

Reorganizing and Restructuring VCS Program Documents

1 ABSTRACT

As the VCS Program has grown, new requirements and program documents have been added over time. In the interest of ensuring that all program documents are clearly structured and that linkages between documents are clear, Verra is considering updating the structure and format of the VCS Program documents to make them more user-friendly. More specifically, Verra is considering:

- 1) More clearly delineating project-level and methodology-level requirements in separate documents;
- 2) Restructuring the text of program documents to better distinguish descriptive text and requirements; and
- 3) Removing outdated information.

2 BACKGROUND

The VCS Program requirements documents (e.g., the *VCS Standard* and *AFOLU Requirements*) currently include requirements that apply at the project-level and requirements that apply at the methodology-level. Although these requirements are set out in different sections of the program documents, Verra has received feedback that the delineation between project-level and methodology-level requirements is not always abundantly clear. In other cases, the full scope of requirements that a project or methodology must follow may be spread across two or three different program documents, which can make it difficult for even the most experienced users of the VCS Program to identify all relevant requirements.

Additionally, most VCS Program documents have been structured so that descriptive language (e.g., text that explains a concept or provides background information), and specific requirements that projects or methodologies must follow, are included together. This structure of the documents can make it difficult for stakeholders to distinguish between specific requirements and background information.

Finally, certain grandfathered provisions of older versions of the VCS Program (e.g., VCS 2007.1) are no longer relevant to include in the VCS Program documents.

Verra believes that it could increase the user-friendliness of the VCS program documents by addressing the points above.

3 PROPOSAL

Verra is considering updating the VCS program documents by:

- 1) Reorganizing the content of requirements documents to move all project-level requirements to the *VCS Standard* and all methodology-level requirements to a new document, the *Methodology Requirements*. This would mean that all project-level requirements would exist only in the *VCS Standard*, and all methodology-level requirements would exist only in the *Methodology Requirements*. Further, this would allow for the elimination of the *AFOLU Requirements* and *ODS Requirements* documents altogether, as all information currently included in those documents would be moved to either the *VCS Standard* or the new *Methodology Requirements* document.

Example 1 below illustrates how a project-level requirement that is currently set out in Section 2.2 of the *ODS Requirements*, v3.1 would be moved to the relevant section of the *VCS Standard*.

Example 1: Document reorganization

VCS Standard: VCS Version 3
3 | Project Requirements

3.7 PROJECT START DATE

3.7.1 ...

Non-AFOLU

3.7.2 ...

AFOLU

3.7.3 ...

3.7.4 ...

3.7.5 ...

ODS

3.7.6 The project shall comply with at least one of the following in relation to project start date:

- 1) The project start date shall not be before the Montreal Protocol production phase-out deadline (except for critical/essential uses) for the relevant ODS as it applies to the host country and/or any country from which ODS destroyed by the project is imported (as applicable); 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 (as applicable) 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). This project start date requirement accounts for countries that phase-out the relevant ODS in advance of their Montreal Protocol production phase-out deadline.

3.7.6.3.7.7 Where the project imports ODS, it shall provide documentary evidence, such as shipping manifests and bills of lading, to demonstrate that the ODS originates from a country meeting with the above.

- 2) Restructuring the requirements documents to more clearly distinguish between background or contextual information, and specific requirements. Verra proposes to accomplish this by including “concept” and “requirements” sub-sections within each section of the VCS Program documents, and structuring the “requirements” sub-sections to resemble checklists with each requirement separated into an individual paragraph.

Example 2 below illustrates how a section of the *VCS Standard* will be restructured. Note that the two requirements paragraphs and note, included under the “requirements” sub-heading in the example, are included in the current version of the *VCS Standard* as one paragraph. They have been separated in the example below to ensure that each paragraph sets out one requirement only, and that information that does not set out a specific requirement is not included with requirements.

Example 2: Document restructuring

VCS Standard: VCS Version 33 | Project Requirements

3.7 PROJECT START DATE

Concept

For non-AFOLU projects, ~~The the~~ project start date is the date on which the project began generating GHG emission reductions or removals. For AFOLU projects, the project start date is the date on which activities that lead to the generation of GHG emission reductions or removals are first implemented.

Requirements

Non-AFOLU

3.7.1 Non-AFOLU projects shall complete validation within two years of the project start date, except - Additional time is granted for non-AFOLU projects to complete validation where they are applying a new VCS methodology.

3.7.2 Projects using a new VCS methodology and completing validation within two years of the approval of the methodology by Verra may complete validation within four years of the project start date.

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

- 3) Removing outdated information from the VCS Program documents which relates to provisions of earlier versions of the VCS Program that are no longer relevant or operational. All rules and requirements that were set out under previous versions of the VCS Program will remain available in archived versions of the program documents available on the Verra website.

Example 3 below illustrates how outdated information that is no longer relevant to projects, as all projects covered by those requirements must have either completed validation or are now ineligible, will be removed from the *VCS Standard*.

Example 3: Removal of outdated information

VCS Standard: VCS Version 3

3 | Project Requirements

3.7 PROJECT START DATE

3.7.1 ...

Non-AFOLU

3.7.2 ...

AFOLU

3.7.3 AFOLU projects with a project start date on or after 8 March 2008 shall complete validation within five years of the project start date.

~~3.7.4 AFOLU projects with a project start date on or after 1 January 2002 and before 8 March 2008 shall complete validation before 8 March 2013.~~

~~3.7.5 For AFOLU projects with a project start date before 1 January 2002, the following applies:~~

- ~~1) Validation and verification shall be completed by 1 October 2011. However, additional time is granted for AFOLU projects with a project start date before 1 January 2002 to complete validation and verification where they are applying a new VCS methodology. Specifically, projects using a new VCS methodology shall complete validation and verification within one year of the approval of the methodology, and no later than 1 October 2012. New VCS methodology in this context has the same meaning as set out in Section 3.7.2.~~
- ~~2) It shall be demonstrated that the project was designed and implemented as a GHG project from its inception. Evidence may include minutes and/or notes related to Board decisions to undertake the project as a GHG project, or other evidence of real actions to undertake the project as a GHG project such as relevant contracts with consultants, documentation related to the sale of GHG credits or contracts with validation/verification bodies.~~
- ~~3) It shall be demonstrated that the project, prior to 1 January 2002, applied an externally reviewed methodology and engaged independent carbon expert(s) to assess and quantify the project's baseline scenario and net GHG emissions reductions or removals.~~

Verra is requesting feedback on the following:

- Will the proposed updates increase the user-friendliness of VCS Program documents, and the VCS Program in general?
- Is there a better way to structure the specific requirements to have them resemble a checklist and/or to make it more clear which requirements must be followed?
- How can Verra best demonstrate to users of the VCS Program how content was reorganized (e.g., an annotated and track-changes version of requirements documents or a requirements “road map”)?
- Are there other ways in which Verra could make the VCS Program documents more user-friendly?