The VCS Project Cycle: Step by Step

VCS provides a robust quality assurance standard for determining project eligibility and issuing credits to greenhouse gas (GHG) emission reduction activities. In order to issue Verified Carbon Units (VCUs), a project must follow five basic steps:

**Step 1: Choose a Methodology**
A methodology sets out detailed procedures for quantifying the GHG emission reductions of specific project activities. VCS offers a range of pre-approved methodologies for projects in energy, mining, forestry, agriculture, waste disposal and other sectors. Projects may choose a methodology approved through the VCS Program or another approved program like the United Nations Clean Development Mechanism (CDM) or the Climate Action Reserve (CAR). Project proponents should ensure the methodology’s applicability conditions are appropriate to the project location, activities, technologies and other specific circumstances.

Project proponents may also develop a new methodology for VCS approval if a current pre-approved methodology does not meet their needs. New methodologies must undergo a stringent assessment process to ensure all VCUs uphold quality assurance principles. A complete list of pending and approved methodologies is available on the VCS website [www.v-c-s.org](http://www.v-c-s.org).

**Step 2: Describe and List Project**
Project proponents must create a project description to demonstrate a project meets all the requirements of both the VCS Program and the applied methodology. The project description may be written after project implementation as long as the project validation is completed within the appropriate timeframe set out in the VCS Standard.

Project proponents must also list their project description on the VCS Project Pipeline, a section of the VCS Project Database for forthcoming projects. Projects can progress to project registration after completing validation.

**Step 3: Validate Project Description**
Project developers must contract a validation/verification body (VVB) to validate their project description data in a monitoring report and contract a VVB to verify those emission reductions.

**Step 4: Verify Emission Reductions**
Project developers must request VCU issuance. Credits deposited into their account may be held, sold or retired.
Step 3: Validate Project Description
Project proponents must contract an approved independent auditor, known as a validation/verification body (VVB), to determine whether the project complies with all VCS rules and requirements. All project descriptions must be validated against the VCS rules and project validation reports must be submitted to the VCS registry before projects can be registered.

All VVBs must be accredited by a member body of the International Accreditation Forum (e.g., the American National Standards Institute) or approved by an accepted GHG program such as the CDM or Joint Implementation (JI). All VVBs must be approved to audit for the appropriate sector, and they must have signed an agreement with VCS.

Step 4: Verify Emission Reductions
Once the project becomes operational, project proponents must follow a monitoring plan that details how to track and report the GHG emission reductions and other data relevant to the project. Project proponents document emission reductions in a monitoring report. A VVB is contracted to verify the reductions claimed in the monitoring report.

Step 5: Issue Verified Carbon Units
Finally, project proponents must submit a request to register their project and issue VCUs into their registry account. Upon receiving these requests, the VCS registry operator reviews the project documents for completeness. Approved projects become eligible for VCUs to be deposited into the project proponent’s account.

Each VCU is assigned a unique serial number so it can be tracked across its life cycle in the VCS project database. Project proponents may hold, sell or retire VCUs at their discretion; account holders are free to move VCUs between registry operators at any time. A permanent record of each VCU can always be found in the VCS project database.

Projects can be developed under any of the VCS sectoral scopes:
1. Energy (Renewable/Non-renewable)
2. Energy Distribution
3. Energy Demand
4. Manufacturing Industries
5. Chemical Industries
6. Construction
7. Transport
8. Mining/Mineral Production
9. Metal Production
10. Fugitive Emissions from Fuels
11. Fugitive Emissions from Industrial Gases
12. Solvents Use
13. Waste Handling and Disposal
14. Agriculture Forestry and Other Land Use
15. Livestock and Manure Management

Contact the VCS Secretariat
VCS staff are always available to assist project proponents efficiently navigate through the VCS Program. Questions or comments related to any aspect of the program should be directed to the VCS Secretariat at secretariat@v-c-s.org. To find a VCS registry or VVB, visit the VCS website: http://v-c-s.org/develop-project.

Learn more at www.v-c-s.org/develop-project