLU project applying a standardized method for determining additionality must initiate the project pipeline listing process within two years of the project start date and may complete validation any time up to concurrently with the first verification.

~~Projects Registered with Other GHG Programs~~

~~3.8.8 The validation deadline for projects registered with an approved GHG program that are seeking registration with the VCS Program is further specified in Sections 3.23.9–3.23.13.~~

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~~3.9~~3.8 Project Crediting Period and Registration Timelines

Concept

The project crediting period is the ~~time period~~ duration for which ~~GHG emission~~ reductions and~~/or carbon dioxide~~ removals generated by the project are eligible for issuance as VCUs.

This section contains:

- requirements for determining initial crediting period start date
- timelines in which a project proponent must list and register with the VCS Program
- allowable length of a ~~Project~~ crediting period
- ~~requirements for crediting period renewals must be renewed periodically to ensure that changes to a project's baseline scenario and regulatory surplus are taken into consideration throughout the project lifetime.~~

Requirements

Initial Crediting Period Start Date

3.8.1 The initial crediting period start date shall:

1) be consistent with the definition of initial crediting period start date in the *VCS Program Definitions*.
2) conform to any criteria set out in the applied methodology.
3) be established based on implementation of the earliest project activity, where the project includes multiple project activities.
4) determine the start of the first project monitoring period, which shall begin on the initial crediting period start date. Some methodologies may require project proponents to quantify emissions that occur prior to this date to account for all project or baseline emissions.

Table 6~~Table 6~~ provides examples of initial crediting period start dates for specific project types.

Commented [A47]: #49

Table 6. Examples of actions used to establish initial crediting period start date

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Project type or category	Examples of actions or dates used to establish initial crediting period start date
Geological carbon storage (GCS), energy and industry (E&I)	• Beginning commercial or functional operation • Distributing first units (e.g., cookstoves, water filters)
Afforestation, reforestation, and revegetation (ARR)	• Mechanical or chemical site preparation (e.g., soil preparation, clearing, soil disturbance, tree planting, pesticide application) • Implementing change in management or implementation practices that leads to regeneration
Improved forest management (IFM)	• Date on which harvesting would have occurred in the baseline scenario • For IFM projects generating removals only, date on which net carbon stocks exceed those in the baseline scenario • Implementing improved management plan or change in management practices
Reduced emissions from deforestation and degradation (REDD) – Avoiding planned deforestation (APD)	• Date on which planned deforestation would have occurred in the baseline scenario
Reduced emissions from deforestation and degradation (REDD) – Avoiding unplanned deforestation and/or degradation (AUDD)	• Implementing revised or adopted management or conservation plan and activities (e.g., start of patrolling and surveillance, hiring forest rangers) • Implementing sustainable forest management practices (e.g., non-timber forest products as alternative resources) • Implementing sustainable land management practices (e.g., improved sustainable farming practices) • Implementing degradation mitigation measures (e.g., fire management) • Implementing community-based activities • Funding conservation plans
Wetland restoration and conservation (WRC) – Rewetting wetland ecosystems (RWE)	• Planting wetland vegetation • Blocking drainage ditches with dams to rewet drained peatland • Removing tidal barriers to lower water levels on impounded tidal wetlands

Project type or category	Examples of actions or dates used to establish initial crediting period start date
Wetland restoration and conservation (WRC) – Conservation of intact wetlands (CIW)	• Implementing conservation management plan
Avoided conversion of grasslands and shrublands (ACoGS)	• Date on which planned conversion would have occurred in the baseline scenario • Implementing revised or adopted management or conservation plan or activities • Implementing degradation mitigation measures (e.g., fire management) or risk management interventions • Implementing community-based activities • Funding conservation plans
Agricultural land management	• Planting new crops to establish or expand rotations • Applying new soil amendments • Ceasing tillage (not tilling with historical frequency) • Operating new drip-irrigation
Livestock systems (LS)	• Installing or using new fencing or watering systems • Administering new feed additive • Initiating improvements to feeding regime, breeding, or vaccination

Listing and Registration Deadlines

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3.8.2 Project proponents shall submit a pipeline listing request[66] within one year of the initial crediting period start date.

3.8.3 Project proponents shall submit an initial registration request within the timelines set out in Table 7~~Table 7~~.

[66] See the *Registration and Issuance Process* for information on the pipeline listing process.

Table 7. Project registration deadlines

Project type	Registration request deadline
AFOLU	Five years from the initial crediting period start date
E&I, GCS	Two years from the initial crediting period start date
Exceptions	
AFOLU projects with ex-ante annual reduction and removal estimate of 20 000 t CO_2e or less	Eight years from the initial crediting period start date
ARR, RWE, and IFM projects of any size (exception does not apply to logged to protected forest, LtPF)	Eight years from the initial crediting period start date
E&I projects applying a new VCS methodology[67]	Four years from the initial crediting period start date and within two years of the approval of the new methodology

Project Crediting Period Length

General

3.8.4 The ~~total~~ project crediting period shall be determined as set out in Table 8~~Table 8, for non-AFOLU and non-GCS projects[68] shall be seven years twice renewable (for a total of up to 21 years), or ten years fixed.~~

Table 8. Crediting period length and renewals

Project type	Crediting period length	Number of times renewable	Maximum total project crediting period duration
ALM with SOC stock change	20–100 years	4	100 years
ARR			

[67] New VCS methodology in this context refers to both newly issued VCS methodologies and revisions to existing methodologies where the scope is expanded to include the project activity.

Project type	Crediting period length	Number of times renewable	Maximum total project crediting period duration
IFM			
REDD			
WRC			
ACoGS			
GCS	5 years	8	45 years*
E&I			
ALM without SOC stock change	5 years	2	15 years*
Livestock systems (LS)			

** Exemptions may apply in accordance with Section 3.8.8.*

3.8.5 Proponents of AFOLU projects shall have a credible and robust plan for managing and implementing the project over the project crediting period, including for monitoring and verifying the project's performance. Where the project crediting period is less than 40 years, the permanence of the project's carbon stocks shall be monitored in accordance with the requirements in Sections 3.2.25~~3.2.25~~–3.2.26~~3.2.26~~.

3.8.6 For ARR and IFM projects with harvesting, the following applies:

1) The project crediting period shall include complete harvest or cutting cycles.[69]

2) For selective cutting, where trees are individually selected for harvest, the harvest or cutting cycle is the allowable re-entry period into the harvest area as determined by legal and regulatory requirements or common practice.

3) For uneven-aged management, the longest harvest or cutting cycle shall be used as a reference.

Projects Registered or Previously Registered with Other GHG Programs

[69] For example, where a project includes harvest cycles of 12 years, the crediting period is at least 24 years and at most 96 years.

3.8.7 Projects registered or previously registered with other GHG programs and that are seeking certification with the VCS Program shall establish the crediting period start date in accordance with its definition in the *VCS Program Definitions*.

Commented [A50]: #101

Renewal of Project Crediting Period

~~3.9.1~~

3.8.8 Projects may be eligible for additional crediting period renewals where specified in the applied methodology. In such cases, the maximum number of additional crediting period renewals is specified in the methodology.~~:~~

~~3.9.2~~

3.8.9 For project crediting period renewal, the procedures in Section 3.8.11 shall apply. A crediting period renewal request shall be submitted to Verra:

1) where a project switches to a new VCS methodology,[70] within two years of Verra approving the applied methodology and within four years following the end of the previous project crediting period.

2) within two years following the end of the previous project crediting period otherwise.

~~3.9.3~~3.8.10 Where a project crediting period is not renewed within the timelines in Section 3.8.9, the total project crediting period shall end and the project shall be ineligible for further crediting.

~~**AFOLU Projects**~~

~~For ALM projects focusing exclusively on reducing N2O, CH4, and/or fossil-derived CO2 emissions, the total project crediting period shall be:~~

~~1) seven years twice renewable (for a total of 21 years), or~~

~~2) ten years fixed.~~

~~3.9.4 For all other AFOLU projects, the initial project crediting period:~~

~~1) shall be a minimum of 20 years up to a maximum of 100 years.~~

~~2) may be renewed at most four times, with a total project crediting period not to exceed 100 years.~~

~~3.9.5 Proponents of AFOLU projects shall have a credible and robust plan for managing and~~

[70] New VCS methodology in this context refers to both newly issued VCS methodologies and revisions to existing methodologies where the scope is expanded to include the project activity.

implementing the project over the project crediting period.

3.9.6 For ARR or IFM extension of rotation age or low-productive to high-productive projects with harvesting, the project crediting period shall include at least one complete harvest/cutting cycle. For selectively cut IFM projects where trees are individually selected for harvest, the harvest/cutting cycle is the allowable re-entry period into the harvest area as determined by legal and regulatory requirements and/or common practice.

Commented [A51]: #101

Projects Registered with Other GHG Programs

3.9.7 Projects registered with other GHG programs and that are seeking certification with the VCS Program are not eligible for VCU issuance:

1) beyond the end of the total project crediting period in those programs.[71]

2) after the earliest end date of all applicable project crediting periods where a project has been registered with more than one other GHG program.

Note: Since the total project crediting period in the Joint Implementation (JI) program is not defined ex-ante, the total project crediting period shall be deemed as 21 years for non-AFOLU JI projects and as 60 years for AFOLU JI projects.[72]

Renewal of Project Crediting Period

3.9.83.8.11 The following applies to the renewal of a project crediting periodAt project crediting period renewal, the project proponent shall:

1) apply the most recent version of the VCS Program rules, including an active methodology in accordance with Section 3.1.4.

2) demonstrate Rregulatory surplus shall be demonstrated in accordance with the requirements set out in Section 3.133.13, including an assessment of laws and regulations applicable at the time of crediting period renewal. A full reassessment of additionality is only required where specified by the applied methodology.

1)

2) for AFOLU projects, reassess tThe validity of the original baseline scenario in accordance with Section 3.2.4(3), substituting "crediting period" for "baseline validity period." shall be demonstrated, or where invalid, a new baseline scenario shall be determined as follows:

[71] For example, a Clean Development Mechanism (CDM) project with a seven-year twice-renewable project crediting period is not eligible for VCU issuance beyond the end of those 21 years.

[72] Consistent with the UNFCCC's other project-based mechanism, CDM

~~a) The validity of the original baseline scenario shall be assessed, including an evaluation of the impact of new relevant national and/or sectoral policies and circumstances.~~

~~b) Where it is determined that the original baseline scenario is still valid, the GHG emissions associated with the original baseline scenario shall be reassessed using the most recent version of the *CDM Tool to Assess the Validity of the Original/Current Baseline and to Update the Baseline at the Renewal of a Crediting Period*.~~

3) ~~Where it is determined that the original baseline scenario is no longer valid, the current baseline scenario shall be established in accordance with the VCS Program rules.~~

4) for E&I and GCS projects, reassess the validity of the baseline scenario, unless otherwise specified in the applied methodology,[73] using the most recent version of the *CDM Tool to Assess the Validity of the Original/Current Baseline and to Update the Baseline at the Renewal of a Crediting Period* and the applied methodology. Where the baseline scenario is~~The project description, containing updated information with respect to the baseline, additionality, reductions and removals, and monitoring plan, shall be submitted for validation, noting the following~~:

a) still valid, the GHG emissions and/or carbon stocks associated with the original baseline scenario shall be requantified for the new crediting period in accordance with VCS Program rules and the applied methodology.

~~a)~~b) no longer valid, the new baseline scenario shall be established and the associated GHG emissions and/or carbon stocks shall be quantified for the new crediting period in accordance with VCS Program rules and the applied methodology~~The updates shall be based upon the most recent approved version of the methodology or its replacement~~.

~~b) Where the project does not meet the requirements of the most recent approved version of the methodology or its replacement, the project proponent shall select another applicable approved methodology (which may be a new methodology or methodology revision), or shall apply a methodology deviation (where appropriate). Otherwise, the project shall not be eligible for renewal of its project crediting period.~~

~~5)~~ revise Sections 3.1–3.4, 3.5.1, 4, and 5 of the project description.[74] ~~The updated project description shall be validated in accordance with the most recent applicable VCS Program rules. The validation report shall be issued:~~

[73] For example, where specified in the applied methodology, projects using a dynamic performance benchmark for the crediting baseline are exempt from reassessing the validity of the baseline scenario at baseline reassessment.

[74] Section numbers are based on the *VCS Project Description Template, v4.4.*

6) within three years of the end of the previous project crediting period, where a project switches to a new VCS methodology[75] at project crediting period renewal within one year of Verra approving the applied methodology.

7)5) within two years following the end of the previous project crediting period otherwise.

8)6) submit the revised project description for validation in accordance with the most recent applicable VCS Program rules. Where a project crediting period is not renewed within the timelines in Section 3.9.7(4), the project crediting period shall end and the project shall be ineligible for further crediting.

Commented [A52]: #101

3.103.9 Project Scale

Concept

Projects are categorized by size according to their estimated average annual reductions or removals. Materiality thresholds differ for projects of different sizes.

Requirements

3.10.13.9.1 Project size is categorized as follows:

1) Projects: less than or equal to 300 000 t CO_2e per year
2) Large projects: greater than 300 000 t CO_2e per year

3.10.23.9.2 Materiality requirements for validation and verification differ according to project size, as set out in Section 4.1.94.1.9(4)4).

3.10.3 Where applying a methodology with scale and/or capacity limits, the project proponent shall demonstrate that the project is not a fragmented part of a larger project or activity that would otherwise exceed such limits. A project is considered a fragmented part of a larger project where within one kilometer of the project boundary there exists another project:

3.10.4 with the same project proponent.

3.10.5 with the same sectoral scope and project activity.

that has been registered with the VCS Program or another GHG program within the previous two years.

Commented [A53]: #78

[75] New VCS methodology in this context refers to both newly issued VCS methodologies and newly issued VCS revisions to approved GHG program methodologies. The extended deadline does not apply in relation to any subsequent versions of such new methodologies and new methodology revisions that may be issued.

~~3.11~~3.10 Project Location

Concept

~~The p~~Project location refers to a project's geographic information described in project documents, maps, and geolocation files. The project location must be clearly specified to ensure accurate and transparent monitoring, reporting, and verification of reductions and removals. Project location is also relevant in determining a ~~provided to accurately describe project characteristics and to demonstrate a~~ project's eligibility and conformance to other VCS Program rules~~requirements, such as project ownership and regulatory compliance~~.

Requirements

General

~~3.11.1~~3.10.1 The project location shall be specified in the project description with the following~~. Proponents of non-AFOLU and non-GCS projects shall provide~~:

1) ~~The c~~Country, region/state/province, district, and community/municipality/city, and, for jurisdictional REDD+ programs, the jurisdiction~~.~~

2) One or more maps that display: ~~a single set of geodetic coordinates for projects with a single project activity instance.~~

   a) for E&I projects, geodetic coordinates of all instances.

   b) for AFOLU projects:

      i) polygons that specify the project area.

      ii) all geographic areas required by the applied methodology to determine and maintain net reductions and removals, including any buffer zones, control sites, leakage belts, leakage management zones, project accounting areas, proxy areas, and reference regions.

   ~~a)~~c) for grouped projects, the eligibility area(s).

3) Any further project location information required by the applied methodology.~~for grouped projects and projects with multiple project activity instances either:~~

~~3.11.2~~3.10.2 A geolocation file shall be prepared at validation and verification in accordance with the *Geolocation File Preparation Tool*.

   ~~b) a set of geodetic coordinates for each instance, provided in a KML file; or~~

   ~~c) geodetic polygon(s) provided in a KML file that:~~

      ~~i) encompass all instances in the project.~~

ii) delineate the smallest administrative division of land for the local government.[76]

AFOLU AFOLU Projects

3.11.3 The spatial extent of AFOLU projects shall be clearly specified to facilitate accurate monitoring, reporting, and verification of reductions and removals and to demonstrate that the project meets the eligibility criteria of the relevant project category. The description of the project location shall include the following information:

1) Name of the project area (e.g., compartment number, allotment number, and local name)

2) Maps of the project zone

3) A KML file with geodetic polygons that precisely delineates the project zone of the AFOLU project where reductions and removals occur, in accordance with the following:

a) Where the project zone is comprised multiple polygons (parcels), the project location details of each polygon/parcel shall be included in the project description.

b) Proponents of grouped projects and non-grouped projects with multiple project activity instances shall provide geodetic polygons showing the boundary of each instance included in the project. Non-contiguous project activity instances shall be reflected in the polygons in the KML file.

c) KML files submitted at project validation shall exclude:

i) any non-eligible areas.[77]

ii) areas not part of the project area, as defined by the applied methodology.[78]

4) Total size of the project zone

5) Details of ownership

3.11.43.10.3 Pproject areas shall not overlap with the project area of another VCS certified AFOLU project.

3.10.4 Geographic areas that are impacted by implementation of project activities and contribute to the accounting of reductions or removals (e.g., leakage belts, leakage management zones, buffer zones) may only overlap with the geographic area of another AFOLU project where double counting does not occur.

Commented [A54]: #79

3.11.5 Project proponents shall demonstrate control over the entire project area with documentary

[76] For example, if the activity takes place within six villages, the six villages must each have their own polygon.

[77] For example, if a project activity relates to improved crop management, the KML file should only be for the participating croplands and should exclude any surrounding land that may be part of the property.

[78] For example, roads, water bodies, water ways, settlements

~~evidence establishing project ownership, noting the following:~~

~~1) For non-grouped projects, the entire project area shall be under the control of the project proponent at the time of validation or by the first verification event.~~

~~2) Where the project proponent does not yet have control over the entire area at validation:~~

~~a) the entire project area shall be validated as if it were under the project proponent's control and the project is ready to be implemented.~~

~~b) the project proponent shall apply a methodology with appropriate leakage methods that may be used if the entire area does not come under the project proponent's control.~~

~~3) Where less than 80% of the total proposed area of the project is under the project proponent's control at validation, the following applies:~~

~~a) The result of the additionality assessment shall be demonstrated to be applicable to the project area at the time of validation and to the entire project area to come under the project proponent's control in the future.~~

~~b) The monitoring plan shall be designed such that it is flexible enough to deal with changes in the size of the project area.~~

~~c) The project shall be verified within five years of validation, at which point the size of the project area becomes fixed.~~

~~4) Where the area fixed at verification is smaller than that intended at validation, areas that have not come under control of the project proponent shall be considered in leakage management, mitigation, and accounting.~~

Commented [A55]: #14

WRC-specific Requirements

~~3.11.6~~3.10.5 WRC projects located in a coastal zone shall consider the impact of expected sea level rise on wetland migration[79] when establishing the project area, noting the following:

1) Where the entire area expected to be impacted by landward expansion of the wetland area cannot be included at validation, projects may add land to the project area after the first verification to accommodate wetland migration due to sea level rise, following the requirements for a project description deviation as set out in Section 3.20~~3.20~~.

2) Where relevant, projects shall account for any changes in carbon sequestration or reductions resulting from lateral movement of wetlands.

~~3.11.7~~3.10.6 Proponents of WRC projects shall demonstrate one of the following:

[79] For example, the potential for landward expansion of the wetland area

1) There is no hydrological connectivity to adjacent (non-project) areas.

2) Hydrologically connected areas cannot negatively impact the hydrology within the project area in a way that would cause a significant increase in GHG emissions.

3) Projects are hydrologically connected to adjacent areas that may have a negative impact on hydrology within the project area, but such impacts will not result in a significant increase in GHG emissions, through implementation of the following:

   a) Proponents of peatland projects shall establish a WRC buffer zone to ensure that potential negative impacts to hydrology[80] in the project area are mitigated. The WRC buffer zone may be:

      i) inside the geographic boundary of the project area.

      ii) outside the geographic boundary of the project area provided it is adjacent to the project geographic boundary. Binding water management agreements with land holders in the WRC buffer zone shall be in place by the time of the first verification.

   b) Proponents of non-peatland projects shall do one of the following:

      i) Establish a WRC buffer zone as set out in Section 3.10.6~~3.10.7~~(3)(a) above.

      ii) Implement project activities or establish a mitigation plan to ensure that impacts to hydrology[81] do not result in a significant increase in GHG emissions. Emphasis shall be placed on hydrological connectivity that is immediately adjacent to the project area.

   c) Proponents of coastal wetland projects shall consider hydrological connectivity originating from adjacent lands and shall follow the applied methodology with respect to oceanic impacts.

   d) WRC buffer zones shall not overlap with another project's area. The size and shape of the WRC buffer zone shall be sufficient to avoid negative impacts on the project area, which may be demonstrated through peer-reviewed literature or expert judgment.

   e) Where a project activity to mitigate impacts from hydrological connectivity causes an increase in GHG emissions in the project area or WRC buffer zone, such emissions shall be included in GHG accounting where not deemed de minimis.

[80] For example, causing the water table in the project area to drop

[81] For example, interrupted water or sediment supply

~~3.12~~3.11 Project Boundary

Concept

The project boundary includes the GHG sources, sinks, and reservoirs that are relevant to the project and baseline scenarios. The relevant GHG sources, sinks, and reservoirs that must be included or excluded, or are optional, are set out in the applied methodology.

Requirements

~~3.12.1~~3.11.1 The project boundary shall be described (using diagrams, as required), noting the following:

1) GHG sources, sinks, and reservoirs shall be identified and assessed in accordance with the methodology applied to the project.

2) The project proponent shall provide justification where any relevant GHG source, sink, or reservoir is not included.

~~3.13~~3.12 Baseline Scenario

Concept

The baseline scenario represents the activities and GHG emissions that would occur in the absence of the project activity. The baseline scenario must be accurately determined so that an accurate comparison can be made between the GHG emissions and reductions or removals that would have occurred under the baseline scenario and the reductions and/or removals that were achieved by project activities.

Requirements

~~3.13.1~~3.12.1 The baseline scenario for the project shall be determined in accordance with the requirements set out in the methodology applied to the project, and the choice of baseline scenario shall be justified.

~~3.13.2~~3.12.2 Equivalence in type and level of activity of products or services provided by the project and the baseline scenario shall be demonstrated and, where appropriate, any significant differences between the project and the baseline scenario shall be explained.

~~3.13.3~~3.12.3 Assumptions, values, and procedures shall be selected that help ensure that reductions and removals are not overestimated when developing the baseline scenario.

~~3.13.4~~3.12.4 Government policies and legal requirements relevant to the project activity[82] shall be

[82] Such as minimum product efficiency standards, air quality requirements, carbon taxes, and subsidies

taken into account when determining the baseline scenario.

~~3.14~~3.13 Additionality

Concept

A project activity is additional where it can be demonstrated that the activity results in reductions or removals that are in excess of what would be achieved under a "business as usual" scenario and the activity would not have occurred in the absence of the incentive provided by carbon markets. Additionality is an important characteristic of GHG credits, including VCUs, because it indicates that they represent a net environmental benefit and a real reduction in GHG emissions or carbon dioxide removals, and can thus be used to offset emissions.

Requirements

3.13.1 Project proponents shall demonstrate regulatory surplus[83] at validation, ~~and each~~ project crediting period renewal, and verification with baseline reassessment as follows:

1) ~~For~~ For high-income countries,[84] project activities are not mandated by any law or regulatory framework

2) For all other countries, project activities are not mandated by any systematically enforced law or regulatory framework, evidenced by authoritative and up-to-date information relevant to the project activity.

~~1)~~3) For all countries, laws or regulatory frameworks that explicitly allow or incorporate the use of carbon credits (e.g., for the measurement and reporting of impact or enforcement of the law or regulatory framework) do not need to be considered.

Commented [A56]: #02

~~3.14.1~~3.13.2 Additionality shall be demonstrated and assessed in accordance with the requirements set out in the methodology applied to a project, noting the following exceptions:

1) Where a VCS module using an activity method,85 additionality may be demonstrated using the module instead of the additionality requirements set out in the methodology.86

[83] See the *VCS Program Definitions* for the definition of regulatory surplus.

[84] As classified by the World Bank; available at: https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups

[85] See the *VCS Methodology Requirements* for further information on activity methods.

[86] For example, if a module uses an activity method (i.e., positive list) to deem a project activity additional, the project proponent does not have to follow the additionality requirements in the methodology applied to the project and may

2) Where the applied methodology was developed under another ~~approved~~ GHG program and uses an activity method or other simplified procedure for demonstrating additionality, the project proponent shall demonstrate ~~to the VVB~~ that the simplified procedure is appropriate ~~to apply~~ to the project considering the project's characteristics, including the context in which the project activity takes place.[87] Otherwise, the project proponent shall use another appropriate ~~additionality assessment~~ method to demonstrate additionality ~~in substitution~~.

Commented [A57]: #43

~~ODS Projects~~

~~3.14.2 The project shall not be mandated by any law, statute, or other regulatory framework in the host country that was implemented on or before 11 November 2001, or the compliance rate of any such law, statute, or other regulatory framework during (part of) the project crediting period shall be below 50%.~~

Commented [A58]: #42

~~3.15~~3.14 Quantification of GHG Emission Reductions and Carbon Dioxide Removals

Concept

Reductions and removals achieved by projects are the basis for the volume of VCUs that can be issued. They must be quantified in accordance with applied methodologies.

Requirements

~~3.15.1~~3.14.1 GHG emissions, carbon stock changes, or carbon stocks shall be estimated for each GHG source, sink, and reservoir relevant for the project (including leakage) and baseline scenarios.

3.14.2 Project proponents shall quantify and report ~~T~~the reductions ~~or~~ and removals generated by ~~the~~ a project ~~:~~

1) ~~shall be quantified. Where both reductions and removals are generated, they shall be quantified and reported separately where the applied methodology provides procedures and equations to do so.~~ by country where the project spans more than one country.

2) by methodology where more than one methodology is applied.

~~1)~~3) with reductions quantified and reported separately from removals where the applied

instead demonstrate additionality by demonstrating that the project meets the applicability conditions and any other criteria of the activity method set out in the module.

[87] For example, where a project is developed in the United States and applies a CDM methodology which uses a simplified procedure for demonstrating additionality, the project proponent shall demonstrate ~~to the VVB~~ that the simplified procedure is appropriate ~~to apply~~ given that it was originally developed for application in a developing country context.

methodology provides procedures and equations to do so.

Commented [A59]: #57

~~3.15.2~~3.14.3 Metric tonnes shall be used as the unit of measure, and the quantity of each type of GHG shall be converted to tonnes of CO_2 equivalent (t CO_2e).

~~3.15.3~~3.14.4 All reductions and removals shall be converted to CO_2e using 100-year global warming potential (GWP) values, noting the following[88]:

1) For reductions and removals occurring on or after 1 January 2021, all ex-ante estimates and ex-post calculations shall be converted to CO_2e using GWP values from the IPCC *Fifth Assessment Report* (AR5).[89]

2) For reductions and removals occurring on or before 31 December 2020, all ex-ante estimates and ex-post calculations may be converted to CO_2e using the GWP values either from the *IPCC Fourth Assessment Report* (AR4) or from AR5.

Table 9. Selected GWP values from Table 8.A.1 in the *IPCC Fifth Assessment Report* (AR5)

Eligible GHG	Chemical Formula	100-year GWP value
Carbon dioxide	CO_2	1
Methane	CH_4	28
Nitrous oxide	N_2O	265

~~3.15.4~~3.14.5 Project proponents shall use the most recent version of available data sources:

1) to establish default values, data, and parameters for validation.

2) to monitor data and parameters for verification.

3.14.6 Project proponents may exclude specific carbon pools and GHG sources as *de minimis* where the applied methodology permits this and where one of the following applies:

1) The sum of the omitted decrease in carbon stocks (from carbon pools) and increase in GHG emissions (from GHG sources) in a given period is either:

   a) below the *de minimis* threshold specified in the applied methodology or,

   b) where no threshold is specified in the applied methodology, less than 5% of the

[88] Using the versions of the documents that are specified in the requirement, notwithstanding Section 1.1.2

[89] Table 8.A.1 in IPCC. (2013). *Fifth Assessment Report*. https://www.ipcc.ch/report/ar5/wg1/

reductions and removals generated across the period.

~~1)~~2) The applied methodology states that the carbon pools and GHG sources are de minimis and may be excluded without further analysis.

Commented [A60]: #09

Leakage in AFOLU Projects

Concept

Leakage management zones can minimize the displacement of land use activities to areas outside the project area by maintaining the production of goods and services, such as agricultural products, within areas under the control of the project proponent or by addressing the socioeconomic factors that drive land use change. Project proponents are encouraged to include leakage management zones as part of overall project design. Activities to mitigate leakage and sustainably reduce deforestation and/or forest or wetland degradation are encouraged.

~~3.15.5 The potential for leakage shall be identified for AFOLU projects.~~

Commented [A61]: #44

~~3.15.6~~3.14.7 Leakage mitigation activities may:

1) include the establishment of a leakage management zone inside the project boundary of WRC projects to mitigate ecological leakage.[90]

2) include the establishment of agricultural intensification practices on non-wetlands, lengthened fallow periods, agroforestry and fast-growing woodlots on degraded land, forest under-story farming, ecotourism and other sustainable livelihood activities, sustainable production of non-timber forest products, and/or sustainable aquaculture.

3) be supplemented by providing economic opportunities for local communities that encourage forest or wetland protection, such as employment as protected area guards, training in sustainable forest use or assisting communities in securing markets for sustainable forest products, such as rattan, vanilla, cacao, coffee, and natural medicines, or wetland products, such as rattan, fish, and shellfish.

~~3.15.7~~3.14.8 Where projects are required to account for leakage, it shall be documented in the appropriate section of the project description and/or monitoring report, as applicable.

~~3.15.8~~3.14.9 Project proponents shall evaluate market leakage in accordance with the requirements set out in the applied methodology.

~~3.15.9~~3.14.10 Proponents of IFM projects may determine leakage by applying the appropriate market leakage discount factor identified in Table 10~~Table 10~~ to the net change in carbon stock

[90] Where a project activity causes changes in GHG emissions or fluxes of GHG emissions from ecosystems that are hydrologically connected to the project area

associated with the activity that reduces timber harvest.

Table 10. Market leakage discount factors

Project Action	Leakage Risk	Market Leakage Discount Factor
IFM activity with no or minimal effect on total timber harvest volumes (e.g., reduced impact logging (RIL) with less than 25% reduction)	None	0%
IFM activity that leads to a shift in harvests across time periods but minimal change in total timber harvest over time (e.g., extended rotation age / cutting cycle (ERA) with rotation extension of 5–10 years)	Low	10%
IFM activity that substantially reduces harvest levels permanently (e.g., RIL activity that reduces timber harvest across the project area, or project that halts logging by at least 25%)	Moderate to high	Conditional upon where timber harvest is likely to be shifted, as follows: • Where the ratio of merchantable biomass to total biomass is higher within the area to which harvesting is displaced than in the project area, 20% • Where the ratio of merchantable biomass to total biomass is similar within the area to which harvesting is displaced as in the project area, 40% • Where the ratio of merchantable biomass to total biomass is lower within the area to which harvesting is displaced than in the project area, 70% • Where the leakage is out of country, 0%

~~3.15.10~~3.14.11 Leakage occurring outside the host country (international leakage) does not need to be quantified.

~~3.15.11~~3.14.12 Project proponents shall not account for positive leakage (i.e., where GHG emissions decrease or removals increase outside the project area due to project activities).

~~3.15.12 Where the applied methodology does not set out a method to determine whether leakage is de minimis, project proponents may use the process set out in:~~

~~1) the VCS Methodology Requirements.~~

~~2) the CDM A/R Tool for Testing Significance of GHG Emissions in A/R CDM Project Activities.~~

Commented [A62]: #09

~~3.15.13~~3.14.13 For validation, project proponents may apply the following optional default

leakage deductions to gross reductions and/or removals:

1) 15% activity-shifting leakage deduction where the applied methodology requires the quantification of activity-shifting leakage

2) 10% market leakage deduction where:

    a) the applied methodology requires the quantification of market leakage,

    b) timber is a significant[91] commodity that is driving deforestation and/or degradation in the baseline scenario, and

    c) the project country is not a leading producer or exporter of forest products as defined by the United Nations Food and Agriculture Organization (FAO).[92]

~~3.15.14~~3.14.14 Project proponents shall:

1) monitor and calculate leakage in accordance with the applied methodology for all ex-post accounting (i.e., at each verification).

2) deduct leakage from the reductions and/or removals of the project.

~~3.15.15~~3.14.15 The number of VCUs issued to projects is determined by subtracting out the buffer credits from the reductions and/or removals (including leakage) associated with the project. The buffer credits are calculated by multiplying the non-permanence risk rating (as determined by the *AFOLU Non-Permanence Risk Tool*) by the change in carbon stocks only.[93]

~~3.16~~3.15 Monitoring

Concept

The impacts of project activities on relevant emission sources, sinks, and reservoirs must be monitored to determine the net reductions and removals. Projects must be monitored in accordance with the applied methodology.

Requirements

Data and Parameters

~~3.16.1~~3.15.1 Data and parameters used for the quantification of reductions and/or removals shall

[91] Defined as contributing to 20% or more of baseline emissions

[92] The FAO releases annual lists of countries that are major producers and major exporters of forest products, available at: https://www.fao.org/forestry/statistics/data/en

[93] The full rules and procedures with respect to assignment of buffer credits are set out in the Registration and Issuance Process.

be provided in accordance with the methodology.

~~3.16.2~~3.15.2 Quality management procedures to manage data and information shall be established and applied. Where relevant, procedures to account for uncertainty in data and parameters shall be applied in accordance with the requirements set out in the methodology.

Monitoring Plan

~~3.16.3~~3.15.3 Project proponents shall establish a GHG information system for obtaining, recording, compiling, and analyzing data and information important for quantifying and reporting reductions and/or removals relevant to the project (including leakage) and baseline scenarios.

~~3.16.4~~3.15.4 Project proponents shall establish a monitoring plan for the project that includes roles and responsibilities.

~~3.16.5~~3.15.5 Where measurement and monitoring equipment is used, the project proponent shall ensure the equipment is calibrated according to the equipment's specifications and/or relevant national or international standards.

~~3.17~~3.16 Sustainable Development Contributions

Concept

Project proponents must demonstrate how project activities contribute toward the United Nations Sustainable Development Goals (SDGs). Project proponents are encouraged to align the SDG contributions of project activities with national priorities, where relevant and feasible.

Requirements

~~3.17.1~~ Project activities ~~proponents~~ shall ~~demonstrate~~be aligned with the SDG objectives of the host country, where such SDG objectives are relevant to the project.~~:~~

~~3.17.2 how the project activities or additional activities implemented by the project proponent contribute to sustainable development, as defined by and tracked against the SDGs.~~

~~3.17.3 that the project contributes to at least three SDGs by the end of the first monitoring period, and in each subsequent monitoring period.~~

~~3.17.4~~3.16.1 ~~Where possible, project proponents should demonstrate how the project activity(s) is consistent with the SDG objectives of the host country.~~

~~3.17.5~~3.16.2 Project activities, or additional activities implemented by the project proponent, shall contribute to sustainable development, demonstrated through one of the following~~s do not need to demonstrate conformance to Section 3.17.1 separately where the project has, at the same time as a VCS Program verification, reported contributions to at least three SDGs in a verification to~~:

1) Quantifying contributions to specific targets and indicators of at least three SDGs[94] for the monitoring period. Where no relevant official SDG indicator exists, a project-specific indicator may be used. ~~the Climate, Community & Biodiversity Standards (CCBS) Program.~~

2) Completing a verification to the VCS Program concurrently with the Climate, Community & Biodiversity Standards (CCBS) or ~~the~~ Sustainable Development Verified Impact Standard (SD VISta) Programs and documenting contributions to at least three SDGs.

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~~3.18~~3.17 Stakeholder Engagement

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Concept

This section outlines the requirements for identifying and engaging stakeholders effectively, to maintain meaningful, transparent, and ongoing communication and resolve any project grievances in a timely manner.

Effective stakeholder engagement[95] is essential to project design and implementation. It enables strong, constructive, and responsive relationships that support successful and sustainable outcomes. It is tailored to the project activity type, scale, context, and environmental and social risks. For example, where an AFOLU project affects the statutory or customary rights of Indigenous Peoples (IPs) and local communities (LCs), such groups must be meaningfully engaged in the design and implementation of project activities through free, prior, and informed consent (FPIC). Where a landfill gas project involves road construction to access facilities, the project proponent must consult stakeholders living in the area that will be affected by the project.

Initiating stakeholder engagement in the early stages of project development helps guide decision-making and supports comprehensive assessment, mitigation, and monitoring of a project's environmental, social, and governance risks. Before the project start date, project proponents must identify stakeholders, develop and provide access to the project's grievance redress mechanism, prepare a stakeholder engagement plan tailored to the identified stakeholder groups' needs, and engage stakeholders accordingly.~~Project proponents must engage with stakeholders during project design and implementation. Where the term "stakeholders" is used in VCS Program documents, it may refer to a person, entity, or stakeholder group.~~

Requirements

Stakeholder ~~Engagement and Consultation~~Identification

3.17.1 Before the project start date, project proponents shall, using the *VCS Stakeholder Engagement*

[94] UN Statistics Division. "SDG Indicators." Available at: https://unstats.un.org/sdgs/indicators/indicators-list/

[95] See the *VCS Program Definitions* for the definition of stakeholder engagement.

Plan Template and associated guidance:

1) in partnership with any IPs or LCs present in the project area, identify stakeholders, with special attention to identifying women, marginalized people, and vulnerable people.[96]

2) record the methods and processes used for stakeholder identification.

3) assign all identified stakeholders to at least one stakeholder group[97] and describe the characteristics of each group.

4) determine the appropriate level of engagement for each stakeholder group using the classifications in Table 11~~Table 11~~.

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Table 11. Levels of engagement for stakeholder groups

Stakeholder group classification	Level of engagement[98]	Requirements
Customary rights holders and IPs	Empower to co-design, obtain FPIC, and maintain ongoing consent.	3.17.3–3.17.23
Directly affected stakeholders Stakeholders other than customary rights holders and IPs whose rights, health, livelihoods, access to or use of resources, or daily lives are likely to be materially affected by the project	Enable influence in decision-making on matters that affect them.	
Key enabling stakeholders Stakeholders whose endorsement, support, or participation is essential for the project's implementation or success	Collaborate to align the project with policies, frameworks, and processes affecting the project.	3.17.3–3.17.10 3.17.22–3.17.23
Secondary enabling stakeholders Stakeholders whose support helps facilitate or enhance project implementation, but whose involvement is not essential to the project	Involve and consider their suggestions or concerns about the project.	

[96] See the *VCS Program Definitions* for the definitions of Indigenous Peoples (IPs), local communities (LCs), stakeholder, marginalized people, and vulnerable people.

[97] See the *VCS Program Definitions* for the definition of stakeholder group.

[98] Adapted from UNDP. 2017. *Guidance on Social and Environmental Standards on Stakeholder Engagement.* https://ses-toolkit.info.undp.org/sites/g/files/zskgke446/files/SES%20Document%20Library/Social%20and%20Environmental%20Standards/UNDP%20SES%20Stakeholder%20Engagement%20GN_Oct2017.pdf and Initiative for Climate Action Transparency (ICAT). 2020. *Stakeholder Participation Guide.* https://climateactiontransparency.org/wp-content/uploads/2020/04/Stakeholder-Participation-Assessment-Guide.pdf

Stakeholder group classification	Level of engagement[98]	Requirements
Interested stakeholders Stakeholders that show or are known to have an interest in the project, but that will not be materially affected by project activities	Inform about the project's objectives, outcomes, and risks.	

Stakeholder Engagement Plan

3.17.2 Before the project start date, project proponents shall prepare a stakeholder engagement plan:

1) using the VCS Stakeholder Engagement Plan Template and associated guidance.

2) in accordance with the stakeholder engagement requirements in this section.

3) to be implemented throughout the project lifetime and updated for each verification.

~~Project proponents shall conduct a thorough assessment of the stakeholders that will be impacted by project activities, considering the significance of user populations and how deeply affected they may be by the project activities.[99]~~

Stakeholder Engagement and FPIC Processes

~~3.18.1~~3.17.3 Before the project start date and throughout project implementation, project proponents shall consult stakeholders according to the stakeholder engagement plan.~~The project description shall include at least the following information on stakeholders at the start of the project:~~

~~1) The processes used to identify stakeholders likely impacted by the project and a list of such stakeholders~~

~~2) Identification of any legal or customary tenure/access rights to territories and resources, including collective and/or conflicting rights, held by stakeholders~~

~~3) A description of the social, economic, and cultural diversity within stakeholders and the differences and interactions between stakeholders~~

~~4) Any significant changes in the composition of stakeholders over time~~

~~5) Expected changes in well-being and other stakeholder characteristics under the baseline scenario, including impacts on resources identified as important to stakeholders~~

~~6) The location of stakeholders, Indigenous Peoples, local communities, customary rights holders, and areas outside the project area that are predicted to be impacted by the project~~

~~[99] Distant or intermittent user groups who will be affected in very limited ways by the project need not be defined as stakeholders.~~

~~7) The location of territories and resources which stakeholders own or to which they have customary access~~

~~8) Any barriers to stakeholder engagement such as literacy and location or connection to electricity and how the project proponent will address such barriers.~~

~~3.18.2~~3.17.4 Throughout the stakeholder engagement and FPIC[100] processes, project proponents shall~~Before implementing project activities, project proponents shall conduct a stakeholder consultation that is inclusive, culturally appropriate, and respectful of local knowledge. Such consultations shall include~~:

1) ensure that stakeholders are free from pressure, intimidation, manipulation, and coercion by the project proponent, state actors, and third parties.~~a representative from each stakeholder group.~~

2) use inclusive, locally and culturally appropriate, and gender-sensitive methods.~~agreement and consent from stakeholder groups to participate in the consultation~~

3) provide information in simple, understandable terms in the local language. Where stakeholders do not speak the local language, provide translations in a language and format understandable to them.~~a discussion of the project design and implementation~~

4) be timely[101] in information-sharing and scheduling meetings and hold in-person meetings in community-approved locations~~information on the risks, costs, and benefits the project may bring to stakeholders~~.

5) give all stakeholders the opportunity to provide input, raise concerns, and express desires, consistent with the levels of engagement for stakeholder groups set out in the stakeholder engagement plan~~explanation of all relevant laws and regulations covering workers' rights in the host country~~.

6) respect stakeholders and their autonomy, customs, values, and institutions, including their governance structures and legitimate representation where these exist~~information on impact to property rights as part of the free, prior, and informed consent (FPIC) process~~.

7) facilitate free expression of women, marginalized people, and vulnerable people and provide them with targeted opportunities to influence project design and implementation~~discussion of benefit sharing where relevant~~.

8) take due account of all input received through stakeholder engagement and FPIC during project design and implementation, and incorporate the input into decisions, analysis, or

[100] See the *VCS Program Definitions* for the definition of free, prior, and informed consent (FPIC).

[101] For example, allow 30-day periods for all stakeholders to analyze complex changes like project delays or scope adjustments, 15–30 days for minor changes like schedule adjustments, and 7–14 days for minor changes like administrative updates

actionsinformation on the process of VCS validation and verification and the VVB's site visit.

9) prevent and prohibit retaliation, threats, and harassment against any stakeholder for withholding consent, submitting project grievances, speaking publicly about the project, or engaging in related actions.

10) at the earliest interactions with stakeholders, provide all stakeholders access to the project's grievance redress mechanism (see Sections 3.17.22–3.17.23), and Verra's Grievance Redress Policy.

8)11) enable direct communication between the VVB and all stakeholders during validation and verification processes, including site visits.

3.18.33.17.5 The following information shall be provided to stakeholders, as appropriate for their respective groupsProject proponents shall take due account of all input received during stakeholder consultation and through ongoing communications, noting the following:

1) An introduction to carbon markets, carbon projects, the process for registering projects with and issuing VCUs in the VCS Program, the scope and process of validation and verification, and carbon accounting relevant to the project activity Input from stakeholders may require updates to project design, which shall be reported as a project description deviation.

2) Proposed project activities, including location, duration, and how customary rights holders, IPs, stakeholders, and land or resource rights would be affectedWhere the project design is not updated, the project proponent shall justify why updates are not appropriate.

3) Stakeholders identified to date and the stakeholder engagement planThe project proponent shall demonstrate in the project description and monitoring report the action it has taken in response to stakeholder consultation and ongoing communications, respectively.

4) Risks identified and mitigation measures established in the environmental, social, and governance risk assessment (see Section 3.18.1)

5) Status of project design and implementation, including the results of any monitoring

6) All relevant international laws on stakeholders' human, labor, IPs, LCs, or any other rights, and any relevant national and local laws

7) Stakeholder input tracker, including any existing tracker entries, maintained in accordance with Section 3.17.6

8) Before a site visit for validation or verification, the most recent version of the project description and monitoring report that has been submitted to Verra

3)9) Where FPIC is required for the project, the status of the FPIC process and project implementation agreement

~~3.18.4~~3.17.6 Project proponents shall maintain a stakeholder input tracker to record input received from stakeholder engagement and FPIC processes that~~Project proponents shall develop a grievance redress procedure to address disputes with stakeholders that may arise during project planning and implementation, including with regard to requirements in Sections 3.18 and 3.19. The procedure shall include processes for receiving, hearing, responding to, and attempting to resolve grievances within a reasonable time period, taking into account culturally appropriate conflict resolution methods. The procedure and documentation of disputes resolved through the procedure shall be made publicly available. The procedure shall have three stages~~:

1) is categorized by the input's source and date~~The project proponent shall attempt to amicably resolve all grievances and provide a written response in a manner that is culturally appropriate~~.

2) labels any stakeholder private and confidential information[102] that stakeholders request be kept as such~~Any grievances that are not resolved by amicable negotiations shall be referred to mediation by a neutral third party~~.

~~3)~~ describes how the input influenced project design or implementation (e.g., what actions were taken and when) or explains why no action was necessary or appropriate~~Any grievances that are not resolved through mediation shall be referred, without prejudice to a party's ability to submit the grievance to a competent supranational adjudicatory body, if any, to either:~~

~~a) arbitration, to the extent allowed by the laws of the relevant jurisdiction, or~~

~~3)~~ ~~b) competent courts in the relevant jurisdiction~~.

4) is made publicly available to all stakeholders, excluding any identified stakeholder private and confidential information.

~~3.18.5~~3.17.7 Consultations may be held with a subset of stakeholders from a stakeholder group, provided the subset~~Project proponents shall establish mechanisms for ongoing communication with stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation. As part of ongoing consultation, the project proponent shall communicate at least~~:

1) consists of stakeholders authorized by the respective group (via express authorization or their governance system)~~the risks, costs, and benefits the project may bring to stakeholders~~.

~~2)~~ is sufficiently representative of the diversity within the stakeholder group~~the benefit sharing mechanism, where relevant.~~

[102] See the *VCS Program Definitions* for the definition of stakeholder private and confidential information.

3) the ongoing FPIC process.

4)2)all relevant laws and regulations covering workers' rights in the host country.

3.18.63.17.8 Project proponents shall conform to the following regarding in-person consultationsPrior to each validation and verification event, the project proponent shall communicate to stakeholders:

1) Document each consultation meeting, capturing key discussion topics, decisions, action items, attendees, and signatures of stakeholder group representativesthe project design and implementation, including the results of monitoring.

2) Where unfeasible to conduct consultations in-person due to conditions outside the project proponent's control (e.g., weather, sociopolitical conditions, safety concerns for project workers), they may be conducted through alternative arrangements[103] provided these allow for free and open dialogue between the project proponent and stakeholdersthe risks, costs, and benefits the project may bring to stakeholders.

3) the benefit sharing mechanism where relevant.

4) the ongoing FPIC process.

5) all relevant laws and regulations covering workers' rights in the host country.

6)2) the process of VCS validation and verification and the VVB's site visit.

Free, Prior, and Informed Consent (FPIC)

3.17.9 Where major changes to the conditions initially consulted on are expected or occur, the project proponent shall inform stakeholders as early as possible and consult on the changes where required by the stakeholder engagement planProject proponents shall respect stakeholders' rights to participate in and consent to consultation as part of project design and implementation.

Ongoing Communication

3.18.73.17.10 Throughout project implementation, project proponents shall communicate on an ongoing basis with all stakeholder groups toThe project may affect property rights only where free, prior, and informed consent[104] is obtained from those concerned, including Indigenous Peoples, local communities, and customary rights holders, and a transparent agreement is reached that includes provisions for just and fair compensation. Where there are any ongoing or unresolved conflicts over property rights, usage, or resources, the project proponent shall

[103] For example, virtual meetings, distribution and collection of written material, employing a local mediator

[104] For guidance on free, prior and informed consent, see Anderson, P. 2011. *Free, Prior and Informed Consent in REDD+: Principles and Approaches for Policy and Project Development*. RECOFTC and GIZ; and FAO. 2016. *Free Prior and Informed Consent. An Indigenous Peoples' Right and a Good Practice for Local Communities*. FAO.

~~undertake no activity that could exacerbate the conflict or influence the outcome of an unresolved dispute. Prior to establishing an agreement, the project proponent shall disclose, at a minimum, the following information~~:

1) provide information about the project's design and implementation progress.~~The nature, size, pace, reversibility, and scope of any proposed project or activity~~

2) inform of changes to any of the following: ~~The reason(s) or purpose of the project and/or activity~~

   a) Land or resource rights analysis, where required by ~~The duration of the project activities~~Section 3.6.3

   b) Environmental, social, and governance risk assessment[105] and observed impacts, if any (see Sections 3.18.1–3.18.3)

   c) Ongoing FPIC process and the benefit-sharing mechanism, where applicable

   ~~a) Relevant laws and regulations governing stakeholder groups~~

   ~~b) The locations that will be affected~~

~~3) A preliminary assessment of the likely economic, social, cultural, and environmental impact, including potential risks and fair and equitable benefit sharing in a context that respects the precautionary principle~~

   ~~a)~~d)~~Personnel likely to be involved in the execution of the proposed project (including Indigenous Peoples, private sector staff, research institutions, government employees, and others)~~

~~Public Comments~~Free, Prior, and Informed Consent

Conditions under which FPIC Applies

3.17.11 Before the project start date, free, prior, and informed consent shall be obtained from customary rights holders and IPs, consistent with their right to self-determination, where any of the following apply:

1) Customary rights holders and IPs are identified as stakeholders present in the project area.

2) Competing claims to land or resource rights involving customary rights are identified in accordance with Section 3.6.6(2)–(3).

3) Risks to the cultural heritage[106] or traditional livelihoods of customary rights holders and IPs are identified in accordance with Section 3.18.1.~~All projects are subject to a 30-day~~

[105] For example, new risks, updated risk levels, new or enhanced mitigation measures

[106] Examples of cultural heritage include the use of traditional knowledge, practices, and methods.

~~public comment period, beginning on the date on which the project is listed on the project pipeline as *under validation*.[107]~~

Benefit-sharing Mechanism

3.17.12 Where a project affects land or resource rights holders or there are customary rights holders or IPs present in the project area, the project proponent shall:

1) design a benefit-sharing mechanism jointly with such rights holders before the project start date.

~~1)~~2) implement the benefit-sharing mechanism throughout the project lifetime. Such rights holders become benefit-sharing mechanism participants~~Projects shall remain on the project pipeline as *under validation* for the entirety of their 30-day public comment period~~.

3.17.13 Project proponents shall provide benefit-sharing mechanism participants with~~Any comments shall be submitted through the project's page on the Verra Registry. At the end of the public comment period, Verra provides to the project proponent and the VVB all comments received. Verra makes public on the project's page on the Verra Registry a summary of all comments received:.~~

1) when designing the mechanism, projected project revenues and expected costs.

~~1)~~2) annually, once the mechanism is implemented, project operating costs, and gross or projected revenues, as relevant.

~~3.18.8~~3.17.14 ~~Project proponents shall take due account of all comments received during the consultation and demonstrate that~~The benefit-sharing mechanism shall:

1) specify the benefits for benefit-sharing mechanism participants, which may be monetary, in-kind, or a combination of both, and the timeline for distribution of each benefit.~~they have updated the project design in response to the comment, or~~

2) be appropriate to the local context and shared using culturally appropriate methods~~the comment is insignificant or irrelevant~~.

3) be consistent with applicable national rules and regulations. Where such regulations conflict, the framework that provides greater protection for the benefit-sharing mechanism participants takes precedence.

4) be accessible, in a written or other format as appropriate, to all benefit-sharing mechanism participants during initial design and implementation of the mechanism.

5) account for potential changes in benefits (e.g., a decrease in gross revenue caused by

~~[107] See the *Registration and Issuance Process* for more information on the VCS Program project pipeline.~~

carbon credit price fluctuations).

~~2)~~6) establish a schedule for reporting on implementation of the mechanism to benefit-sharing mechanism participants.[108]

3.17.15 Project proponents shall not consider the following as benefits under the benefit-sharing mechanism:~~The VVB shall not finalize validation until the 30-day public comment period has ended and it has evaluated the project proponent's responses to any comments received.~~

1) Implemented project activities (e.g., in an ARR project, the planted trees), except where additional benefits result from the outcomes of project activities (e.g., harvesting of non-timber forest products resulting from planted trees in an ARR project) and those benefits are entirely for benefit-sharing mechanism participants

2) Infrastructure necessary to implement the project (e.g., roads to access the project area)

3) Measures designed to mitigate safeguards-related risks (e.g., not adversely impacting habitats for rare, threatened, or endangered species adjacent to the project)

~~1)~~4) Project workers' salaries

~~3.18.9~~ Project proponents shall develop a plan with benefit-sharing mechanism participants for the continued functioning of any in-kind benefits that involve infrastructure unrelated to project activities, including an agreed-upon duration for the plan (e.g., provisions for ongoing operational needs, such as staffing or supplies for schools, clinics, or other facilities)~~Stakeholders may submit comments outside of the 30-day public comment period.[109] The project proponent shall:~~

~~1) address any comments received from Verra within one year of receipt.~~

~~2) respond to the stakeholder.~~

3.17.16 ~~complete a project description deviation where relevant, or justify in the project description or monitoring report why no action was needed~~.

Project Implementation Agreement

3.17.17 As an outcome of the FPIC process, project proponents, customary rights holders, and IPs shall agree on and sign a written project implementation agreement that:~~The VVB shall assess the project proponent's responses to all comments received as part of the subsequent validation and/or verification.~~

[108] An example of such reporting includes indicators to evaluate the delivery of in-kind benefits.

[109] ~~See the *Registration and Issuance Process* for more information on comments received outside of the 30-day public comment period.~~

1) indicates whether free, prior, and informed consent is granted, conditioned, or withheld.

2) complies with legal requirements under national laws.

3) is in English and in a language understood by the customary rights holders and IPs.

4) includes all of the following:

a) A description of the project activities and project area

b) Responsibilities of all parties, including any project management roles and responsibilities assumed by customary rights holders and IPs, and the role of the project proponent in respect of registration of the project with the VCS Program

c) The project's start and end date

d) Frequency with which the project proponent will update customary rights holders and IPs on project implementation and its activities to maintain ongoing consent

e) The terms and expected outcomes of the benefit-sharing mechanism, where such mechanism is required

f) Land or resource use rights that customary rights holders and IPs continue to hold, where relevant

g) Indication of any information in the agreement that is classified as stakeholder private and confidential information

5) is signed by representatives to whom valid and sufficient powers have been granted by the customary rights holders and IPs, in accordance with their governance framework and the FPIC process.

6) is made publicly available, unless the customary rights holders and IPs want it kept private.

Ongoing Consent

3.17.18 Project proponents shall update customary rights holders and IPs on project implementation according to the frequency specified in the project implementation agreement (see Section 3.17.17(4)(d)).

3.17.19 Where major changes to the conditions upon which consent was granted are expected or occur,[110] the project proponent shall:

1) obtain consent from customary rights holders and IPs, as early as possible.

2) amend the project implementation agreement to reflect the revised terms of consent,

[110] For example, a project proponent is released from the project, or baseline reassessment impacts reduction and removal volumes and therefore benefits available to benefit-sharing mechanism participants

where necessary.

Public Comments

3.17.20 Project proponents shall take due account of all comments received from Verra (as further described in the *Registration and Issuance Process*) within the following timelines:

1) For comments received within the 30-day public comment period, before the validation process is finalized

2) For comments received outside the 30-day public comment period, no later than 12 months after receipt[111]

3.17.21 Stakeholders may submit comments at any time to request required project documents ~~that~~ where these are missing from the Verra Registry. The Verra Registry will coordinate~~s~~ with the project proponent to provide any such documents ~~to the project record~~ on the Verra Registry and ~~and~~ notif~~y~~ies the stakeholder once the document is posted.

Grievance Redress Mechanism

3.17.22 Project proponents shall:

1) before the project start date, establish and make publicly available a grievance redress mechanism to address concerns from stakeholders that may arise during project design and implementation.

2) cooperate with governments, stakeholders, and any other parties in resolving project grievances.[112]

3.17.23 The grievance redress mechanism shall:

1) be translated to a language understandable to all stakeholders, where necessary.

2) specify processes to:

a) receive, through various channels including anonymous submissions, and acknowledge project grievances within 21 days.

b) resolve project grievances through culturally appropriate, gender-sensitive, and traditional conflict resolution methods.

c) attempt to resolve project grievances within a reasonable time period.

d) track the progress of project grievances through their resolution, maintaining confidentiality of the information that stakeholders submit as stakeholder private and

[111] See the *Registration and Issuance Process* for more information on the project pipeline.

[112] See the *VCS Program Definitions* for the definition of project grievance.

confidential information, including where the complainant chooses to remain anonymous.

e) prevent and prohibit retaliation, and ensure accountability for any retaliation, intimidation, or harassment against stakeholders who submit project grievances or their supporters.

f) appeal project grievance resolutions.

3) have three stages:

a) Stage 1: Attempt to resolve the project grievance amicably or in good faith.

b) Stage 2: If unresolved, refer the matter to mediation by a neutral third party.

~~a)~~c) Stage 3: If still unresolved, refer the matter to either arbitration, as allowed for by the laws of the relevant jurisdiction, or competent courts in the relevant jurisdiction. Regardless of the method of dispute resolution used, stakeholders should retain the ability to submit a dispute in relation to the project grievance to a competent supranational adjudicatory body, as applicable.

~~3.19~~3.18 Environmental, Social, and Governance Safeguards

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Concept

Project~~s might activities must not~~ negatively impact stakeholders or the ~~the natural~~ environment ~~or communities~~. The risk of this varies in severity and likelihood depending on a project's activity type and context. Therefore, risk assessment, implementation of mitigation measures, monitoring, and adaptive management are critical to maintaining integrity and trust, protecting the rights and livelihoods of stakeholders, preserving biodiversity, and enhancing the durability of carbon benefits. ~~Project proponents must identify and address any negative environmental and socio-economic impacts of project activities.~~

This section sets out requirements to:

- conduct an environmental, social, and governance risk assessment before the project start date, to identify risks and design commensurate mitigation measures that meet or exceed the safeguards requirements set out in this section, to avoid, minimize, or mitigate such risks.
- implement mitigation measures throughout the project lifetime and continually monitor their effectiveness.
- apply adaptive management to integrate stakeholder input and lessons learned from project implementation to enhance protections for stakeholders and the environment.

Requirements

Risk Assessment and Adaptive Management~~No Net Harm~~

~~3.19.1~~3.18.1 Before the project start date, project proponents shall conduct and document a risk assessment, using the *VCS Environmental, Social, and Governance Risk Assessment Template* and associated guidance, to~~Project proponents shall~~:

1) assess the risks of negative environmental, social, and governance impacts resulting from the project, considering the project's scope and scale, with particular attention to impacts on women, children, marginalized people, and vulnerable people, where such stakeholders are identified in Section 3.17.1~~identify any potential negative environmental and socioeconomic impacts of project activities~~.

2) design mitigation measures commensurate with the respective risk levels that address the safeguards requirements set out in Sections 3.18.4–3.18.38 and any other risks identified in the assessment~~design and implement measures, commensurate with the identified risks, to mitigate such potential negative impacts~~.

3.18.2 Throughout project design and implementation, project proponents shall:

1) implement the mitigation measures specified in the risk assessment.

2) continually monitor project risks and the effectiveness of mitigation measures, to determine whether the risk assessment needs to be updated to reflect newly identified risks, adjust risk levels or mitigation measures, or design new mitigation measures.

3) mitigate potential, or remedy actual, negative environmental, social, and governance impacts identified.

4) to the extent feasible, incorporate improvements in best practices or technologies that enhance or support mitigation measures.

5) adapt project design to address changes in local circumstances, regulatory frameworks related to safeguards and stakeholder engagement, and ecological conditions that affect the project.

3.18.3 For verification, the project proponent shall update the risk assessment to report on:

1) changes to project risks, including new risks identified.

2) implementation of mitigation measures, including those adjusted during the monitoring period, and any actual negative environmental, social, or governance impacts.

Environmental Safeguards

~~3.19.2 Risks identified and mitigation measures designed and implemented following Sections 3.19.4–3.19.29 shall be reported in the project description for validation and the monitoring report for each verification.~~

Biodiversity Conservation and Sustainable Management of Living Natural Resources

3.18.4 Project proponents shall ensure that project activities avoid or minimize negative impacts on biodiversity and ecosystems.[113]

3.18.5 Where a project is in or adjacent to habitats for rare, threatened, or endangered species[114] or areas needed for habitat connectivity, the project shall protect such habitats.

3.18.6 Where project activities include planting or introduction of species, the project proponent shall:

1) identify invasive species using, in order of priority, local or regional invasive species registries, other locally applicable information sources, or global invasive species registries.

2) not introduce invasive species or allow invasive species to thrive.

3) not use any species that threaten the existence of endangered species.

3.18.7 Project proponents shall minimize soil degradation, soil erosion, water consumption, and water stress in the project area.

Ecosystem Conversion

~~3.19.3 Additional certification standards may be applied to demonstrate the project's social and environmental benefits beyond GHG emission reductions and/or carbon dioxide removals.~~ Ecosystem conversion to an intensive land use ecosystem (classified under T7 in IUCN's Global Ecosystem Typology)[115] is not permitted, except in ALM, ARR, or WRC projects where either of the following applies:

3.18.8

1) The ecosystem has exhibited high ecosystem degradation for at least 10 years prior to the project start date.

2) High ecosystem degradation has occurred within the 10 years prior to the project start date and is:

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

b) not carried out or encouraged by the project proponent or any related parties with a material interest in the project, excluding subsistence practices of identified IPs, LCs,

[113] See the *VCS Program Definitions* for the definitions of biodiversity and ecosystem.

[114] See The IUCN Red List of Endangered Species, available at: https://www.iucnredlist.org/ for classifications of threatened and endangered species.

[115] International Union for Conservation of Nature (IUCN). *IUCN Global Ecosystem Typology*. https://iucn.org/resources/publication/iucn-global-ecosystem-typology-20

marginalized people, and vulnerable people.

3.18.9 High levels of ecosystem degradation prior to the project start date shall be substantiated, using evidence listed in Table 12~~Table 12~~, for at least one indicator under each of the following criteria:

1) Significant historical or current drivers of ecosystem degradation

~~1)~~2) The ecosystem's inability to sustain its biotic or abiotic characteristics compared to an ecosystem with high ecosystem integrity

Project proponents may select indicators not listed in Table 12~~Table 12~~ where the chosen indicators are better suited to the project activities, scale, or context, and are scientifically sound.

Table 12. Indicators and evidence to demonstrate high levels of ecosystem degradation

Criterion	Indicator	Evidence
Significant historical or current drivers of ecosystem degradation	Correlation of ecosystem degradation with underlying drivers[116]	• Policy • National or local official records • Peer-reviewed published literature • NGO-led publications
	Historical deforestation, land clearing, or significant land-use changes	• Remote sensing imagery
	Historical use of land for agriculture, resource extraction, or traditional land-use practices associated with degradation	• Official land titles • Land use designations • Historical reports
	Degradation drivers, their scale or severity, timing, and any other causal linkages to degradation	• Community surveys with: o a defined and appropriate target audience o clear and relevant questions o a representative and sufficient sample size o accurate data analysis
Inability of ecosystem to sustain its biotic	Invasive species dominance	• Ecological studies, surveys, or peer-reviewed literature that justifies dominance: o according to a suitable threshold

[116] For example, economic or population growth, urbanization, agricultural intensification, cattle ranching expansion, fuel wood collection, overfishing, climate change

or abiotic characteristics compared to an ecosystem with high integrity		○ in alignment with the Global Invasive Species Database
	Dependence on inputs that indicate the ecosystem's altered function	• Agricultural input records • Soil nutrient management plans • Other records showing regular use of fertilizers, pesticides, irrigation, or other inputs
	Soil compaction	• Soil studies demonstrating metrics such as bulk density, water infiltration rates, or resistance to root penetration
	Erosion	• Visible signs (e.g., rill or gully erosion) • Sedimentation in nearby water bodies • Studies quantifying erosion rates
	Alteration of soil chemistry	• Soil tests (e.g., laboratory soil analysis) showing significant deviations in soil pH, salinity, or loss of organic matter compared to conditions that are indicative of ecosystem integrity
	Hydrological regime outside of expected range of variation	• Water surface elevation • Volume of water flow • Ground water recharge • Nutrient transformation
	Alteration of water quality	• Parameters of water quality showing significant deviations compared to conditions indicative of ecosystem integrity: ○ Physical (e.g., temperature, turbidity) ○ Chemical (e.g., dissolved oxygen, pH, nutrient concentration) ○ Biological (e.g., microbial indicators)

~~Risks to Stakeholders and the Environment~~

~~3.19.4 Project proponents shall identify likely natural and human-induced risks to stakeholders' well-being expected during the project lifetime as a result of project activities and outline measures needed and implemented to mitigate these risks.~~

Ecosystem Restoration

3.18.10 Where an ARR or WRC project includes ecosystem restoration, the project activity shall improve ecosystem integrity toward one of the following:

1) A pre-disturbance, ecologically suitable, and appropriate reference state that is justified for the project's activities, scale, and context

2) An adapted state that is based on or consistent with scientific evidence and justified for the project's activities, scale, and context

~~3.19.5 Project proponents shall: identify the risks for stakeholders to participate in the project, including in project design and consultation. design and implement the project to avoid trade-offs and mitigate the identified risks to local stakeholders.[117]~~ A project activity that improves ecosystem integrity shall be demonstrated by:

3.18.11

1) selecting and monitoring at least one indicator that:

a) represents structure, function, and/or composition attributes directly linked to the project's ecosystem restoration objectives and ecosystem integrity.

b) is sufficiently sensitive to detect progress or setbacks within the monitoring period, and over the project lifetime.

2) using remote sensing, aerial imagery, modeling, or peer-reviewed published literature to justify the reference condition or adapted state.

Resource Efficiency and Pollution Prevention

~~3.19.6 The management teams involved in the project shall either: have expertise in and prior experience of implementing similar carbon or land management projects, and community engagement at the project scale and in the local context; or demonstrate that they have partnered with other organizations with the relevant experience or have a recruitment strategy to fill the identified gaps.~~ Project proponents shall identify, avoid, and to the extent possible, mitigate any impacts caused by pollutant emissions to air, discharges to water or soil, noise and vibration, waste generation, and the release of hazardous materials, chemical pesticides, and fertilizers resulting from project activities.

3.18.12

Social Safeguards

Human Rights

3.18.13 Project proponents shall uphold and respect human rights in accordance with the International

~~[117] For example, trade-offs with food security, land loss, loss of yields, negative impacts on livelihoods, climate change adaptation~~

Bill of Human Rights[118] and universal instruments relating to human rights.

~~3.19.7 Project proponents shall: identify any risks related to working conditions as a result of project activities. design and implement mitigation measures to provide safe and healthy working conditions for employees.~~ Project proponents shall apply the law or standard that provides greater protection for stakeholders' human rights among international, national, and local laws, regulations, and conventions, and the VCS Program rules.

3.18.14

~~3.19.8 Project proponents shall: identify any risks related to the safety of women and girls in the local community due to project activities. design and implement mitigation measures that protect and appropriately respond to harm to women and girls in the local community.~~Project proponents shall implement preventive and protective measures (e.g., policies, trainings) against discrimination, bullying, intimidation, harassment, sexual harassment, and exploitation, with special attention to marginalized people and vulnerable people.

3.18.15

~~3.19.9 Project proponents shall: identify any risks as a result of project activities to children and minority and marginalized groups in the local community. design and implement mitigation measures to protect children and minority and marginalized groups and appropriately respond to harm in the local community.~~ Project proponents and any other individuals or entities involved in project design or implementation shall not engage in any form of direct or indirect, formal or informal pressure or retaliation against individuals or groups who are exercising their rights in relation to the project activity.

3.18.16

Land or Resource Rights

~~3.19.10 Project proponents shall identify, minimize, and mitigate any impacts caused as a result of project activities by: pollutant emissions to air. discharges to water. noise and vibration. generation of waste. release of hazardous materials. release of chemical pesticides and fertilizers.~~ Projects shall not:

3.18.17

1) encroach on private, stakeholder, or government property.

[118] General Assembly of the United Nations. 1948. *Universal Declaration on Human Rights*. https://www.un.org/sites/un2.un.org/files/2021/03/udhr.pdf

2) force eviction or relocate people off their lands, including through access restrictions to land or resources, without prior consent, appropriate compensation, and compliance with all applicable international, national, and local regulations.

3) lead to forced physical or economic displacement.

4) undertake any activity that could exacerbate violent conflict or negatively influence the outcome of an unresolved competing claim to land or resource rights.

~~3.19.11 The project proponent shall ensure that no discrimination or sexual harassment occurs in the project design or implementation~~

~~Respect for Human Rights and Equity~~

Customary Rights, Indigenous Peoples, and Cultural Heritage

~~3.19.12 The project proponent shall respect human rights in accordance with the International Bill of Human Rights and universal instruments relating to human rights in project design and implementation.~~

~~3.19.13~~3.18.18 ~~The project proponent shall provide equal opportunities in the context of gender for employment and participation in consultation and project activities.~~ Where customary rights exist or IPs are present in or adjacent to a project area, the project proponent shall, in project design and implementation:

1) uphold and protect the rights of customary rights holders and IPs, including land or resource rights, in line with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), ILO Convention 169 on Indigenous and Tribal Peoples, and any other relevant treaty and local law.

2) to the extent possible, take measures to secure land or resource rights for customary rights holders and IPs.

3) preserve and protect the cultural heritage of IPs and customary rights holders, consistent with their practices and traditional livelihoods, and in accordance with the United Nations Educational, Scientific and Cultural Organization (UNESCO) Cultural Heritage conventions.[119]

[119] UNESCO's core cultural heritage conventions are the 1954 Convention for the Protection of Cultural Property in the Event of Armed Conflict, the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, the 1972 World Heritage Convention, the 2001 Convention on the Protection of the Underwater Cultural Heritage, the 2003 Convention for the Safeguarding of the Intangible Cultural Heritage, and the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

Gender Equality

3.18.19 The project proponent shall, in project design and implementation:

1) provide equal opportunities and fair treatment for all genders, and where relevant and feasible, contribute to improving the condition or situation of women and girls.

2) protect the safety of women and girls, including against gender-based violence or discrimination, and appropriately respond to any related incidents.

Labor Rights and Safe Employment Conditions

3.18.20 Project proponents shall, in project design and implementation:

1) respect rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

2) meet all laws and regulations governing workers' rights in the country.

3) inform project workers about their rights.

3.18.21 Project proponents shall provide, in project design and implementation:

1) a regionally prevailing industry wage and, to the extent possible, a fair living wage for all project workers.

2) recognition of legal working hours.

3) equal employment opportunities and fair treatment of all project workers, avoiding discrimination.

4) equal pay for equal work, basing any wage differences on expertise, experience, and justified geographic cost-of-living differences.

5) where relevant for the project context, training for project workers on conflict awareness and de-escalation related to armed interactions.

3.18.22 Project proponents shall ensure no use of forced labor, child labor, slavery, or trafficked persons.

3.18.23 Project proponents shall protect contracted workers employed by third parties in project design and implementation.

3.18.24 Project proponents shall:

1) provide healthy and safe working conditions for all project workers.

2) inform project workers of risks related to their health and safety.

3) not penalize project workers for abandoning their responsibilities or not completing assigned work due to safety concerns.

3.18.25 Project proponents shall provide orientation and training to project workers including on:

1) giving special attention to the differentiated needs of marginalized people and vulnerable people.

2) prioritizing orientation and training to build locally useful skills and knowledge that increase local participation in project implementation. Such capacity-building efforts should target a wide range of stakeholders.

3) training new project workers.

4) use of project equipment, where relevant.

Armed Personnel

3.18.26 Where project activities involve armed personnel, the project proponent shall:

1) in the hiring process, conduct background checks and ensure candidates have appropriate experience.

2) define the rules of engagement for armed personnel, including when and how force may be used, to ensure actions are justified and necessary to protect local communities and project workers.

3) train armed personnel in the responsible use of force, including techniques for de-escalating potentially violent situations.

4) produce incident reports where weapons are discharged.

5) disclose the presence of armed personnel to stakeholders with access rights to patrolled areas, providing sufficient detail for identification of armed personnel (e.g., identifying features of uniforms or vehicle insignias).

Governance Safeguards

Operational Expertise

3.18.27 A project proponent's management team shall have adequate experience and expertise to implement the project, as indicated by one or more of the following:

1) Experience and expertise in implementing similar project activities at a similar scale and in the local context

2) Partnership with other organizations (e.g., local NGOs) that have experience and expertise relevant to the project

3) A recruitment strategy to fill any identified gaps in experience or expertise

~~3.19.14 The project proponent shall provide equal pay for equal work in project design and implementation.~~ Project proponents shall inform project workers, consultants, and advisors of the requirements in Sections 3.18.29–3.18.37, and where policies are implemented to conform to those requirements:

3.18.28

1) provide project workers access to and training on such policies.

2) obtain an annual acknowledgement of compliance with such policies from each project worker.

Illegal Activities

~~3.19.15 The project proponent shall prohibit the use of forced labor, child labor, and victims of human trafficking, and protect staff and contracted workers employed by third parties in project design and implementation.~~ Project proponents shall:

3.18.29

1) document impacts resulting from any illegal activities occurring in the project area that could affect the project's outcomes and, where appropriate, any measures taken to mitigate the impacts.

2) to the extent permitted by law, where receiving a subpoena, summons, demand, inquiry, or other official request related to the project from any court of competent jurisdiction, governmental or regulatory authority, including federal, state, or municipal, notify Verra via email (Legal@verra.org) within five calendar days.

Anti-corruption

3.18.30 Project proponents shall not engage in any form of corruption, including bribery, embezzlement, fraud, abuse of power, nor influence peddling.

3.18.31 Project proponents shall take measures to ensure that project workers do not engage in any form of corruption, including bribery, embezzlement, fraud, abuse of power, nor influence peddling.

3.18.32 Project proponents shall:

1) take measures appropriate to the project and national context to support parties working under its direction in complying with international, national, and local anti-bribery and anti-corruption laws, regulations, and conventions.

2) conduct due diligence on any parties involved in project implementation, including legal counsel, financial, and management service firms.

3) have in place policies and procedures aligned with best practices to prevent, detect, and remediate corruption related to the project.

Anti-money Laundering

~~3.19.16 The project proponent shall prohibit the use of forced labor, child labor, and victims of human trafficking, and protect staff and contracted workers employed by third parties in project design and implementation.~~ Project financing shall not be sourced from the proceeds of crime or otherwise constitute an offense under any applicable anti-money laundering law, including recommendations of the Financial Action Task Force (FATF).[120]

3.18.33

3.18.34 Project proponents shall not violate nor facilitate the violation of any applicable international, national, or local money laundering laws, regulations, or conventions.

3.18.35 Project proponents shall take measures to ensure that project workers do not violate nor facilitate the violation of any applicable international, national, or local money laundering laws, regulations, or conventions.

3.18.36 Policies and procedures aligned with best practices shall be in place to prevent, detect, and monitor transactions that could facilitate money laundering and unlawful financial practices.

3.18.37 Where a project proponent identifies or is notified of money laundering warning signals,[121] such signals shall be addressed without delay to ensure compliance with laws, regulations, and conventions.

Emergency Preparedness and Response

~~3.19.17 The project proponent shall respect human rights as set out in the International Labour Organization's Declaration on Fundamental Principals and Rights at Work as part of project design and implementation.~~ Project proponents shall:

3.18.38

[120] FATF recommendations available at: https://www.fatf-gafi.org/en/topics/fatf-recommendations.html

[121] Warning signals generally relate to and involve a combination of unusual or unconnected sources and recipients of funds, unusual or nontransparent transactions and instructions, unusual and suspicious behaviors and counterparties, and transactions associated with higher-risk jurisdictions, including jurisdictions subject to US, EU, or UK sanction regimes.

1) implement plans to prevent and respond to emergencies that could impact the project, project workers, and stakeholders.

~~1)~~2) make emergency prevention and response plans available to affected workers and stakeholders.

~~2)~~3) provide periodic training on emergency prevention and response plans as appropriate.

~~3.19.18 In project design and implementation, project proponents shall recognize, respect, and promote the protection of the rights of the Indigenous Peoples, local communities, and customary rights holders identified in Section 3.18.1, in line with applicable international human rights law, the United Nations Declaration on the Rights of Indigenous Peoples, and ILO Convention 169 on Indigenous and Tribal Peoples.~~

~~3.19.19 In project design and implementation, project proponents shall preserve and protect cultural heritage consistent with Indigenous Peoples', local communities', and customary rights holders' practices or the United Nations Educational, Scientific and Cultural Organization's (UNESCO) cultural heritage conventions.~~

~~Property Rights~~

~~3.19.20 Project proponents shall recognize, respect, and support Indigenous Peoples', local communities', and customary rights holders' property rights and where feasible, take measures to help secure rights.~~

~~3.19.21 Projects shall not encroach on private, stakeholder, or government property or relocate people off their lands without prior consent and appropriate compensation.~~

~~3.19.22 Projects shall not lead to forced physical or economic displacement.~~

~~3.19.23 Where the project activity impacts property rights, usage, or resources, project proponents shall establish a benefit sharing agreement with affected stakeholder groups. Such an agreement shall be:~~

~~1) appropriate to the local context.~~

~~2) consistent with applicable national rules and regulations, and international human rights laws and standards.~~

~~3) consistent with customary rights, to the maximum extent practicable.~~

~~4) agreed upon by Indigenous Peoples, local communities, and legitimate customary rights holders.~~

~~5) shared in a culturally appropriate manner.~~

~~3.19.24 Indigenous Peoples, local communities, and customary rights holders shall have access to the benefit sharing agreement.~~

~~3.19.25 Project proponents shall provide to the VVB:~~

1) at minimum, evidence and/or a draft of the benefit sharing agreement at validation.

2) the implemented benefit-sharing agreement at each verification.

Ecosystem Health

3.19.26 Project proponents shall:

1) identify any risks to biodiversity and ecosystems due to project activities.

2) implement measures to ensure no negative impacts on biodiversity and ecosystems.

3.19.27 Proponents of projects in or adjacent to habitats for rare, threatened, or endangered species, and areas needed for habitat connectivity, shall demonstrate that the project will not adversely impact such habitats.

3.19.28 For projects that include planting or introduction of species, the following applies:

1) Project proponents shall not introduce any invasive species or allow an invasive species to thrive as part of the project activity, noting the following:

a) Project proponents shall identify invasive species using, in descending order of priority, local, regional, or global invasive species registries.

b) 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) Project activities shall not use any species that threaten the existence of endangered species.

3.19.29 Activities that drain or degrade the hydrological functions of ecosystems are not eligible.

3.19.30 Activities that convert an ecosystem shall only be implemented in degraded ecosystems,[122] noting the following:

1) The project proponent must demonstrate in the project description that the ecosystem was degraded before the project start date.

2) Where the ecosystem was degraded within 10 years of the project start date of any AcoGS, ALM, ARR, or WRC activity, the project proponent shall demonstrate that the ecosystem was not degraded due to the project activity.[123]

[122] See the *VCS Program Definitions* for the definition of degraded ecosystem.

[123] For example, demonstrate that the degradation occurred in the pre-project land use due to natural disasters such as hurricanes or floods.

~~3) Such evidence is not required where either:~~

~~a) the ecosystem was degraded at least 10 years prior to the proposed project start date, or~~

~~b) the dominant land cover is an invasive species that is threatening ecosystem health as demonstrated using the Global Invasive Species Database and supporting documents such as evidence from peer-reviewed literature or expert judgment.~~

~~4) Where the project activity restores degraded ecosystems through ARR or WRC activities, remote sensing, aerial imagery, modeling, or relevant literature shall be used to demonstrate that a native ecosystem type represented in the same ecoregion as the project is restored.~~

~~3.20~~3.19 Methodology Deviations

Concept

Projects are permitted to deviate from the procedures set out in the applied methodology in certain cases, such as where alternative methods may be more efficient for project-specific circumstances, or where the deviation will achieve the same level of accuracy or is more conservative than what is set out in the methodology.

Requirements

~~3.20.1~~3.19.1 Deviations from the applied methodology are permitted where they relate to monitoring and measurement requirements, including for data and parameters available at validation, data and parameters monitored, or the monitoring plan. Deviations relating to any other part of the methodology are not permitted.

~~3.20.2~~3.19.2 Methodology deviations shall not negatively impact the conservativeness of the quantification of reductions or removals, except where they result in increased accuracy of quantification.

~~3.20.3~~3.19.3 Methodology deviations are permitted only at validation or verification, noting the following:

1) The consequences of a methodology deviation shall be reported in the validation or verification report, as applicable, and in all subsequent verification reports.

2) Methodology deviations are not considered to be precedent-setting.

~~3.21~~3.20 Project Description Deviations

Concept

Projects are permitted to deviate from the validated project description in certain cases in order to accommodate changing circumstances post-validation. Such deviations must be described and assessed by a VVB during the next project verification. The procedures for documenting a project description deviation depend on whether the deviation impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario.

Requirements

~~3.21.1~~3.20.1 Project description deviations from the project description are permitted at verification, subject to the requirements in Sections 3.20.2~~3.20.2~~–3.20.6~~3.20.6~~.

~~3.21.2~~3.20.2 The *CDM Guidelines on Assessment of Different Types of Changes from the Project Activity as Described in the Registered PDD* shall be used to determine whether a project description deviation impacts applicability of the methodology, additionality, or the appropriateness of the baseline scenario.

1) Where the deviation impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario,[124] the project proponent shall describe and justify it in a revised version of the project description and in all subsequent monitoring reports, including:
    a) when the deviation occurred.
    b) the reasons for the deviation.
    c) how the deviation impacts the applicability of the methodology, additionality, and/or the appropriateness of the baseline scenario.
2) Where the deviation does not impact the applicability of the methodology, additionality, or the appropriateness of the baseline scenario,[125] and the project remains in conformance to the applied methodology, the project proponent shall describe and justify the deviation in all subsequent monitoring reports, including:
    a) when the changes occurred.
    b) the reasons for the changes.
3) Project proponents may apply a project description deviation to switch to a different methodology, where switching methodology is permitted. Where a project switches to a new

[124] An example of such a deviation is a change in project capacity where a different baseline scenario would be more plausible, the applied methodology would no longer be applicable, or there would be a significant impact on the investment analysis used by the project proponent to demonstrate additionality. Other examples include changes to the project that might have similar impacts such as the addition of new carbon pools or new types of project activities.

[125] Examples of such deviations include changes in the procedures for measurement and monitoring, or project design changes that do not have impact the applicability of the methodology, additionality, or appropriateness of the baseline scenario.

methodology or methodology version, the project proponent shall conform to the ~~latest~~most recent applicable version of the *Procedure to Change Project Methodology through a Project Description Deviation.* ~~update the project description accordingly.~~

Commented [A66]: #76

4) A project proponent may switch to a new version of the existing methodology and ~~update~~ revise the project description accordingly at any point during the crediting or baseline period.

~~3.21.3~~3.20.3 Project proponents shall not use a project description deviation to claim additional reductions or removals from a previously verified monitoring period.

~~3.21.4~~3.20.4 Deviations shall be assessed by a VVB, noting the following:

1) The process, findings, and conclusions shall be reported in the verification report.
2) The assessment shall determine whether the deviation is appropriately described and justified, and whether the project remains in conformance to the VCS Program rules.
3) The deviation shall also be reported on in all subsequent verification reports.
4) Where the project description is ~~updated~~revised, the updates shall be validated.

~~3.21.5~~3.20.5 Project description deviations are not considered to be precedent-setting.

~~3.21.6~~3.20.6 The VVB assessing the project description deviation shall be accredited for validation.[126]

~~3.22 Methodology Grace Periods~~

~~*Concept*~~

~~A methodology grace period is the amount of time for which projects may continue to apply a methodology, module, or tool that has been revised, is newly excluded, or becomes inactive. The grace period deadline applies to the date on which the validation report (for registration and crediting period renewal) or verification report (for baseline reassessment) is issued.~~

~~*Requirements*~~

~~3.22.1 Grace periods are only granted to projects completing validation and which had already requested listing on the Verra Registry when the prevailing methodology version became inactive, or when a methodology was excluded from the VCS Program.~~

~~3.22.2 Projects that have already been validated may continue to apply the version of the methodology with which they were validated until the next validation, baseline reassessment, or crediting~~

[126] Assessment of project description deviations is a validation activity, as set out in the *VCS Program Guide*.

~~period renewal, whichever is earlier, unless otherwise specified in the revised methodology.~~

~~3.22.3 The grace periods for completing validation are set as follows:~~

~~1) Where a methodology is revised, project proponents may apply the prevailing methodology version for up to six months from the approval of the new version, unless otherwise specified on the Verra website.~~

~~2) Where a methodology of an approved GHG program is newly excluded from the VCS Program and replaced by a VCS methodology, project proponents may use the previously accepted methodology of the approved GHG program for up to six months from the approval of the VCS methodology.~~

~~3) Where a previously approved methodology becomes inactive, project proponents may use the methodology version for up to six months from the date it becomes inactive unless otherwise specified on the Verra website.~~

~~4) Verra may set different grace periods.~~

Commented [A67]: #98

~~3.23~~3.21 Double Counting and Participation with Other GHG Programs

Commented [A68]: All changes in this section: #43

Concept

To maintain environmental integrity, reductions and removals generated by a project must not be double counted or double sold. Double counting includes double issuance, double claiming, and double use.[127] This section contains requirements to prevent double issuance. Project proponents and all Verra Registry account holders commit to not double sell VCUs through acceptance of the *Verra Registry - Terms of Use*.

Reductions and removals must not be double counted within or across GHG programs. Projects are not eligible to seek registration with the VCS Program if they are registered with and active in another GHG program.[128]

Requirements

No Double Issuance

~~3.23.1~~3.21.1 Project proponents shall not seek credit for the same GHG emission reduction or carbon dioxide removal with the VCS Program and another GHG program. Projects issuing GHG credits from different time periods with the VCS Program and another GHG program shall also conform to the rules and requirements in the *Registration and Issuance Process*.

[127] See the *VCS Program Definitions* for the definitions of double issuance, double claiming, and double use.

[128] See the *VCS Program Definitions* for the definition of GHG program.

~~3.23.2~~3.21.2 Where project proponents have received or are seeking credit for reductions and removals from a project activity with the VCS Program and another GHG program, the following information about the other GHG program shall be provided to the VVB and Verra:

1) Name and contact information of administrator
2) Details of participation with the program
3) Details of the vintage period(s), volume(s), serial number(s), and all other relevant identification information for the reductions and removals
4) Evidence that the same reductions and removals seeking credit with the VCS Program have not been and will not be counted, used, or credited with the other GHG program, or evidence confirming the cancellation and non-use of credits issued with the other GHG program. Such evidence may include:
   a) a signed letter from the program administrator stating that the same reductions or removals have not and will not be otherwise counted, used, or credited with the other GHG program;
   b) a signed letter from the program administrator confirming the cancellation and non-use of GHG program credits for the same reductions or removals seeking credit with the VCS Program; or
   c) links to the official public program registry or project page demonstrating non-issuance or cancellation of credits.

Projects ~~Registration~~ Registered or Previously Registered with Other GHG Programs

~~3.23.3~~ Project proponents seeking to register a project with the VCS Program that is registered or was previously registered with another GHG program shall:~~Projects registered with another GHG program shall only be eligible for registration with the VCS Program after the date of project inactivity in the other GHG program.~~

3.21.3

1) have requested registration with the other GHG program within the timelines specified in Section 3.8.3.
2) notify the other GHG program of the intent to register the project with the VCS Program.
3) apply the most recent versions of the VCS Program rules, methodologies, and applicable modules and tools.
4) demonstrate regulatory surplus and conduct baseline reassessment (including any adjustments to baseline emissions) based on the prevailing conditions.
5) request registration with the VCS Program within ten years of the VCS initial crediting period start date for the project, and within two years of the date of project inactivity in the other GHG program.

3.23.4 Projects registered with other GHG programs are not eligible for VCU issuance beyond the end of the total project crediting period in those programs.[129]

3.23.5 Projects registered with another GHG program whose activities are included within the scope of the VCS Program[130] shall only be eligible to complete a gap validation and/or register under the VCS Program where the conditions set out in Appendix 2 are met.

3.23.63.21.4 A pProjects registered with another GHG program is are only eligible for VCU issuance for reductions and removals that occur after the date of project inactivity in the other GHG program.

3.23.73.21.5 Grouped projects and projects with a risk of a reversal or loss event that are registered or were previously registered with another GHG program shall not have gaps between monitoring periods after the date of project inactivity in the other GHG programProject proponents shall not alter project design during the gap validation process.

AFOLU Projects

3.23.8 In addition to the requirements in Sections 3.23.3–3.23.7, AFOLU projects registered with another GHG program shall conform to the following:

3.23.9 All and any VCS monitoring and verification reports shall state the total amount of credits (GHG credits and, where relevant, buffer credits) issued with the other GHG program.

3.23.10 The project proponent shall prepare a non-permanence risk report in accordance with the AFOLU Non-Permanence Risk Tool. A VVB shall undertake a full validation of the report in accordance with the VCS Program rules. The non-permanence risk analysis shall be based upon the project as a whole, though the buffer withholding shall only apply to credits sought with the VCS Program.

3.23.11 Where temporary GHG credits131 have been issued to the project, VCUs may only be issued to the project when the temporary credits have expired, in accordance with the VCS Program rules set out in the Registration and Issuance Process.

3.23.123.21.6 WhWhere a loss event or a reversal occurs after the date of a project's inactivity in another GHG program, the project shall conform to the rules for reporting a loss event and holding or /canceling credits set out in Sections 3.2.213.2.21–3.2.233.2.23 and in the *Registration and Issuance Process* shall apply. Such reporting, holding, and canceling shall apply to the proportion of credits (GHG credits and buffer credits) granted issued to date with

[129] See Section 3.9.6 for further information.

[130] See Section 2.1.

[131] For example, temporary certified emission reductions (tCERs) or long term certified emission reductions (lCERs)

by the VCS Program.[132]

~~Approved GHG Programs~~

~~3.23.13 For projects registered with the CDM, the following applies:~~

~~1) The project start date shall conform to the start date requirements in Section 3.8.~~

~~2) Multiple component project activities (CPAs) registered with the CDM that have the same project proponent, the same project activity, and occur within 10 kilometers of one another shall:~~

~~a) register with the VCS Program as a single project.~~

~~b) complete a full *VCS Project Description Template* that shall be validated by a VVB.~~

~~3) Multiple CPAs registered with the CDM that have the same project proponent and project activity, but do not occur within 10 kilometers of one another may register with the VCS Program as a single project. Proponents of such projects shall complete a full *VCS Project Description Template* that shall be validated by a VVB.~~

~~4) Proponents of projects or single CPAs registered with the CDM that register with the VCS Program as a standalone project shall complete the cover page and Sections 1.1–1.11, 1.13–1.19, 2.4, and 3.6 of the *VCS Project Description Template*.[133]~~

~~a) A VVB shall validate of the project description and complete a validation representation to provide a gap validation of the project's conformance to the VCS Program rules.~~

~~5) Project proponents shall not subdivide CPAs into smaller projects or combine subdivided CPAs into one VCS project.~~

~~6) Where multiple CPAs are registering as one project, the start date of the project shall be the earliest CPA start date.~~

~~3.23.14 Proponents of projects registered with the JI program shall complete a new *VCS Project Description Template* and apply a methodology eligible under the VCS Program.~~

~~1) A VVB shall validate the project description in accordance with the VCS Program rules and complete a validation report and a validation representation.~~

~~[132] For example, if 50% of the total credits (GHG credits and, where relevant, buffer credits) related to the project have been issued with the VCS Program and a loss event results in a reversal of reductions or removals achieved, VCS buffer credits would be canceled to cover 50% of the reversal.~~

~~[133] Section numbers are based on the *VCS Project Description Template, v4.4*.~~

3.23.15 Projects registered with the Climate Action Reserve shall complete the cover page and Sections 1.1–1.4, 1.6–1.11, 1.14, 1.16–1.19, 2.1–2.4, and 3.6 of the *VCS Project Description Template*.[134]

1) A VVB shall validate the project description and complete a validation representation to provide a gap validation for the project's conformance to VCS Program rules.

3.23.16 The approved GHG program validation (or verification, where the approved GHG program does not have a validation step) or VCS validation shall be completed within the relevant validation deadline as set out in Section 3.8. Validation or verification is deemed to have been completed when the validation or verification report that is submitted to the relevant program to request registration has been issued.

Other GHG Programs

3.23.17 Projects registered with a GHG program that is not an approved GHG program may register with the VCS Program where a validation or verification report has been issued with such program (by an entity approved by the program to issue such reports). For such projects, the following applies:

1) The project start date shall be on or after 19 November 2007.

2) A new *VCS Project Description Template* shall be completed (using a methodology eligible under the VCS Program). A VVB shall undertake a full validation of the project description in accordance with the VCS Program rules and complete a validation report and a validation representation.

3) The validation or verification that is submitted to request registration with the other GHG program shall be completed within the relevant validation deadline set out in Section 3.8. Validation or verification is deemed to have been completed when the validation or verification report that is submitted to the other GHG program to request registration has been issued.

Projects Rejected by Other GHG Programs

3.23.18 Projects rejected by other GHG programs due to procedural or eligibility requirements may be considered for registration with the VCS Program where they meet all VCS Program rules. The project description and subsequent monitoring reports shall clearly state all GHG programs to which the project applied for registration and any reasons for rejection., but the following conditions shall be met:

3.23.19 The project description (where the other GHG program has rejected the project before VCS validation) or monitoring report (where the other GHG program has rejected the project after VCS validation) shall clearly state all GHG programs to which the project has applied for

[134] Section numbers are based on the *VCS Project Description Template, v4.4*.

~~registration and the reason(s) for rejection. Such information shall not be deemed commercially sensitive.~~

~~3.23.20 The VVB shall be provided with the rejection document(s), including any additional explanations.~~

~~3.23.21~~3.21.7 ~~The project shall be validated against the VCS Program rules. For projects where the other GHG program has rejected the project after VCS validation, this means a complete revalidation of the project against the VCS Program rules.~~

~~3.24~~3.22 Double Claiming, Other Forms of Credit, and Scope 3 Emissions

Concept

Reductions and removals issued as VCUs must not be double claimed.[135] Where project activities are in a supply chain, steps must also be taken to avoid Scope 3 emissions double claiming.[136]

Requirements

Article 6 of the Paris Agreement and International Paris-related Programs

~~3.24.1~~3.22.1 VCUs used in the context of Paris Agreement Article 6 mechanisms and international Paris-related programs such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) shall meet all relevant requirements established under such mechanisms and programs. This includes any requirements relating to double counting and corresponding adjustments.[137] Project proponents may apply to receive VCU labels applicable to these uses on the Verra Registry.[138]

~~3.24.2~~3.22.2 VCUs used for voluntary carbon market purposes do not require Article 6 or other Paris-related program VCU labels, though labeled VCUs may be used for voluntary market transactions. This applies to all voluntary carbon market transactions globally, including within or between United Nations Framework Convention on Climate Change (UNFCCC) Annex I countries (unless otherwise regulated by those countries).

No Double Claiming with Emissions Trading Programs or Binding Emission Limits

~~3.24.3~~3.22.3 Project proponents shall not seek credit for the same GHG emission reduction or carbon dioxide removal with the VCS Program and an emissions trading program or binding

[135] See the *VCS Program Definitions* for the definition of double claiming.

[136] The project proponent shall not be responsible for preventing other companies within the supply chain from reporting the reductions or removals represented by the VCUs in their Scope 3 emission statements.

emission limit.[139]

~~3.24.4~~3.22.4 Where reductions and removals or project activities are also included in an emissions trading program or binding emission limit, evidence shall be provided that the reductions and removals generated by the project activity have not and will not be otherwise counted, used, or credited with the program or limit. The following information about the program or limit shall be provided to the VVB and Verra:

1) Name and contact information of the administrator
2) Details of participation in the program or limit
3) Details of the vintage period(s), project activity, GHG emission reduction and carbon dioxide removal scope and quantification, and all other relevant identification information for reductions and removals
4) Evidence that all reductions and removals generated by the project activity have not and will not be otherwise counted, used, or credited with the program or limit. Such evidence may include:
   a) a signed letter from the program administrator, designated national authority, or other relevant regulatory authority explaining how the reductions and removals generated by the project activity in no way overlap with the scope of activities seeking or receiving credit with the program or limit; or
   b) a signed letter from the program administrator, designated national authority, or other relevant regulatory authority stating that any units, credits, certificates, or benefits with the emissions trading program or binding emission limit which overlap in any way with reductions and removals generated by the project activity have been canceled and not used with the program or limit.

No Double Claiming with Other Forms of Environmental Credit

~~3.24.5~~3.22.5 Project proponents shall not seek credit for reductions and removals with the VCS Program which are receiving or seeking GHG-related credit for the same project activity and time period with a GHG-related environmental credit system.[140]

~~3.24.6~~3.22.6 Where the same project activity is seeking or receiving another form of GHG-related environmental credit from different time periods, evidence shall be provided that the GHG-related credit for the same GHG emission reduction or carbon dioxide removal has not and will not be otherwise counted, used, or credited with the other GHG-related environmental credit system. The following information about the GHG-related environmental credit system shall be provided to the VVB and Verra:

[139] See the *VCS Program Definitions* for definitions of emissions trading program and binding emission limit.
[140] See the *VCS Program Definitions* for the definition of GHG-related environmental credit system.

1) Name and contact information of the administrator

2) Details of participation in the GHG-related environmental credit system

3) Details of the vintage period(s), project activity scope, and all other relevant identification information for GHG-related environmental credits related to the project or project activity

4) Evidence that GHG-related credit for the same project activity has not and will not be otherwise counted, used, or credited with the GHG-related environmental credit system. Such evidence may include:

   a) a signed letter from the GHG-related environmental credit system administrator, explaining how the project activity in no way overlaps with the scope of activities seeking or receiving GHG-related credit with the GHG-related environmental credit system; or

   b) a signed letter from the GHG-related environmental credit system administrator, stating that any GHG-related units, credits, certificates, or benefits issued or provided by the GHG-related environmental credit system, which overlap in any way with the project activity, have been canceled and not used with the GHG-related environmental credit system.

Note – The requirements set out in Section 3.22.6~~3.22.6~~ apply to all forms of GHG-related credit that could be interpreted as having GHG emission reduction, carbon dioxide removal, or GHG-related value. However, Section 3.22.6~~3.22.6~~ does not apply to non-GHG-related environmental credits, such as biodiversity or water credits.

Supply Chain (Scope 3) Emissions

~~3.24.7~~3.22.7 Where the project proponent(s) or authorized representative is a buyer or seller of a product (i.e., a good or service) that is in a supply chain and whose product emissions footprint is changed by the project activities specified in the project description,[141] the project proponent(s) or authorized representative shall:

1) make a statement on their website stating: "Carbon credits may be issued through Verified Carbon Standard project [project ID] for the greenhouse gas emission reductions or carbon dioxide removals associated with [project proponent or authorized representative organization name(s)] [name of product(s) whose emissions footprint is changed by the project activities]."

2) issue the public statement by the date of validation.

[141] For example, for a project activity that utilizes CO_2 in concrete production, the concrete's emissions footprint is changed by the project activities.

~~3.25~~3.23 VCU Labels

Concept

VCU labels designate that a VCU has met the requirements of another certification or is eligible or approved for use in a national, sectoral, or investor-specific market, such as Article 6 of the Paris Agreement or international Paris-related programs, including the International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). A VCU label does not represent ownership of the benefits or outcomes generated by the project to fulfil the requirements of any other standard or criteria.[142] The Verra website lists the types of VCU labels and the procedure for attaining them.

Requirements

~~3.25.1~~3.23.1 VCUs may be labeled where:

1) the requirements of a qualifying certification have been met for the entire vintage period, or

2) The VCUs meet the eligibility requirements or are approved for a label.

~~3.25.2~~3.23.2 Where the period of a qualifying certification entirely encompasses the project lifetime or monitoring period, the qualifying certification may be referred to as evidence for meeting relevant requirements of the VCS Program in a project description or monitoring report, respectively.[143]

~~3.26~~3.24 Records and Information

Concept

Project proponents must make relevant information available to the VVB during validation and each verification and must retain for future reference documents and records related to the project.

Requirements

Records Relating to the Project

~~3.26.1~~3.24.1 Project proponents shall ensure that all documents and records are kept in a secure and retrievable manner for at least two years after the end of the total project crediting period.

Information for the Validation/Verification Body

[142] See the *Registration and Issuance Process* for details on label application.

[143] Project proponents are not prohibited from transferring ownership of the benefits or outcomes generated by the project to the credit buyer to fulfil the requirements of another standard or program. Any transfer of ownership falls outside the scope of the VCS Program and therefore carries no assurances.

~~3.26.2~~3.24.2 For validation, the project proponent shall make the following available to the VVB:

1) Project description
2) Evidence of ~~project ownership~~right to operate
3) Any requested supporting information and data needed to support statements and data in the project description and evidence of ~~project ownership~~right to operate

~~3.26.3~~3.24.3 For verification, the project proponent shall make the following available to the VVB:

1) Project description
2) Validation report
3) Monitoring report applicable to the monitoring period
4) Any requested supporting information and data needed to support statements and data in the monitoring report

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4 VALIDATION AND VERIFICATION REQUIREMENTS

This section sets out the requirements for validation and verification of projects under the VCS Program. VVBs must assess a project's conformance to the VCS Program rules and the applied methodology. VVBs must be approved by the VCS Program as set out in the *VCS Program Guide*.

4.1 Introduction and General Requirements

Concept

Validation is the independent assessment of a project by a VVB that determines whether the project and its GHG statement conforms to VCS Program rules and evaluates the reasonableness of assumptions, limitations, and methods that support a claim about the outcome of future activities. Verification is the periodic ex-post independent assessment by a VVB of a project and its statement of GHG emission reductions and carbon dioxide removals that have occurred as a result of the project activity during the monitoring period. Verification is based on historical data and information to determine whether the claim is materially correct, conforms to specified requirements, and is conducted in accordance with VCS Program rules.

Requirements

General

4.1.1 Validation and verification are risk-based processes and shall be carried out in conformance to *ISO 14064-3* and *ISO 14065* and the requirements set out in this Section 4.

4.1.2 The VVB shall gather evidence to:

1) validate a project to determine conformance to VCS Program rules and evaluate the reasonableness of assumptions, limitations, and methods that support a statement about the outcome of future activities.

2) verify a statement of historical data and information of a project to a reasonable level of assurance and ensure that the project meets the relevant materiality requirements.

4.1.3 Projects shall be validated, and GHG statements of reductions and/or removals verified, by a VVB that meets the eligibility requirements set out in the *VCS Program Guide*.

4.1.4 Validation and verification of a project may be undertaken by the same VVB, noting the rules on rotation of VVBs set out in Section 4.1.27.

1) Validation may occur before or at the same time as the first verification.

4.1.5 The VVB shall ensure that:

1) projects are listed on the project pipeline with a status of *under validation* before the opening meeting with the project proponent. The opening meeting represents the beginning of the validation process.

2) validation does not begin until the 30-day public comment period has begun.

3) validation is not completed until after the 30-day public comment period has ended.

4.1.6 The VVB shall evaluate the project proponent's response to comments received during the 30-day public comment period.

4.1.7 Where a comment on a project has been submitted to Verra outside the 30-day public comment period, the VVB that conducts the next validation and/or verification shall evaluate the project proponent's response to such comment in accordance with ~~Sections~~ 3.1.17–3.1.20 ~~3.18.16 of~~ the *Registration and Issuance Process~~, v5.0~~*.

~~4.1.8 Where a project applies a methodology from an approved GHG program that does not have an independent validation step, the project shall be validated in accordance with VCS Program rules.~~

~~4.1.9~~4.1.8 VVBs are expected to follow the guidance provided in the *Validation and Verification Manual* when validating ~~or~~ and verifying projects ~~and conducting methodology assessments~~ under the VCS Program.

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Validation and Verification Process

~~4.1.10~~4.1.9 In addition to the requirements set out in *ISO 14064-3*, the following applies:

1) The level of assurance for verifications shall be reasonable, with respect to material errors, omissions, and misrepresentations.

2) The criteria for validation and verification shall be VCS Version 5 ~~or the approved GHG program where the validation is performed under an approved GHG program (where a project participates under both the VCS Program and an approved GHG program)~~.

~~3) The criteria for verification shall be VCS Version 5 (regardless of the VCS version or GHG program under which the project was validated).~~

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~~4)~~3) The objective of validation ~~or~~ and verification shall be to assess conformance to the VCS Program rules and the methodology applied to the project.

~~5)~~4) The threshold for materiality with respect to the aggregate of errors, omissions, and misrepresentations relative to the total reported reductions and/or removals shall be 1% for large projects and 5% otherwise.

~~4.1.11~~4.1.10 At validation and project crediting period renewal, the VVB shall conduct a site visit that includes a visit to facilities and/or project areas.

~~4.1.12~~4.1.11 At verification, the VVB shall conduct a site visit that includes a visit to facilities and/or project areas under the following circumstances:

1) The first verification of the project after validation
2) Verifications that include project baseline reassessments
3) Verifications that assess a project description deviation where the deviation impacts the applicability of the methodology, additionality, or the appropriateness of the baseline scenario

~~4.1.13~~4.1.12 Where a site visit to facilities and/or project areas is not required by Section 4.1.11~~4.1.11~~, the VVB shall identify whether a site visit is needed based on an independent risk assessment, noting the following:

1) The risk assessment shall identify the risk of a material misstatement or nonconformity with the audit criteria.
2) Where it is determined that no site visit is required, the VVB shall explain and document the rationale for this decision.

~~4.1.14~~4.1.13 Where a site visit occurs prior to the end of the monitoring period, the VVB shall verify the volume of reductions and/or removals generated between the site visit and the end of the monitoring period, and clearly describe the additional evidence-gathering activities conducted to verify reductions and removals after the site visit.

~~4.1.15~~4.1.14 The VVB shall evaluate the project's stakeholder engagement in a culturally appropriate manner, noting the following:

1) Individual stakeholders and/or stakeholder groups to be interviewed shall be selected by the VVB's auditor team independently and, to the extent possible, in advance of the site visit.
2) VVBs shall plan and conduct interviews in a manner that demonstrates that the stakeholder interviews are free from bias or influence from the project proponent.

~~4.1.16~~4.1.15 Where the project does not fully conform to the applied methodology, the VVB:

1) shall determine whether this represents a methodology deviation or a methodology revision (in accordance with the specifications for each).

~~2) shall handle the deviation or revision accordingly.~~

~~3) Where the project applies a revision to an approved GHG program methodology and the version of the (underlying) methodology referenced by the methodology revision is no longer current, the VVB:~~

~~4) shall determine whether material changes have occurred to the underlying methodology that affect the integrity of the methodology revision.~~

5)2) where such material changes have occurred, shall not approve the project.

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4.1.174.1.16 Where the project does not meet the criteria for validation or verification:

1) the VVB shall produce a negative validation opinion and provide the validation or verification report and project description or monitoring report to Verra.

2) the project shall be ineligible for registration until corrective action is taken and the same VVB has provided a positive validation or verification.

Competence

4.1.184.1.17 The VVB and validation and verification team shall meet the competence requirements set out in *ISO 14065*.

Validation and Verification Reporting

4.1.194.1.18 The validation report describes the validation process, any findings raised during validation and their resolution, and the opinion reached by the VVB on the GHG statement in the project description and/or monitoring report. The VVB shall use one of the following templates and conform to all instructional text within the template:

1) A digital validation report template in the Verra Project Hub, where the project applies a digitalized methodology

2) use tThe *VCS Validation Report Template* or, an approved combined validation report template available on the Verra website, where the applied methodology is not digitalized

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4.1.20 The VVB shall or an approved GHG program validation report template, as appropriate.

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4.1.21 conform to all instructional text within the template.

4.1.224.1.19 complete a validation representation, which shall be prepared using the VCS Validation Deed of Representation Template.

4.1.234.1.20 The verification report describes the verification process, any findings raised during verification and their resolutions, and the opinion reached by the VVB. The VVB shallshall use one of the following templates and conform to all instructional text within the template::

1) A digital verification report template in the Verra Project Hub, where the project applies a digitalized methodology

2) use tThe *VCS Verification Report Template* or an approved combined verification report template available on the Verra website, where the applied methodology is not digitalized.

1)

conform to all instructional text within the template.

4.1.244.1.21 The VVB shall ceomplete a verification representation, which shall be prepared using

the VCS Verification Deed of Representation Template.

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~~4.1.25~~4.1.22 The verification report shall specify the number of GHG emission reductions and carbon dioxide removals generated in each calendar year of the monitoring period.

Validation and Verification Opinion

~~4.1.26~~4.1.23 The validation report and the verification report shall contain a validation opinion and a verification opinion, respectively.

~~4.1.27~~4.1.24 Validation and verification opinions shall:

1) state the date of the opinion.
2) state:
   a) the name of the project.
   b) the GHG statement subject to validation or verification, including the date and period it covers.
   c) that the GHG statement is the responsibility of the project proponent(s).
3) identify the objectives, scope, and criteria used to compile and assess the GHG statement.
4) describe whether the data and information supporting the GHG statement are hypothetical, projected, and/or historical in nature.
5) include the VVB's conclusion on the GHG statement. Adverse, disclaimed, modified, or qualified opinions shall include a description of the reason(s) for the opinion, placed before the VVB's conclusion.
6) describe the VVB's conclusion, including level of assurance.
7) for validation conclusions of the GHG statement of forecast of future reductions and/or removals, explain that actual results may differ from the forecast as the estimate is based on assumptions that may change in the future.
8) where the VVB opinion is International Accreditation Forum accreditation body-approved, include a declaration that the validation and/or verification of the GHG statement was conducted in accordance with *ISO 14064-3* (including the applicable ISO version such as *ISO 14064-3*; 2019).
9) for AFOLU and GCS projects, state the version number of the non-permanence risk tool or market leakage evaluation documentation upon which the opinion is based.

~~4.1.28~~4.1.25 Verification opinions shall:

1) state the volume of reductions and removals generated during the monitoring period that have been verified.
2) contain separate statements for reductions and removals where these are reported

separately in accordance with the applied methodology.

3) for AFOLU and GCS projects, include the non-permanence risk rating, leakage emissions, and number of reductions and removals eligible to be issued as VCUs.

Records of Validation and Verification

~~4.1.29~~4.1.26 The VVB shall keep all documents and records related to a project in a secure and retrievable manner until at least two years after the end of the total project crediting period.

Rotation of Validation/Verification Bodies

~~4.1.30~~4.1.27 Rotation of VVBs is required, as follows:

~~1)~~ Initial validation and first verification of a project may be undertaken by the same VVB. The subsequent verification shall be undertaken by a different VVB.[144]

~~2)~~1) ~~Note – The gap validation of a project registered under an approved GHG program may be disregarded when assessing conformance to these requirements.~~

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~~3)~~2) A VVB:

a) shall not verify more than six consecutive years of a project's reductions or removals.

b) may undertake further verification for a project for which it verified six consecutive years of reductions and removals only after at least three years of the project's reductions and removals have been verified by a different VVB.

c) may verify more than six consecutive years of an AFOLU project's reductions or removals where the verification period is longer than six years, and the subsequent verification shall be undertaken by a different VVB.

~~4)~~3) Crediting period renewal validation and the first verification of the renewed crediting period may be undertaken by the same VVB where that VVB did not complete the final verification of the previous crediting period. The subsequent verification shall be undertaken by a different VVB.

Note – Validations and verifications performed under other GHG programs are counted when assessing conformance to these requirements.

Validation and Verification Requirements for Grouped Projects

~~4.1.31~~4.1.28 Validation and verification of grouped projects shall assess conformance of the project to the requirements for grouped projects set out in the VCS Program rules.

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[144] For example, if validation and verification were undertaken at the same time, the subsequent verification must be undertaken by a different VVB. If validation was undertaken first (i.e., separately), the first verification could be undertaken by the same VVB, but the subsequent verification must be undertaken by a different VVB.

~~4.1.32~~4.1.29 New project activity instances shall be validated, based on the information reported in the monitoring report, against the applicable set of eligibility criteria, noting the following:

1) The VVB shall specify which instances meet the eligibility criteria for inclusion in the project.

2) The validation of the instances may be reported in the verification report or in a separate validation report.

~~4.1.33~~4.1.30 Where, due to the number of project activity instances, it is unreasonable to undertake an individual assessment of each initial or new instance, the VVB shall document and explain the evidence-gathering methods employed for the validation of such instances, noting the following:

1) The evidence-gathering methods shall be statistically sound.

2) The number of instances included in the project and eligible for monitoring and generation of VCUs shall be proportional to the percentage of instances sampled by the VVB and found to conform to VCS Program rules.

~~4.1.34~~4.1.31 The verification report for grouped projects shall document and explain the evidence-gathering methods employed by the VVB for the verification of the GHG statement of reductions and removals generated by the project, noting the following:

1) The evidence-gathering methods shall be statistically sound.

2) Any subsequent changes to the evidence-gathering method(s) required due to the verification findings shall be documented.

Non-Permanence Risk Analysis and Market Leakage Evaluations for AFOLU and GCS Projects

~~4.1.35~~4.1.32 Non-permanence risk analysis and market leakage evaluations shall be assessed by the VVB in accordance with the VCS Program rules.

~~4.1.36~~4.1.33 The VVB shall assess the risk analysis carried out by the project proponent in accordance with the A*FOLU Non-Permanence Risk Tool* or *GCS Non-Permanence Risk Tool* and the project proponent shall:

1) respond to all of the VVB's findings.

2) amend the documentation as necessary and update the risk rating in response to the findings.

APPENDIX 1 ELIGIBLE AFOLU PROJECT CATEGORIES

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This appendix ~~defines~~ specifies the types of activities that are included within each AFOLU project category and is intended to ~~aid~~ help project proponents ~~in~~ determin~~e~~ing which type of methodology may be applicable to their ~~AFOLU~~ project activities. ~~As set out in Section 3.2 of the *VCS Standard*, AFOLU projects must apply a methodology eligible under the VCS Program.~~

Sectoral Scope 14: Forestry and Other Land Use (Forests, Wetlands, and Grasslands)

Afforestation, Reforestation, and Revegetation (ARR)

A1.1 Eligible ARR activities increase carbon sequestration and/or reduce GHG emissions by establishing, increasing, or restoring vegetative cover (forest or non-forest) through planting, sowing, or human-assisted natural regeneration of woody vegetation. ~~Eligible~~ ARR projects may include timber harvesting in their management plan. Eligible ARR project activity types are:

1) **ARR for plantation forestry:** Practices that involve afforestation of non-forested lands, to meet the FAO definition of plantation forest in *FRA 2025 Terms and Definitions*[145]

2) **ARR for ecosystem restoration:** Practices that meet the definition of ecosystem restoration in the *VCS Program Definitions, v5.0*, and the related requirements in section 3.18.10 and 3.18.11

3) **ARR for agroforestry:** Practices that implement ARR on agricultural lands through the deliberate integration of woody perennials with crops and/or livestock on the same land management unit

4) **ARR for all other purposes:** Practices that implement ARR for other purposes such as revegetation or afforestation of degraded agricultural land, or activities involving other land with tree cover (e.g., revegetation, assisted migration, hedgerows, urban planting)

Note – Tree planting ~~activities~~ on managed forest lands ~~managed for wood products (i.e., evidenced with~~ by a forest management plan, timber concessions, or harvesting) at any time in

[145] Available at: https://openknowledge.fao.org/server/api/core/bitstreams/a6e225da-4a31-4e06-818d-ca3aeadfd635/content

the 10 years prior to the project start date is ~~are~~ categorized as IFM~~,~~ unless a documented disturbance event (e.g., wildfire, insect infestation, illegal deforestation) has caused degradation, in which case ARR activities may be implemented~~project activities~~.

~~Agricultural Land Management (ALM)~~

~~A1.2 Eligible ALM activities reduce net GHG emissions on croplands and grasslands by increasing carbon stocks in soils and woody biomass and/or decreasing CO_2, N_2O, and/or CH_4 emissions from soils. The project area shall not be cleared of native ecosystems within the 10 year period prior to the project start date. Eligible ALM activities include:~~

~~1) **Improved Cropland Management (ICM):** practices that demonstrably reduce net GHG emissions of cropland systems by increasing soil carbon stocks, reducing soil N_2O emissions, and/or reducing CH_4 emissions~~

~~2) **Improved Grassland Management (IGM):** practices that demonstrably reduce net GHG emissions of grassland ecosystems by increasing soil carbon stocks, reducing N_2O emissions, and/or reducing CH_4 emissions~~

~~3) **Cropland and Grassland Land-use Conversions (CGLC):** practices that convert cropland to grassland or grassland to cropland and reduce net GHG emissions by increasing carbon stocks, reducing N_2O emissions, and/or reducing CH_4 emissions~~

~~*Note – Project activities relating to manure management are eligible under Sectoral Scope 15 (livestock, enteric fermentation, and manure management), not Sectoral Scope 14 (AFOLU).*~~

Improved Forest Management (IFM)

A1.2~~3~~ Eligible IFM activities increase carbon sequestration and/or reduce GHG emissions on forest lands managed for wood products such as sawtimber, pulpwood, and fuelwood by increasing biomass carbon stocks through improving forest management practices.

A1.3 As set out in IFM methodologies, ~~T~~the baseline and project scenarios for the project area ~~shall~~ must qualify as forests remaining as forests, such as set out in the *2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories*, and the project area ~~shall be~~ must be designated, sanctioned, or approved for wood product management by a national or local regulatory body (e.g., as logging concessions or plantations).

A1.4~~4~~ Various sanctioned forest management activities may be changed to increase carbon stocks and/or reduce emissions, but only a subset of these ~~activities make~~ cause a measurable ~~difference to the long-term increase in net GHG emissions~~ changes compared to the baseline scenario. Eligible IFM project activity ~~ies~~types ~~include~~are:

1) **Reduced impact logging ~~(RIL)~~:** Practices that reduce net GHG emissions by switching from conventional logging to ~~RIL~~ reduced impact logging during timber harvesting

2) **Logged to protected forest ~~(LtPF)~~:** Practices that reduce net GHG emissions by permanently converting logged forests to protected forests. By eliminating harvesting for timber,

biomass carbon stocks are protected and can increase as the forest regrows ~~and/~~or continues to grow. Harvesting trees to advance conservation ~~purposes~~ (e.g., removal of diseased trees) may continue in the project scenario.

3) **Extended rotation age / cutting cycle ~~(ERA)~~:** Practices that reduce net GHG emissions of evenly aged managed forests by extending the rotation age or cutting cycle and increasing carbon stocks

4) **Low-productive to high-productive forest ~~(LtHP)~~:** Practices that increase carbon sequestration by converting low-productivity forests to high-productivity forests

~~4)~~5) **Enhanced sequestration:** Practices that increase carbon sequestration through interventions that accelerate tree growth rates and survival (e.g., nutrient amendments, removing understory competition). Projects must account for GHG emissions from treatments and inputs.

Note – Activities that reduce GHG emissions from unsanctioned forest degradation (e.g., illegal logging) are considered REDD activities.

Reduced Emissions from Deforestation and Degradation (REDD)

A1.5 Eligible REDD activities ~~are those that~~ reduce net GHG emissions by reducing deforestation and/or degradation of forests. Deforestation is the direct, human-induced conversion of forest land to non-forest land. Degradation is the persistent reduction in canopy cover and/or carbon stocks in a forest due to human activities such as animal grazing, fuelwood extraction, timber removal, or other such activities, but which does not result in the conversion of forest to non-forest land (which would be classified as deforestation) and qualifies as *forests remaining as forests,* such as set out in the *IPCC 2003 Good Practice Guidance for Land Use, Land-Use Change and Forestry*.

A1.6 As set out in REDD methodologies, ~~T~~the project area ~~shall~~ must qualify as forest for a minimum of 10 years before the project start date. In the VCS Program, secondary forests are considered to be forests that have been cleared and have recovered naturally and that are at least 10 years old and meet the lower bound of ~~the~~ forest threshold parameters at the start of the project. Forested wetlands, such as floodplain forests, peatland forests, and mangrove forests, are also eligible provided they meet ~~the~~ forest definition requirements ~~mentioned above~~.

A1.~~7~~6 ~~Activities covered under the~~ REDD ~~project category~~ activities are designed to stop planned (designated and sanctioned) deforestation or unplanned (unsanctioned) deforestation and/or degradation. Avoided planned degradation is classified as IFM.

A1.~~8~~7 Activities that stop unsanctioned deforestation and/or illegal degradation (e.g., ~~such as~~ removal of fuelwood or timber extracted by non-concessionaires) on lands that are legally sanctioned for timber production are eligible as REDD activities. Activities that reduce or stop logging only, followed by protection, on forest lands legally designated or sanctioned for forestry activities are included ~~with~~in IFM.

A1.98 Eligible REDD project activity typesties ~~include~~are:

1) **Avoiding planned deforestation ~~(APD)~~:** Practices that reduce net GHG emissions by permanently stopping or reducing deforestation on forest lands that are legally authorized and documented for conversion. Planned deforestation encompasses activities where a forest system would have been cleared and replaced by a different forest system with a lower carbon stock and where the recovery of timber was not the primary objective of the initial forest clearance.

2) **Avoiding unplanned deforestation and/or degradation ~~(AUDD)~~:** Practices that reduce net GHG emissions by stopping deforestation and/or degradation of degraded to mature forests that would have occurred in any forest configuration

Avoided Conversion of Grasslands and Shrublands (ACoGS)

A1.109 Eligible ACoGS activities reduce net GHG emissions by reducing the conversion of grassland and shrubland ecosystems to other land uses with lower carbon densities. Eligible ~~avoided conversion~~ ACoGS activities include avoiding, at a minimum, the removal or replacement of vegetation and may also include avoiding soil disturbance.

A1.110 The project area ~~is~~ must be native grasslands (including savanna that does not meet the definition of forest) and/or shrublands (including chaparral). Non-forested wetlands, including peatlands, are not eligible under ACoGS and are covered under other AFOLU project categories.

A1.121 ACoGS Aactivities ~~covered under the ACoGS project category~~ are designed to stop planned (designated and sanctioned) conversion or unplanned (unsanctioned) conversion on public or private lands. This project category type only includes avoided conversion of non-forested lands. Other management activities on non-forested land may qualify under ALM or ARR project categories.

A1.123 Eligible ACoGS project activity typesies ~~include~~are:

1) **Avoiding planned conversion ~~(APC)~~:** Practices that reduce net GHG emissions by stopping conversion of grasslands or shrublands that are legally authorized and documented for conversion

2) **Avoiding unplanned conversion ~~(AUC)~~:** Practices that reduce net GHG emissions by stopping unplanned conversion of grasslands or shrublands

Wetland Restoration and Conservation (WRC)

A1.134 Eligible WRC activities increase net GHG removals by restoring wetland ecosystems or reduce GHG emissions by rewetting or avoiding the degradation of wetlands.

A1.15 As set out in WRC methodologies, ~~T~~the project area ~~shall~~ must meet an internationally accepted definition of wetland, such as from the IPCC, Ramsar Convention on Wetlands, those established by law or national policy, or those with broad agreement in the peer-reviewed

scientific literature for specific countries or types of wetlands. Common wetland types include peatland, salt marsh, tidal freshwater marsh, mangroves, wet floodplain forests, prairie potholes, and seagrass meadows. WRC activities may be combined with other AFOLU project categories (see Section A1.17).

A1.164 A peatland is an area with a layer of naturally accumulated organic material (peat) at the surface (excluding the plant layer). Common peatland types include peat swamp forest, mire, bog, fen, moor, muskeg, and pocosin. Rewetting of drained peatland and the conservation of undrained or partially drained peatland are sub-categories of restoring wetland ecosystems and conservation of intact wetlands, respectively.

A1.175 Activities that generate net reductions in GHG emissions from wetlands are eligible as WRC projects or combined category projects (such as REDD on peatland). Activities that actively lower the water table depth in wetlands are not eligible. Eligible WRC project activity types areies include:

1) **Restoring wetland ecosystems (RWE):** Practices that reduce GHG emissions or increase carbon sequestration in a degraded wetland through restoration (e.g., . Such activities include enhancing, creating, and managing hydrological conditions, sediment supply, salinity characteristics, water quality, and native plant communities). Restoration activities result in the reestablishment of ecological processes, functions, and biotic and abiotic linkages that lead to persistent, resilient systems integrated within the landscape.

2) **Conservation of intact wetlands (CIW):** Practices that reduce GHG emissions by avoiding degradation and/or the conversion of wetlands that are intact or partially altered while still maintaining their natural functions, including hydrological conditions, sediment supply, salinity characteristics, water quality, and native plant communities.

   Wetland degradation or conversion can be planned (designated and sanctioned) or unplanned (unsanctioned). Planned and unplanned degradation or conversion of wetlands can therefore encompass a wide variety of activities such as those listed under REDD while adding a wetland component. Activities covered under the Conservation of intact wetlands (CIW) project category activities are designed to stop or reduce planned or unplanned degradation or conversion in the project area to other land uses. The following Eligible CIW project activity types areies are eligible:

   a) **Avoiding planned wetland degradation (APWD):** Practices that reduce GHG emissions by avoiding degradation of wetlands, or further degradation in partially drained wetlands that are legally authorized and documented for conversion

   b) **Avoiding unplanned wetland degradation (AUWD):** Practices that reduce GHG emissions by avoiding unplanned degradation of wetlands, or by avoiding further degradation in partially degraded wetlands

Note – Activities where drainage is continued or maintained are not eligible. This includes, for example, projects that require the maintenance of drainage channels to maintain the pre-project drainage level on a partially drained peatland (e.g., where periodic deepening may be

needed to counteract peat subsidence). Projects that allow selective harvesting that results in a lowering of the water table depth (e.g., by extracting timber using drainage canals) or affects the ability of vegetation to act as a major hydrological regulat~~or~~ion ~~device~~ (e.g., extracting trees which support the peat body) are also not eligible. Project activities may include selective harvesting where harvesting does not lower the water table (e.g., by extracting timber using wooden rails instead of drainage canals).

A1.18~~6~~ Activities that generate net reductions or removals by combining other AFOLU project activities with wetland restoration or conservation activities are eligible as WRC combined projects:

1) Rewetting wetland ecosystems (RWE) may be implemented without further conversion of land use or it may be combined with AcoGS, ALM, ARR, IFM, or REDD activities, referred to as ACoGS+RWE, ALM+RWE, ARR+RWE, IFM+RWE, and REDD+RWE, respectively.

2) CIW may be implemented on non-forest land or combined with AcoGS, IFM, or REDD activities, referred to as ACoGS+CIW, IFM+CIW, ~~or~~ and REDD+CIW, respectively.

A1.19 Table 13~~Table 13~~ illustrates the types of WRC activities that may be combined with other AFOLU project categories. The applicable AFOLU requirements that ~~shall~~ must be followed for combined category projects are based on the condition of the wetland in the baseline scenario, the land use in the baseline scenario, and the project activity.

Table 13. Eligible WRC combined category projects

Baseline scenario		Project activity	Combined project categories
Condition	Land use		
Degraded wetland (including drained, impounded, and with interrupted sediment supply)	Non-forest (including aquacultures, grasslands, and shrublands)	Restoration of wetlands*	RWE
		Restoration of wetlands* and avoided conversion of grasslands or shrublands	ACoGS+RWE
		Restoration of wetlands* and conversion to wetland agriculture (including paludiculture)	ALM+RWE
		Restoration of wetlands* and revegetation or conversion to forest	ARR+RWE
	Forest	Restoration of wetlands*	RWE

	Forest with deforestation/degradation	Restoration of wetlands* and avoided deforestation and/or degradation	REDD+RWE
	Forest managed for wood products	Restoration of wetlands* and improved forest management	IFM+RWE
Non-wetland or open water	Non-forest	Creation of wetland conditions and afforestation, reforestation, or revegetation	ARR+RWE
	Open water or impounded wetland	Creation or restoration of conditions for vegetation development and afforestation, reforestation, or revegetation	ARR+RWE
Intact wetland	Non-forest (including grasslands and shrublands)	Avoided drainage and/or interrupted sediment supply	CIW
		Avoided conversion to open water or impounded wetland (including excavation to create fish ponds)	CIW
		Avoided drainage and/or interrupted sediment supply and avoided conversion of grasslands and shrublands	ACoGS+CIW
	Forest	Avoided drainage and/or interrupted sediment supply	CIW
		Avoided conversion to open water or impounded wetland	CIW
	Forest with deforestation/degradation	Avoided drainage and/or interrupted sediment supply and avoided deforestation and/or ~~/~~degradation	REDD+CIW
		Avoided conversion to open water or impounded wetland and avoided deforestation and/or degradation	REDD+CIW
	Forest managed for wood products	Avoided drainage and/or interrupted sediment supply and improved forest management	IFM+CIW

* Restoration of wetlands includes all the activities set out in Section ~~-~~A17.1.

~~A1.17 Combined category projects shall use the relevant WRC requirements and the respective AFOLU project category requirements for quantifying reductions/removals unless the former may be deemed de minimis or conservatively excluded.~~

Sectoral Scope 15: Agriculture

Agricultural Land Management (ALM)

A1.20 Eligible ALM activities reduce net GHG emissions on croplands and grasslands by increasing carbon stocks in soils and woody biomass and/or decreasing CO_2, N_2O, and/or CH_4 emissions from soils. ~~The project area shall not be cleared of native ecosystems within the 10-year period prior to the project start date.~~ Eligible ALM project activity types~~ies include~~are:

1) **Improved cropland management ~~(ICM)~~:** Practices involving improved planting and harvesting, input and fertilizer management, water management, reducing soil disturbance, and others in ~~that demonstrably reduce net GHG emissions of~~ cropland systems (including integrated crop–livestock systems)~~by increasing soil carbon stocks, reducing soil N_2O emissions, and/or reducing CH_4 emissions~~

2) **Improved ~~grassland~~grazing management ~~(IGM)~~:** Practices involving livestock management in grassland agro-ecosystems (including integrated crop–livestock systems), such as rotational grazing or rest and recovery regimes~~that demonstrably reduce net GHG emissions of grassland ecosystems by increasing soil carbon stocks, reducing N_2O emissions, and/or reducing CH_4 emissions~~

3) ~~**Cropland and grassland land-use conversions (CGLC):** practices that convert cropland to grassland or grassland to cropland and reduce net GHG emissions by increasing carbon stocks, reducing N_2O emissions, and/or reducing CH_4 emissions~~ **Restoration of degraded agricultural land:** Practices that initiate or accelerate the recovery of productive land and ecosystem health from a degraded state, with the aim of restoring land fertility, productivity, and ecosystem functions

4) **Enhanced weathering applications in agriculture:** Practices that spread finely ground alkaline minerals (mostly silicates) on croplands or other agricultural soils to accelerate natural mineral weathering processes, thereby removing atmospheric CO_2

Livestock Systems (LS)

A1.21 Eligible LS activities provide improved feeding regimes that reduce enteric fermentation, enhance animal health, and reduce mortality. Eligible LS project activity types are:

1) **Enteric fermentation management:** Practices that improve or modify feeding regimes in ruminant diets to suppress or inhibit methanogenesis, including through use of feed ingredients

2) **Livestock management:** Practices that promote animal health and disease prevention, enhance productivity, or shorten animal life cycles

Note – Project activities relating to manure ~~management~~storage or manure waste to energy production are eligible under sectoral scope 15~~3 (livestock, enteric fermentation, and manure management~~waste handling and disposal) and are not considered AFOLU projects~~, not Sectoral Scope 14 (AFOLU)~~.

APPENDIX 2 ELIGIBILITY CONDITIONS FOR PROJECTS AND CPAS SEEKING VCS REGISTRATION

This appendix defines the eligibility conditions (effective dates) for projects and component project activities (CPAs) registered with another GHG program that are seeking to register with the VCS Program. These conditions remain unchanged from the 22 April 2021 update to the *VCS Standard* (see Appendix 3 Document History). These conditions are copied to this appendix for greater ease of use.

Standalone Projects Seeking Registration with the VCS Program

Projects registered with another GHG program, with activities that are included within the scope of the VCS Program (see Section 2.1), shall only be eligible to complete a gap validation and/or register with the VCS Program where the following timelines apply:[146]

A2.1 For a project that does not include afforestation and/or reforestation activities:

1) the project must have an original project crediting period start date with another GHG program on or after 1 January 2016; or

2) where the project has an original project crediting period start date from 1 January 2013 to 31 December 2015, the project must have issued credits during the period 1 January 2016 to 5 March 2021 or must have a status of "issuance requested" on the relevant GHG program registry by 5 March 2021.

A2.2 For a project with afforestation and/or reforestation activities, the project must have been registered with another GHG program on or after 1 January 2013.

Further, the following timelines apply with respect to vintages:[147]

A2.3 For a project that does not include afforestation and/or reforestation activities, only GHG emission reductions with vintages beginning on or after 1 January 2016 are eligible for VCU issuance.

A2.4 For a project with afforestation and/or reforestation activities, only GHG emission reductions with vintages beginning on or after 1 January 2013 are eligible for VCU issuance.

[146] A project is deemed to have met these timelines where Verra confirmed (in writing, to the project proponent or an authorized representative) the project's eligibility on or before 4 February 2021.

[147] Ibid.

CDM CPAs Seeking Registration with the VCS Program

CDM CPAs with activities that are included within the scope of the VCS Program (see Section 2.1) shall only be eligible to complete a gap validation and/or register with the VCS Program where the following timelines apply:[148]

A2.5 For a CPA that does not include afforestation and/or reforestation activities:

1) the CPA must be part of a program of activities (PoA) with an original program crediting period start date on or after 1 January 2016; or

2) where the CPA is part of a PoA with an original program crediting period start date from 1 January 2013 to 31 December 2015 and where the CPA has an original crediting period start date from 1 January 2013 to 31 December 2015, the CPA must have issued credits during the period 1 January 2016 to 5 March 2021, or must have a status of "issuance requested" by 5 March 2021; or

3) where the CPA is part of a PoA with an original program crediting period start date from 1 January 2013 to 31 December 2015 and where the CPA has an original crediting period start date on or after 1 January 2016, no prior credit issuance is required.

A2.6 For a CPA with afforestation and/or reforestation activities, the CPA must be part of a PoA that was registered on or after 1 January 2013.

Further, the following timelines apply with respect to vintages:[149]

A2.7 For a CPA that does not include afforestation and/or reforestation activities, only GHG emission reductions with vintages beginning on or after 1 January 2016 are eligible for VCU issuance.

A2.8 For a CPA with afforestation and/or reforestation activities, only GHG emission reductions with vintages beginning on or after 1 January 2013 are eligible for VCU issuance.

Commented [A80]: #43

[148] Ibid.

[149] Ibid.

DOCUMENT HISTORY AND EFFECTIVE DATES

Version	Date	Comment
v5.0	16 Dec 2025	Updated version released under VCS Version 5.

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, improving agricultural practices, addressing plastic waste, and achieving gender equality. We manage programs to certify that these activities achieve measurable high-integrity outcomes. 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.