Sustainable Development Verified Impact Standard

A **VERRA** STANDARD

Program Guide

First Draft, 4 June 2018

v0.1

Contents

1   Introduction

The Sustainable Development Verified Impact Standard (SD VISta) Program is a global program managed by Verra for projects that generate verifiable sustainable development benefits. SD VISta projects must demonstrate how they will advance the Sustainable Development Goals (SDGs) and deliver benefits for people, their prosperity and the planet, in accordance with the United Nations' 2015 resolution *Transforming our World: the 2030 Agenda for Sustainable Development* (hereafter referred to as the *2030 Agenda*).

The *SD VISta Program Guide* (this document) specifies the rules governing the SD VISta Program, and describes its constituent parts.

1.1   VERSION AND UPDATE SCHEDULE

Editions of the SD VISta Program are labeled with a version number and program documents are correspondingly version controlled. SD VISta Version 1 is the first working version of SD VISta. It was released on DD MONTH XXXX is applicable with immediate effect.

SD VISta Version 1 is comprised of all the program documents labeled v1.x, where x is a running number starting at zero. Individual program documents may be updated from time to time, as developments require, and their version numbers will be incremented using the v1.x format. Such updated documents still form part of version 1 and the SD VISta Program edition should be referred to as SD VISta Version 1 regardless of the version numbers of the individual program documents. Where documents are updated, an appendix to the document will clearly state the updates made and their effective date. SD VISta stakeholders (interested and potentially affected) will be informed of the updates and the updates will also be catalogued on the Verra website. Readers shall ensure that they are using the most current version of this and all other program documents. The next review and potential update of this document is scheduled for 2020.

New versions of the SD VISta Program will be issued on a periodic basis when major edition updates are required. Development of new versions of the program will include public consultation interested and potentially affected stakeholders and will be announced on the Verra website and to SD VISta potentially affected stakeholders.

Note that projects and assets are not labeled in the Verra project database with a specific version of SD VISta (i.e., projects are not "Version 1", and likewise with assets). SD VISta Program documentation is merely labeled with a version in order to provide version control over the program documents.

2   Overview of the SD VISta Program

2.1   OBJECTIVES

The SD VISta Program establishes the rules and requirements that operationalize Verra to enable the validation of sustainable development projects and the verification of sustainable development activity implementation, claims and assets. The SD VISta Program aims to:

1) Establish clear rules and procedures to enable the successful design and implementation of high quality sustainable development projects;

2) Stimulate innovation in sustainable development activities and measures as well as procedures for validation, verification and registration, all within a context of quality, credibility and transparency;

3) Facilitate the creation of trusted and credible social and environmental assets (SD VISta assets) with a secure registry system for all SD VISta assets that offers assurance against double counting and provides transparency to the public;

4) Provide oversight to ensure that investors, buyers and the market recognizes SD VISta claims and assets are real and stimulate funding of high-value projects; and,

5) Demonstrate workable frameworks and offer lessons that can be incorporated into other efforts to achieve the Sustainable Development Goals.

2.2   HISTORY

Verra developed the SD VISta Program over one and a half years, which included two rounds of public consultation, piloted with over ten projects and with the support of a 19 member Standard Development Advisory Committee[1].

2.3   CONCURRENT USE OF SD VISTA AND OTHER PROGRAMS

The concurrent application of SD VISta with the VCS and the Climate, Community & Biodiversity (CCB) Standards[2] is facilitated through combined templates and validation/verification procedures. Verra welcomes opportunities to work with other programs on similar streamlining.

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[1] The members of this Standards Development Advisory Committee were Edwin Aalders, DNV GL; Beto Borges, Forest Trends; Javier Castro, TUV SUD Industrie Service GmbH; John Drexhage, Verra Board; Charles Ehrhart, Independent/Adaptation Fund; Eduardo Ferreira, World Bank; Emma Knott, Ecosphere Capital Partners LLP; Anna Lehman, Climate Policy and Investment Advisory; Ben Massie, Natural Capital Partners; Swapan Mehra, IORA Capital; Priscilla Miranda, Mexican Agency of International Development Cooperation (AMEXCID); Tom Morton, Climate Care; Marcos Neto, UNDP; Femi Oye, SME FUNDS; Gareth Phillips, African Development Bank; Ndivhuho Raphulu, National Cleaner Production Centre of South Africa (NCPC-SA); Ash Sharma, NAMA Facility/DANIDA; Alyson Slater, GRI; Massamba Thioye, UNFCCC.

[2] The Climate, Community & Biodiversity (CCB) Standards are used for the validation and verification of projects that simultaneously address climate change, support local communities and smallholders, and conserve biodiversity.

1 ## 2.4 PROGRAM DOCUMENTS

2 The rules and requirements for the SD VISta Program are set out in the program documents. Projects,
3 programs and methodologies shall meet with all the applicable rules and requirements set out in these
4 documents.

5 The structure of the program documents is summarized in Diagram 1. The *Sustainable Development*
6 *Verified Impact Standard* is the overarching requirements document. It is complemented by the *SD VISta*
7 *Program Guide*, which sets out constituent parts and processes of the program. Complementing these
8 two principal documents are other requirements and procedural documents and templates and forms.
9 Verra may issue new documents, as developments in the SD VISta Program require, and the complete
10 and current list of the program documents is available on the Verra website.

11 **Diagram 1:** SD VISta Program Documents
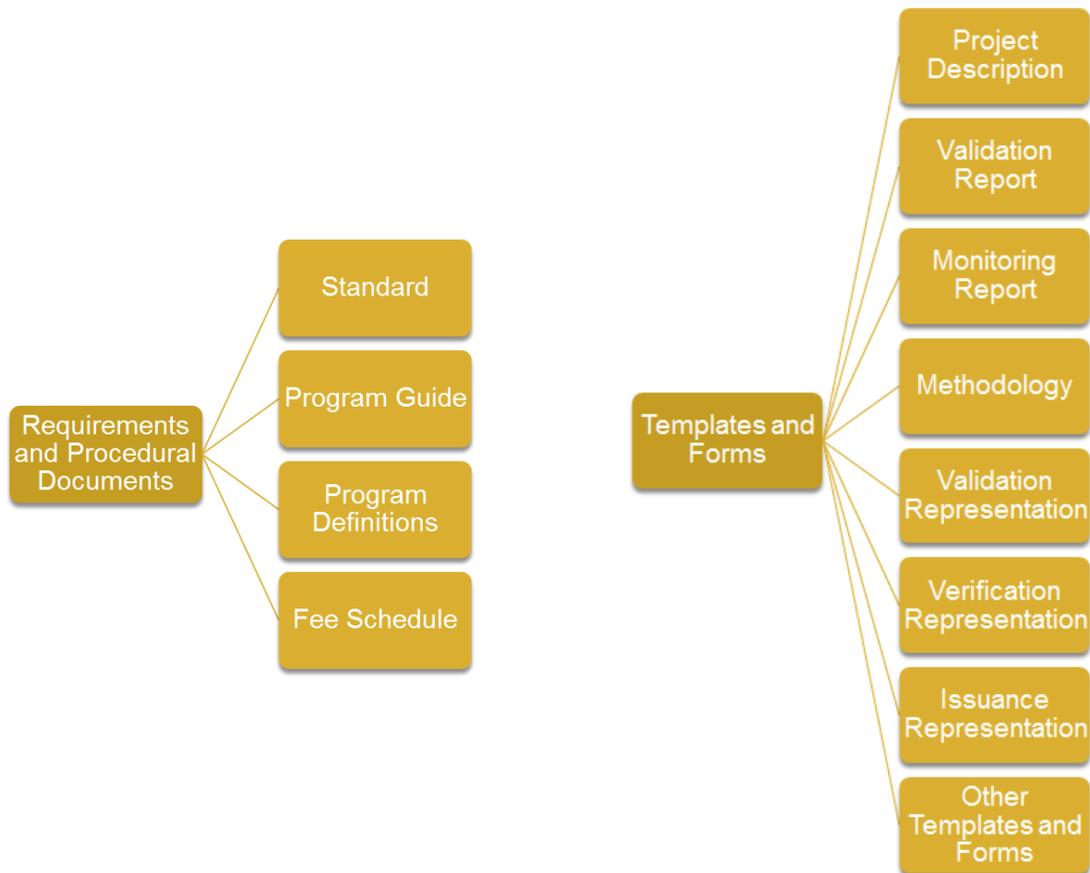
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13 The program documents currently include the following:

14   1) Process and Requirements Documents
15   a) *Sustainable Development Verified Impact Standard* provides the requirements for project
16   design and benefits to people, prosperity and planet as well as requirements for
17   validation, monitoring and verification of projects and related claims and assets.
18   b) *SD VISta Program Guide* provides rules for all actors involved in implementing the SD
19   VISta Program.

c) *SD VISta Program Definitions* provide the definitions for terms used in SD VISta Program documents.[3]

d) *SD VISta Fee Schedule* provides the fees related to use of the SD VISta Program.

2) Templates and Forms[4]

a) *SD VISta templates* for project descriptions, validation reports, monitoring reports, verification reports and methodologies.

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

c) *Forms* such as for submitting methodologies under the methodology approval process and applying to be a sustainable development area expert.

2.5 ROLES AND RESPONSIBILITIES

2.5.1 Project Proponents

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

Project proponents sign unilateral representations with respect to their projects and SD VISta assets, and these are made available on the Verra project database. Project proponents assume limited liability for replacement of excess SD VISta assets, as set out in Section 4.10.

Note: In order to aid the readability of the SD VISta Program documentation, the documents use project proponent in the singular. For projects with multiple project proponents, "project proponents" should be substituted in place of "project proponent", as appropriate.

2.5.2 Validation/Verification Bodies

Validation/verification bodies are accredited to:

1) Validate projects and verify sustainable development benefits and SD VISta claims and assets.

2) Assess methodology elements under the methodology approval process.

Validation/verification bodies must meet the requirements set out in the *Sustainable Development Verified Impact Standard* and sign the required agreement with Verra before they can perform validation or verification in connection with the SD VISta Program. The list of validation/verification bodies is available on the Verra website.

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[3] At the time of consultation, the *SD VISta Program Definitions* document has yet to be developed. Prior to the SD VISta Program's release, terms defined in the glossaries of the *Sustainable Development Verified Impact Standard* and *SD VISta Program Guide* will be combined to make up the *SD VISta Program Definitions* document.

[4] At the time of consultation, all templates and forms are yet to be developed.

2.5.3   Verra Registry

The Verra registry provides registry services for the SD VISta Program (as well as for the Verified Carbon Standard and the Climate, Community & Biodiversity Standards).The Verra registry is responsible for ensuring that all required project and program documents have been submitted to the registry; issuing and maintaining accounts of SD VISta assets for; ensuring the seamless flow of SD VISta assets throughout the registry system; maintaining custody and records of SD VISta assets legal ownership; and ensuring that SD VISta labels are added to Verified Carbon Units (VCUs) as appropriate.

2.5.4   Verra

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

One of Verra's roles is in respect of overseeing and ensuring the integrity of projects and SD VISta assets in the Verra registry. Verra conducts reviews of project registration and SD VISta asset issuance requests, and quarterly and annual reviews of projects and SD VISta assets in the Verra registry. Verra is also responsible for overseeing the validation/verification bodies operating under the SD VISta Program. Where Verra identifies shortcomings in a validation/verification body's performance, it may provide feedback and require the validation/verification body to address non-conformities.

Verra is responsible for maintaining a database of SD VISta projects, which provides public and searchable information on all projects seeking or achieving registration and verification under the SD VISta Program. The Verra project database provides full transparency on SD VISta project documentation and information about project proponents. SD VISta asset serial numbers are generated by the database, which ensures their uniqueness. In addition, the database offers information on SD VISta asset issuance and retirement.

The Verra project database also hosts projects certified to the Verified Carbon Standard and the Climate, Community & Biodiversity Standards. For SD VISta projects validated and/or verified to either of those programs, all project information will be displayed on the same page. SD VISta projects that issue Verified Carbon Units (VCUs) should see the SD VISta label reflected on those units in the Verra project database.

Verra reserves the right not to register projects and programs, or issue SD VISta assets where it deems that they are not in compliance with SD VISta rules or may otherwise impact the integrity of the SD VISta Program, and to delist projects and SD VISta assets where it deems that they have not been developed or issued in accordance with the SD VISta rules. Verra also reserves the right to take action against validation/verification bodies in accordance with the provisions set out in the agreements signed with Verra. The rights and obligations for validation/verification bodies are set out in such agreements.

Verra is also responsible for managing the SD VISta asset methodology approval process, and it reserves the right to not accept methodology elements into the process, not approve methodology elements, or review and update, put on hold or withdraw approved methodology elements where it deems

1   that they are not in compliance with SD VISta rules, would sanction politically or ethically contentious

2   project activities, or may otherwise impact the integrity of the SD VISta Program.

3   Verra may convene steering committees, advisory committees or working groups including experts from

4   outside of the organization to support its work in specific areas of the SD VISta Program. A full list of

5   steering committees and working groups is available on the Verra website.

6   Participation in the SD VISta Program is voluntary and based on objective criteria. The SD VISta Program

7   is not discriminatory to project proponents, methodology developers, validation/verification bodies, SD

8   VISta asset buyers, sellers or brokers or other programs seeking recognition under the SD VISta

9   Program.

10

3 SD VISta Principles

The application of principles is fundamental in ensuring that sustainable development-related information designed, monitored, reported and assessed under the SD VISta Program are true and fair. The following Principles enable the SD VISta Program to deliver on its objective to help unlock new sources of finance to support and scale up high-impact sustainable development efforts. These principles have been adapted for SD VISta but are based entirely on ISEAL's Credibility Principles.

Sustainability: Verra clearly defines and communicates SD VISta's sustainable development objective and, via program documentation, our approach to achieving that objective.

Improvement: Verra seeks to understand the SD VISta Program's impacts and to measure and demonstrate progress towards its intended outcomes. Learning is regularly integrated through program updates. Innovation within the program and by projects is encouraged to increase benefits to sustainable development.

Relevance: the SD VISta Program addresses projects' most significant sustainable development impacts; it only includes requirements that contribute to SD VISta's objectives; it reflects relevant international norms; it is adaptable to accommodate local conditions.

Rigor: All components of the SD VISta Program are structured to deliver quality outcomes. In particular, SD VISta rules and requirements are set at a performance level that results in measurable progress towards SD VISta's objectives, while assessments of compliance provide an accurate picture of whether a project meets the SD VISta rules.

Truthfulness: Claims and communications made by Verra and by project proponents about sustainable development benefits, contributions to the Sustainable Development Goals or SD VISta assets have been assessed and are not misleading.

Engagement: Verra engages a balanced and representative group of stakeholders in development of the SD VISta Program. Meaningful and accessible opportunities are provided to participate in governance, assurance and monitoring and evaluation. Verra empowers stakeholders with a fair complaints and appeals procedure.

Impartiality: Verra identifies and mitigates conflicts of interest throughout operations of the SD VISta Program, particularly in the assurance process and in governance. Transparency, accessibility and balanced representation contribute to impartiality.

Efficiency: Verra refers to and collaborates with other credible schemes to improve consistency and efficiency in standards content and operating practices. The SD VISta Program's viability is improved through the application of fees to recover the cost of operating the program and sound organizational management strategies.

Transparency: Verra makes relevant information freely available about the development and content of the standard, how the system is governed, who is evaluated and under what process, impact information and the various ways in which stakeholders can engage at the project or SD VISta Program level.

1   **Accessibility**: To reduce barriers to implementation, Verra minimizes costs and overly burdensome

2   requirements. Verra facilitates access to information about meeting the standard and any available

3   training for project proponents, validation/verification bodies and other SD VISta stakeholders.

4

4 Listing, Registration, Verification Posting and SD VISta Asset Issuance

4.1 INTRODUCTION

4.1.1 This section outlines the procedures for listing pipeline projects, registering projects, posting subsequent verifications and issuing SD VISta assets under the SD VISta Program. This section is intended for use by project proponents, SD VISta asset issuers and any other entities participating in the SD VISta asset market.

4.1.2 The Verra registry system is comprised of a registry and a project database. Project proponents interact with the Verra registry to list projects, register projects, post verifications and, optionally, issue SD VISta assets.

4.1.3 A Verra registry account shall be opened by any market participant who wants to list a pipeline project, register a project, post a verification and/or issue, trade or retire SD VISta assets and SD VISta-labeled VCUs.

4.1.4 All project documents other than the project proponent representations may be submitted to the Verra registry administrator in electronic format. The project proponent may protect commercially sensitive information by uploading a public project description and/or monitoring report and a private project description and/or monitoring report. The private project description and/or monitoring report will not be publicly available. The public project description and/or monitoring report differs from the private version only in that it does not contain commercially sensitive information.

4.1.5 The following applies with respect to the listing and registration representations:

1) The Verra website provides the template for the listing and registration representations. The template shall not be altered other than to fill in the project-specific details.

2) The listing and registration representations shall be properly executed as deeds in accordance with applicable local laws and the organization's own constitutional documents (e.g., signature by directors and requirement of company seals).

3) Where more than one individual or organization can claim rights in respect of the execution of the listing and/or registration representation, and there exists no other (single) entity which may execute the listing and/or registration representation, all such individuals and organizations shall execute the listing and/or registration representation, using the appropriate template available on the Verra website for pipeline projects with multiple project proponents, as applicable. Note that such representations may be executed in any necessary number of counterparts.

4) The signed originals of the listing and representations shall be provided to the Verra registry administrator.

4.2   PUBLIC COMMENT PERIODS

4.2.1   Comments are information relevant to past, present or future validations or verifications about whether the project, especially as represented in documentation posted on the Verra project database, meets the rules and requirements of the SD VISta Program. Some comments may be categorized as complaints (e.g., those comments that are objections or dissatisfactions relating to the activities of projects that may lead to the suspension of a project's SD VISta status and/or to an approved validation/verification body status; see Section 6.1).

4.2.2   The final day of a public comment period shall be within one year prior to the date on which a validation or verification statement is issued.

4.2.3   30-day public comment periods are initiated at two times:

1)   The date on which the project is listed on the project pipeline.
2)   At the project proponent's request.

Any comments shall be submitted to Verra at secretariat@verra.org; respondents shall also provide the name and identification number of the project, their name, organization, country and email address. Comments may be submitted to Verra in English, French, Spanish or Portuguese. At the end of the public comment period, Verra provides all and any comments received to the project proponent and the validation/verification body.

4.2.4   The validation/verification body shall acknowledge receipt of the comments from Verra and assess how the project proponent has responded to the issues raised by public comments. The project proponents may respond to public comments through revisions to the project description/monitoring report or other documented efforts.

4.2.5   The validation/verification body shall take these comments into account when determining whether the project meets the SD VISta rules and requirements. The validation or verification report shall describe how each comment was addressed by the project proponent.

4.2.6   The public comment period should be completed before the start of the validation/verification body site visit, so that the validation/verification body may make appropriate enquiries onsite about any comments received. In the event that the public comment period ends after the site visit is complete, the validation/verification body shall give full consideration to any comments received and may need to return to the project site to do so.

4.3   PIPELINE LISTING

4.3.1   To list a project on the SD VISta pipeline, the following shall be submitted to the Verra registry administrator:

1)   A draft project description; and
2)   A listing representation (see Section 4.1.5 above).

4.3.2   The Verra registry administrator shall ensure that all requirement documentation has been submitted.

4.3.3   Verra reviews the project documents to ensure that sufficient information is present for the project to undergo public comment. Verra may require the project proponent to update project

documentation before the Verra registry administrator can proceed with listing the project on the project database.

Where Verra has reason to believe that false or misleading project information has been submitted, Verra seeks clarification from the project proponent. Where the project proponent cannot satisfactorily justify the information provided for the pipeline project, Verra reserves the right to take the project listing off of the database.

4.3.4 Where a pipeline project does not successfully complete validation within 12 months of its initial listing, Verra may update the project status to inactivated. Inactivated projects may be reactivated by notifying the Verra registry administrator.

4.4   VALIDATION/VERIFICATION

4.4.1 The validation/verification body is responsible for checking that the document(s) to be assessed (draft project description and/or monitoring report) are available on the Verra project database and shall not conduct the opening meeting or otherwise begin validation until such time.

4.4.2 Validation and verification audits shall include a visit to the project site. The purpose of the site visit is to confirm the validity of the written project description or monitoring report and to ensure that the project meets the rules and requirements of the SD VISta Program. The on-site audit process normally includes interviews with project proponents and stakeholders, and a review of supporting records, documents and reports.

The validation/verification body may conduct a verification audit without a site visit only in a case where both of the following criteria are met:

1) The posting of the current project description and/or monitoring report for public comment is within three years of the first day of the public comment period for the audit during which the same validation/verification body last conducted a SD VISta site visit; and
2) The validation/verification body decides that current information provided by the project proponent combined with information from the last SD VISta site visit conducted by the same validation/verification body provides sufficient evidence for issuance of an opinion about whether the project meets the rules and requirements of the SD VISta Program.

4.4.3 The project proponent shall provide notification of a planned and upcoming validation/verification body site visit to interested and potentially affected stakeholders, preferably with 30 days' notice. Such notification shall indicate the validation/verification body name, audit team leader, dates and locations of the audit, contact details, and means of communicating with the audit team.

4.4.4 A validation/verification body shall document the audit and its decision using the template that corresponds to the document being audited. The validation/verification body shall adhere to all instructional text within the template.

4.4.5 In the case that there are non-conformities, deficiencies or weaknesses of the project design or implementation with respect to the SD VISta rules, these shall be identified and justified by the validation/verification body in the validation or verification report at the indicator level. The validation/verification body should raise findings (e.g., corrective action requests or clarification requests) for any such deficiency. These shall be outlined clearly and specifically so that the

project proponent may respond to any open issue(s) and undertake appropriate corrective action. Draft validation and verification reports are not submitted to Verra and are not made public.

4.4.6 Upon receiving a draft validation or verification report, the project proponent shall address all identified corrective action or non-conformity requests to the satisfaction of the validation/verification body. The project proponent must take remedial actions, including, but not limited to, modifying the project design in the case of validation, or providing new or revised documentation or supporting evidence, so that it can satisfy the design or implementation requirements of the SD VISta Program.

4.4.7 A validation/verification body may determine that the project proponent is required to share with stakeholders information about major changes in the project description or the monitoring report that occur between the public comment period, or the version of these documents originally shared with stakeholders, and the issuance of a validation/verification statement.

4.4.8 The validation report and the verification report shall be accompanied by a validation statement and a verification statement, respectively. Validation and verification statements shall be completed using the appropriate template. The validation and verification statements shall be translated into English.

4.4.9 Any significant revisions to the final approved versions of the project description or monitoring report compared with the versions posted for public comment shall be reflected in final versions of any necessary summaries.

4.4.10 The final validation or verification report and the validation or verification statement shall remain the property of the project proponent, the validation/verification body and Verra, and shall remain confidential until the project proponent consents to their public release by submitting them along with final versions of the project description or monitoring report and any necessary summaries to a registry or to Verra. This is intended to encourage projects to be audited with the SD VISta Program without having to fear that a non-passing report could be used against them.

4.4.11 If a project's certification under the SD VISta Program expires because the project proponent does not submit a verification report issued within five years of issuance of the latest validation or verification statement, the project will remain in the Verra project database but be listed as "expired". A project that has expired shall undergo the full assessment process, starting with validation, to regain SD VISta validation and verification.

4.5   PROJECT REGISTRATION

4.5.1 The only entities that may initiate the project registration process are the project proponent or the authorized representative of the project proponent.

4.5.2 Registration of a project may be requested when the project has completed project validation but before the first verification.

4.5.3 The following documents shall be provided to the Verra registry administrator at registration and at verification:

1) For registration: project description, validation report, validation representation, registration representation and communications agreement.

2) For verification: the validation representation, the monitoring report, the verification report, the verification representation and, if requesting issuance of SD VISta assets, issuance representation.

3) For joint registration and verification: (1) and (2) above.

4.6   DOCUMENT REVIEW

Document review is a two-part process consisting of a completeness review and an accuracy review (undertaken at Verra's discretion) of the project registration, verification or SD VISta asset issuance. The Verra registry administrator notifies the project proponent (or its authorized representative) and the validation/verification body at the start and completion of each review.

Verra's completeness review is triggered when the relevant documentation for registration, verification or issuance is submitted to the registry. As such, project proponents are encouraged to submit their documentation to the Verra registry administrator as soon as it is ready, so that the document review may be completed at an early stage.

Note also that when submitting issuance documentation, it is not necessary to immediately request issuance of SD VISta assets. Instead, Verra will begin its completeness review following receipt of the relevant documentation and an accuracy review (where undertaken) immediately afterward. SD VISta assets may then be issued upon request to the Verra registry administrator any time following the completion of such reviews.

Further details on the document review process are provided in this section.

Completeness Review

4.6.1   The Verra registry administrator shall undertake a completeness review of any documents submitted to it. The purpose of the completeness review is to ensure that all documents are complete and duly signed where necessary, the validation or verification has been completed by an eligible validation/verification body and within required timeframes and the SD VISta assets, if any, have not been issued under another program.

For final documents (those submitted for registration or verification posting, Verra's review will inform whether it will conduct a full accuracy review. The purpose of this portion of the review is to ensure that appropriate information has been used to complete all project documents and the validation and/or verification has been completed by an eligible validation/verification body.

Verra completes the review within ten business days.

4.6.2   During its review, the Verra registry administrator checks the following information related to the validation/verification body:

1) The validation/verification body shall be accredited for the sectoral scope(s) relevant to the project and shall have signed the required agreement with Verra. The Verra registry administrator shall check the following:

a) The validation/verification body that conducted validation of the project was accredited for the relevant sectoral scope for validation at the date(s) on which the validation report and validation representation were issued.

        b)   The validation/verification body that conducted verification of the project was accredited for the relevant sectoral scope for verification at the date(s) on which the verification report and verification representation were issued.

  2) The requirement for rotation of validation/verification bodies has been met (per the requirements set out in the *Sustainable Development Verified Impact Standard*).

4.6.3 The Verra registry administrator shall check the project documents submitted to ensure that:

1) Each section of the project documents has been completed with appropriate information. The Verra registry administrator will use information from the project documents to create the project record in the Verra registry and Verra project database, and to this extent the Verra registry shall check the content and accuracy of the project documents.
2) Each representation and agreement is signed by the relevant responsible parties.
3) There final day of 30-day public comment period was within one year of the date the validation or verification report was issued (i.e., day 30 of the most recent public comment period was not more than 365 days before the validation or verification report date).
4) The sustainable development benefits presented for SD VISta asset issuance have not been issued under any other program or recognized under a program which creates sustainable development-related credits. If, in Verra's checks of sustainable development benefits, the sustainable development benefits presented for SD VISta asset issuance are found to have been issued under another program, the SD VISta asset issuance request shall be rejected and the project shall no longer be eligible for crediting of that type of asset under the SD VISta Program. Such checks shall be performed upon each and every SD VISta asset issuance. Where the project is being presented for registration or verification posting without SD VISta issuance requested, such checks need not be undertaken. The Verra registry administrator shall be notified of any change to the list of other programs that need to be checked.
5) Where SD VISta assets are issued, that the project adheres to the applied methodology.

4.6.4 The Verra registry shall store the electronic and signed original project documents in its record-keeping system for a minimum period of 12 years from the retirement date of the last SD VISta asset to which the project documents relate.

4.6.5 Where the Verra registry administrator determines that the project has failed to comply with the SD VISta rules, Verra shall inform the project proponent (or its authorized representative) and the validation/verification body that the project fails to demonstrate compliance with the SD VISta rules and is ineligible for registration, stating the reasons. Upon request by the project proponent or its authorized representative, the Verra registry administrator shall return the project documents to the project proponent or its authorized representative.

Accuracy Review

4.6.6 Verra may, at its discretion, undertake an accuracy review of a request for registration, verification posting or issuance, the scope of which is to ensure full adherence of the validation or verification to the SD VISta rules and, if appropriate, the applied methodology. Where Verra undertakes such an accuracy review, the Verra registry administrator shall notify the project proponent (or its authorized representative) and the validation/verification body. Any findings issued as a result of the Verra review shall be addressed before the Verra registry administrator

can proceed with the registration or issuance request. Verra determines whether it will undertake a review, completes the review and issues any findings within 20 business days.

4.6.7 Where no findings are raised during the accuracy review, the Verra registry administrator notifies the project proponent that the project registration, verification posting or SD VISta asset issuance may proceed in accordance with Section 4.7.

4.6.8 Where material non-conformances are identified during the accuracy review (see the *Sustainable Development Verified Impact Standard* for further details on the threshold for materiality), the validation/verification body shall respond to the findings issued (e.g., corrective action requests and clarification requests) by Verra, in accordance with the following procedure:

1) The validation/verification body shall provide a written response to each finding, undertake, (or ensure that the project proponent undertakes, as appropriate) revisions to the project documents where necessary, and submit all revised documents to Verra. Verra reviews such documents within 10 business days.

2) Where the findings are addressed to the satisfaction of Verra, Verra notifies the registry administrator that the project registration, verification posting or SD VISta asset issuance may proceed in accordance with Section 4.7.

3) Where the findings are not addressed to the satisfaction of Verra, Verra may issue a further round of findings (not to exceed a total of three rounds of findings).

4) Where the findings are not addressed to Verra's satisfaction after the third round and/or where Verra otherwise determines that the project has failed to demonstrate compliance with SD VISta rules, the registration and/or issuance request shall not be accepted. Verra notifies the project proponent (or its authorized representative) and the validation/verification body of same. The findings may be addressed and the request re-submitted three months after such notification, except where the project is ultimately deemed by the Verra to not qualify under the SD VISta Program.

5) Where the accuracy review identifies errors or quality issues in a previous validation or verification, the procedures set out in Section 4.10 shall apply.

6) Where no response is received from the validation/verification body within 60 business days from the date the findings were issued, Verra reserves the right to assume that the project proponent does not intend to pursue the project registration, verification posting or SD VISta issuance request. Where Verra determines this to be the case, the project registration, verification posting and SD VISta issuance request shall not be accepted, and Verra notifies the project proponent (or its authorized representative) and the validation/verification body of same. The registration and/or issuance request may be resubmitted three months after such notification, except where the project is ultimately deemed by Verra to not qualify under the SD VISta Program.

Note: For the purpose of determining adherence to deadlines with respect to methodology validity and completion of validation and verification, the dates of the project documents submitted under the initial registration or issuance request shall be used (rather than the dates of the revised documents).

4.7   ISSUANCE OF SD VISTA ASSETS

4.7.1 SD VISta assets can be issued incrementally from a verification report (i.e., when the project proponent or its authorized representative requests SD VISta asset issuance, it can request issuance of part of the verification report volume and request issuance of the remaining volume at a later date). The following shall apply:

1) The entity requesting issuance shall instruct the Verra registry administrator that it is requesting SD VISta asset issuance for only part of the verification report volume and shall specify the volume for which it is requesting SD VISta asset issuance.
2) The SD VISta asset issuance levy and any fees charged by the Verra registry are payable on the volume of SD VISta asset which are issued, not the total verification report volume.
3) Verra does not specify thresholds or timeframes on incremental SD VISta asset issuance (e.g., the total number of incremental SD VISta asset issuances that can be made from a verification report and the elapsed time between first and last SD VISta asset issuance from the verification report). The Verra registry administrator is entitled to apply such thresholds and timeframes as they deem necessary.
4) The Verra project database displays the total verification report volume, the volume of SD VISta assets issued to date and the history of SD VISta asset issuances with respect to the verification report.
5) The entity requesting SD VISta asset issuance does not have to request SD VISta asset issuance of the total verification report volume (i.e., it can choose to only request SD VISta asset issuance for a part of the verification report volume and never request issuance of the remaining verification report volume).

4.7.2 The SD VISta asset issuance levy shall be collected by the Verra registry administrator before SD VISta assets are deposited into an account.

4.8   SD VISTA ASSET RETIREMENTS

4.8.1 The Verra project database displays the status of every SD VISta asset issued under the SD VISta Program. SD VISta assets may have a status of active or retired.

4.8.2 Any and all SD VISta asset retirements shall be initiated by the registry account holder or its authorized representative.

4.8.3 SD VISta assets can be retired incrementally from a registry accountholder's holdings (i.e., when the SD VISta asset holder or its authorized representative requests SD VISta asset retirement, it can request retirement of part of the SD VISta asset holdings and request retirement of any or all of the remaining holdings at a later date). In such cases, the following shall apply:

1) The registry account holder or its authorized representative shall designate the specific set of SD VISta assets for retirement through its Verra registry account.
2) Any fees charged by the Verra registry for SD VISta assets are payable on the volume of SD VISta assets which are retired, not the total SD VISta asset holdings volume.
3) Verra does not specify thresholds or timeframes on incremental SD VISta asset retirement (e.g., the total number of incremental SD VISta asset retirements that can be made from a registry account holder's SD VISta asset holdings and the elapsed time between first and last

SD VISta asset retirement from those holdings). The Verra registry is entitled to apply such thresholds and timeframes as they deem necessary.

4.9 THE SD VISTA LABEL

4.9.1 A label is a permanent marker added to social or environmental units that makes it easier for investors and unit buyers to identify units issued by a project proponent whose project has achieved net positive sustainable development benefits. A successful verification under the SD VISta Program and a program that supports SD VISta labeling (e.g., the Verified Carbon Standard) enables the addition of an SD VISta label to the other program's units (e.g., VCUs and or Domestic Climate Contributions) when listed on a registry.

4.9.2 The label may not be used for units issued from projects that are validated but not verified to the SD VISta rules and requirements: validation demonstrates that a project has been designed so that it is likely to deliver sustainable development benefits, while verification demonstrates that sustainable development benefits have been delivered.

4.9.3 The units to which the SD VISta label is applied must have been generated during the project monitoring period that is covered by the SD VISta verification. This means that the SD VISta label may only be applied to units for which the vintage period is entirely included in the period covered by the SD VISta verification.

4.9.4 Project proponents issuing SD VISta-verified units shall apply the SD VISta label to all eligible units. The manner in which the units are labeled is dependent on whether the project has completed verification under the SD VISta Program before or after unit issuance:

1) Where the project has completed verification under the SD VISta Program prior to issuing units, all eligible units (i.e., those issued from a verification period covered by the SD VISta verification) shall be labeled at issuance.
2) Where the project proponent issues units prior to the project completing verification under the SD VISta Program, all eligible units shall be retroactively labeled upon successful completion of SD VISta verification for that period. Only the project proponent or owner of the units may request the addition of retroactive labels to already issued units.

4.10 QUALITY CONTROL OF REGISTERED PROJECTS

4.10.1 Verra may, at its discretion, review registered projects and issued SD VISta assets where it has concerns about adherence of the project to the SD VISta rules and the applied methodology (when relevant). A review may be triggered by any of the following:

1) A validation/verification body performing a verification of a registered project identifies an error or quality issue in a previous validation or verification.
2) A project proponent identifies an error or quality issue after the registration or issuance of the project.
3) A stakeholder has concerns about a registered project.
4) Verra itself identifies an error or quality issue, as part of routine operations.

4.10.2 Where a review is triggered, Verra notifies the project proponent (or its authorized representative) and the relevant validation/verification body of the review and may suspend further SD VISta asset issuance while the review is performed.

1 **4.10.3** Where non-conformances are identified during the review, the validation/verification body shall
2 provide a written response to findings (e.g., corrective action requests or clarification requests)
3 issued by Verra. Verra also suspends further SD VISta asset issuance, where it has not already
4 done so.

5 Note: Where the relevant validation/verification body is unable to respond due to reasons such as
6 a cease of operations or accreditation, Verra may solicit a response to the findings from
7 alternative entities such as the project proponent or another validation/verification body.

8 **4.10.4** The follow up actions of the validation/verification body and/or project proponent shall be as set
9 out in Table 1 below.

10 **Table 1** Actions by validation/verification body and/or project proponent in case of project qualification
11 under the SD VISta Program or lack thereof

	Issues found (including potentially issues with SD VISta claims), but no excess SD VISta asset issuance and no risk of future excess SD VISta asset issuance	Issues found, with excess SD VISta asset issuance and/or risk of future excess SD VISta asset issuance
Project qualifies under program	1) Validation/verification body shall conduct a root cause analysis[5] 2) Validation/verification body or project proponent, as appropriate, shall revise project documents 3) Verra lifts suspension on verification posting and SD VISta asset issuance, if applicable, upon acceptance of project document revisions 4) Verra registry administrator shall upload revised project documents to Verra project database	1) Validation/verification body shall conduct a root cause analysis 2) Where significant performance issues are found, and as appropriate, disciplinary action shall be taken against the validation/verification body 3) Validation/verification body or project proponent, as appropriate, shall revise project documents 4) Project proponent may need to compensate for excess issuance (see Section 4.10.5) 5) Verra lifts suspension on verification posting and SD VISta asset issuance, upon acceptance of project document revisions by Verra 6) Verra registry administrator shall upload revised project documents to Verra project database

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[5] A root cause analysis is a systematic process for identifying the fundamental source(s) of problems or events and an approach for responding to them that aims to permanently eliminate sources through process improvement.

| Project does not qualify under program | 1) Validation/verification body shall conduct a root cause analysis

2) Where significant performance issues are found, and as appropriate, disciplinary action shall be taken against the validation/verification body

3) No further verification posting or SD VISta asset issuance is permitted | 1) Validation/verification body shall conduct a root cause analysis

2) Where significant performance issues are found, and as appropriate, disciplinary action shall be taken against the validation/verification body

3) Project proponent may need to compensate for excess issuance (see Section 4.10.5)

4) No further verification posting or SD VISta asset issuance is permitted |

4.10.5   Where Verra determines that SD VISta assets have been issued in excess of the correct amount, the following applies.

1) The project proponent is responsible for compensating for excess SD VISta asset issuance where Verra deems, acting reasonably, that there has been a material erroneous issuance of SD VISta assets in respect of the project, as a result of the fraudulent conduct, negligence, intentional act, recklessness, misrepresentation or mistake of the project proponent, as set out further in the issuance representation.

2) Any compensation for excess SD VISta asset issuance shall be through the following, with Verra using reasonable efforts to work with the project proponent to ensure that any adverse impacts on the project proponent are minimized to the extent possible.

   a)   Where the excess SD VISta assets remain in the project proponent's Verra registry account and they have not been retired, immediate removal of the SD VISta assets.

   b)   Replacement of SD VISta assets through immediate compensation from subsequent issuances of SD VISta assets to the project.

   c)   Purchase by the project proponent of an equivalent number of replacement SD VISta assets of the same unit type, and cancellation of same, within 60 business days of receiving formal Verra notification of such required action.[6]

3) Where the project proponent fails to compensate for excess SD VISta asset issuance, Verra may take action against the project proponent, including applying sanctions with respect to its registry account activities until such time as the excess issuance has been compensated.

4.10.6   A statute of limitations applies, whereby Verra can only require such compensation in relation to any verification up to the later of:

1) 6 years after the date of issuance of the relevant SD VISta asset; or

2) 12 months after the date upon which any second verification report with respect to the relevant SD VISta asset is accepted on the Verra registry system.[7]

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[6] Verra is considering developing a liquidity pool which would be stocked with SD VISta assets at each issuance until there were enough assets of any one type to allow for compensation of excess issuances. We welcome feedback on this concept.

[7] The relevant SD VISta asset will be issued following acceptance of a verification report for a project. Note also that where an SD VISta asset is erroneously issued from the last verification report of a project, Section 4.10.5 applies.

4.11   COMMUNICATIONS AGREEMENT

The purpose of the communications agreement is to allow an authorized representative to interact with the Verra registry on behalf of the project proponent and designate the account into which SD VISta assets may be deposited.

4.11.1   Where there are multiple project proponents stated in the project description, a communications agreement shall be provided to the Verra registry administrator signed by all project proponents. The communications agreement shall designate an authorized representative and the account into which any SD VISta assets shall be issued. Where a subsequent registration representation is provided to the Verra registry administrator for the purpose of switching the project proponent, a communications agreement shall also be provided in respect of designation of an authorized representative or the account into which any SD VISta assets shall be issued. Such communications agreement shall supersede any prior communications agreement.

4.11.2   Where there is a single project proponent and a registration representation is provided to the Verra registry administrator, a communications agreement may also be provided in respect of designation of an authorized representative or the account into which any SD VISta assets shall be issued. Where a subsequent registration representation is provided to the Verra registry administrator for the purpose of switching the project proponent, a communications agreement may also be provided. Any such communications agreement shall supersede any prior communications agreement. Where a communications agreement is not provided, authorized representation reverts to the (new) project proponent.

4.12   WITHDRAWAL FROM THE SD VISTA PROGRAM

4.12.1   Where the project proponent wishes to withdraw the project from the SD VISta Program, the following applies:

1)   The project proponent shall submit a letter (in English) on its organization letterhead, to the Verra registry administrator, requesting that the project be withdrawn. Such letter must include the project name, project ID, the reason for the withdrawal request and the signatures and contact information of all project proponents.

2)   Verra reviews the withdrawal request and may request additional information prior to approving the request.

3)   Upon Verra approval, the Verra registry administrator shall update the status of the project to withdrawn. The project information shall remain publicly available on the Verra project database, but the project will not be able to issue SD VISta assets.

4.12.2   Withdrawn projects may rejoin the SD VISta Program where the project proponent submits a letter to the Verra registry administrator requesting same. Such letter must include the information specified in Section 4.12.1 above. Verra reviews the project to determine whether it is eligible to rejoin the SD VISta Program, and notifies the project proponent of the outcome of the review. Where the project is eligible to rejoin the SD VISta Program, the Verra registry administrator updates the status of the project accordingly. Where the project is not eligible to rejoin the SD VISta Program, the project shall remain withdrawn.

4.13 PROJECT PROPONENT ACCESSION AND RELEASE

4.13.1 Where an entity wants to join a project subsequent to validation and registration, it and the existing project proponent(s) shall sign an accession representation, which shall be prepared using the *SD VISta Deed of Accession Template* and properly executed as a deed in accordance with applicable local laws and the organization's own constitutional documents. Where more than one entity wants to join the project, one accession representation shall be signed for each acceding entity.

4.13.2 Where a project proponent wants to leave a project (i.e., give up its rights and obligations in respect of the project), it, the remaining project proponent(s) and the Verra registry shall sign a partial release representation, which shall be prepared using the *SD VISta Deed of Partial Release Template* and properly executed as a deed in accordance with applicable local laws and the organization's own constitutional documents. Where more than one project proponent wants to be released from the project, one partial release representation shall be signed for each project proponent that is leaving. Note that a project shall always have at least one project proponent, so there shall always be at least one remaining registration representor (project proponent) that signs the partial release representation.

Note: Where a project has one project proponent only and the project proponent wants to leave the project in favor of another entity, this is handled by having the new entity accede to the project via an accession representation and the original project proponent released from the project via a release representation.

4.13.3 The accession and/or partial release representations shall be submitted to the Verra registry administrator, who shall upload the accession and/or partial release representations to the Verra project database and update the project record to reflect the change in project proponent. Once this process is complete, only the new project proponent or its authorized representative can initiate subsequent SD VISta asset issuance.

5 SD VISta Asset Methodology Review and Approval Process

This section sets out the approval process for new SD VISta asset methodologies and substantive SD VISta methodology revisions. To aid in readability, this section uses the term *methodology* exclusively in reference to methodologies for SD VISta assets.

The methodology review process consists of eight steps involving submission of a methodology concept note to Verra for evaluation and acceptance, public consultation and technical assessment by an independent review team before a final review and approval by Verra.

Approved methodologies may be reviewed and revised from time to time.

5.1 STEP 1: DEVELOPMENT OF METHODOLOGY CONCEPT NOTE

5.1.1 The developer prepares the methodology concept note that will be subject to evaluation by Verra. The methodology concept note shall be prepared using the *SD VISta Methodology Concept Note Template* and written in a clear and concise manner. All instructions in the template shall be followed.

5.1.2 A methodology concept note shall be developed and submitted for new methodologies, modules and tools, as well as substantive methodology revisions. Minor methodology revisions shall be handled according to the procedure set out in Section 5.12.3.

5.1.3 Included in the *SD VISta Concept Note Template* is a section where methodology developers include a proposal for members of the methodology technical assessment team, which shall consist of a minimum of two technical reviewers.

5.2 STEP 2: EVALUATION OF METHODOLOGY CONCEPT

5.2.1 The developer shall submit the methodology concept note to Verra electronically at secretariat@verra.org. Upon submission, Verra invoices the developer for the methodology concept note application fee, the fee rate of which is set out in *SD VISta Program Fee Schedule*. The methodology concept note application fee shall be paid by the developer before the Verra begins evaluation of the concept.

5.2.2 Verra evaluates the concept to determine whether:

1) The project activities, sustainable development asset type and methodological approach covered by the concept are sufficiently distinct from existing methodology.
2) The concept is broadly applicable (i.e., not for a specific technology or process).
3) An overview of key methodological approaches is provided, and in particular the method for sustainable development asset quantification has been well thought through.
4) The methodology will be developed by an appropriately experienced team, and sufficient funding is in place to ensure that the methodology approval process can be completed.
5) Verra will evaluate the technical assessment team proposal against the following criteria:

a) The proposal has identified a technical assessment lead that has demonstrated competency as an auditor, and is responsible for developing the assessment documentation as required in Step 7 below.

b) All proposed team members have demonstrated freedom from conflict of interest with the methodology developer.

5.2.3 All proposed team members have demonstrated competency in the SD VISta sectoral scope(s) (see the *Sustainable Development Verified Impact Standard*) covered by the proposed methodology.

5.3 STEP 3: ACCEPTANCE OF METHODOLOGY CONCEPT

5.3.1 Verra will complete its initial review of the concept within 25 business days of submission, and will notify the developer of one of the following outcomes:

1) The concept has been accepted.
2) Revisions are required to the concept before it can be accepted.
3) The concept has not been accepted.

5.3.2 Where the concept is accepted, the developer drafts the full methodology and may submit it for approval following the procedure set out in Section 5.5 below.

5.3.3 Where revisions are required to the concept, Verra will specify the criteria that have not been met. The developer may then revise and resubmit the concept note for Verra to continue its evaluation.

5.3.4 Where the methodology concept is not accepted, the concept note may be resubmitted if substantial revisions are undertaken. Resubmission of such concept notes shall be treated as original submissions and require payment of an application fee.

5.4 STEP 4: DEVELOPMENT OF METHODOLOGY

5.4.1 The developer prepares the methodology documentation that will be subject to a public stakeholder consultation and independent assessment by a technical review team.

5.4.2 The methodology documentation shall be prepared in accordance with all the applicable SD VISta rules. Methodology documentation shall be written in a clear, logical, concise and precise manner, to aid readability and ensure that criteria and procedures set out in the methodology can be applied consistently by intended users.

5.4.3 Methodologies and methodology revisions shall be prepared using the *SD VISta Methodology Template* and modules and tools shall be prepared using the *SD VISta Module Template*. All instructions in the templates must be followed. The methodology documentation shall state clearly the date on which it was issued and its version number. The methodology shall comply with the Verra style guide for methodologies, which is available on the Verra website.

Note: The entity acting as developer may change during the course of taking a methodology through the methodology approval process, provided that any necessary authorization is secured from the original developer, Verra is notified and the new entity submits to the Verra a signed *Methodology Approval Process Submission Form* (see Section 5.1.1).

5.5 STEP 5: INITIAL VERRA REVIEW

5.5.1 The developer shall submit to Verra a signed *Methodology Approval Process Submission Form* (available on the Verra website) and the methodology documentation. Upon submission, Verra invoices the developer for the methodology processing fee, the fee rate of which is set out in the *SD VISta Program Fee Schedule.* The methodology processing fee shall be paid by the developer before Verra conducts a preliminary review of the methodology documentation.

5.5.2 Verra conducts a review of the methodology documentation to ensure that the methodology is of sufficient quality to enable its assessment under the SD VISta methodology approval process, and to ensure that the methodology documentation has been completed in accordance with Verra rules. The preliminary review also includes an assessment of the clarity of language and structure of the methodology. Where it is deemed necessary, the developer shall revise the methodology documentation before it is accepted it into the methodology approval process.

5.5.3 Where the review of the methodology reveals that it is not yet of the requisite standard or would sanction politically or ethically contentious project activities, or may otherwise impact the integrity of the SD VISta Program or the functioning of the broader market, Verra reserves the right not to accept the methodology into the methodology approval process.

5.6 STEP 6: PUBLIC STAKEHOLDER CONSULTATION

5.6.1 Where initial review is accepted by Verra into the SD VISta methodology approval process, Verra posts the methodology documentation on the Verra website for a period of 30 days, for the purpose of inviting public comment. As part of the consultation process, Verra also hosts a presentation of the methodology. Any comments shall be submitted to Verra at secretariat@verra.org and respondents shall provide their name, organization, country and email address.

5.6.2 At the end of the public comment period, Verra provides all and any comments received to the developer. The developer shall take due account of such comments, which means it will need to either update the methodology or demonstrate the insignificance or irrelevance of the comment. It shall demonstrate to the technical assessment team what action it has taken, as set out in Section 5.7.2.

5.6.3 All and any comments received are posted by Verra on the Verra website, alongside the methodology information.

5.7 STEP 7: TECHNICAL ASSESSMENT

5.7.1 Verra shall contract with the technical assessment team (as submitted in Section 5.1.3 and approved by Verra) to undertake assessment of the methodology documentation. Such contracting of the technical assessment team may occur before, after or during Step 6 above. However, to ensure that the technical assessment report includes an explanation of how any comments received during the public stakeholder consultation have been accounted for in the methodology, the technical assessment team shall issue the assessment report only after the public stakeholder consultation period has ended.

5.7.2 The developer shall respond to all and any of the technical assessment team's findings. As a result of any such findings, the developer may need to amend the methodology documentation.

5.7.3 The technical assessment team shall determine whether the proposed methodology complies with the requirements of the SD VISta rules (and its ancillary documents, where applicable) and any other applicable requirements set out under the SD VISta Program.

5.7.4 Where the proposed methodology references tools or modules approved the SD VISta Program, the technical assessment team shall determine whether the tool or module is used appropriately within the methodology. Reassessment of the actual tool or module is not required.

5.7.5 The technical assessment team shall produce an assessment report in accordance with the SD VISta rules and best practice. The assessment report shall be prepared using the *SD VISta Methodology Assessment Report Template*, and all instructional text shall be followed. The assessment report shall address the scope of assessment applicable to the methodology. In addition, the assessment report shall contain the following:

1) An explanation of whether and how the developer has taken due account of all comments received during the public stakeholder consultation (see Step 6 above).
2) A summary of all methods, criteria and processes used to determine whether and how the methodology adheres to SD VISta rules and requirements. For example, the assessment process may include background research, document reviews, interviews and site visits.
3) A list of the members on the assessment team, including their role and a summary description of the qualifications of each member of the team indicating their expertise and experience in the sectoral scope(s) relevant to the methodology.
4) A description of all and any of the technical assessment team's findings and the developer's response to them.

5.7.6 An assessment statement prepared in accordance with the requirements for validation statements set out in the *Sustainable Development Verified Impact Standard*, *mutatis mutandis*. Such statement shall also state the version number of the methodology documentation upon which the statement is based.

5.8 STEP 8: FINAL VERRA REVIEW AND APPROVAL

5.8.1 Upon completion of the technical assessment, the developer shall submit to Verra the most recent methodology documentation and the assessment report produced by the technical assessment team.

5.8.2 Verra reviews the methodology documentation and the assessment report to ensure that the methodology has been assessed in accordance with SD VISta rules. Where Verra determines that the SD VISta rules have not been followed, it will require the developer to revise the methodology documentation, involving the technical assessment team, as required. Verra may also make revisions to the methodology where it deems it necessary.

5.8.3 Where Verra approves the methodology, it notifies the developer and the technical assessment team of same, and requests the developer to submit a signed *Methodology Element Approval Request Form*. The approved methodology is assigned a reference number and posted with the assessment report on the Verra website. The methodology can then be used by project proponents to develop projects.

5.8.4 Where the technical assessment team does not approve the methodology and attempts to resolve the situation in accordance with Section 5.7.2 have been unsuccessful, the methodology is not approved by Verra. Verra may also withhold approval where it is not satisfied with the quality of the methodology documentation, the assessment report, or where it deems that the methodology does not comply with the SD VISta rules or would sanction politically or ethically contentious project activities, or may otherwise impact the integrity of the SD VISta Program or the functioning of the broader market.

5.9 PROCEDURE FOR CLARIFICATION AND FACILITATION BY VERRA

5.9.1 The developer and/or the technical assessment team may request that Verra provide clarification with respect to unresolved findings or the SD VISta rules. Verra consults all necessary parties before providing any clarification and notifies the developer as well as both technical assessment team when such clarification is provided.

5.9.2 Where the developer is not able to gain the consensus of technical assessment team with respect to the resolution of all findings and finalization of the methodology documentation, it may request that Verra facilitates discussions between all parties to attempt to resolve the situation.

5.10 INACTIVE METHODOLOGIES

Where a methodology under the methodology approval process does not progress to the subsequent step of the process within 12 months or where the developer chooses to withdraw the methodology from consideration under the methodology approval process, Verra shall update the status of the methodology on the Verra website to inactive. However, recognizing that certain complex methodologies under the methodology approval process may require more time for assessment, Verra will not update the status of a methodology to inactive where a methodology is under ongoing assessment or where the developer notifies Verra that it is still pursuing the methodology under the approval process.

The developer may reactivate the methodology at any time by notifying Verra.

5.11 REVIEW OF APPROVED SD VISTA METHODOLOGIES

On occasion, Verra may review methodologies approved under the SD VISta Program to ensure that they continue to reflect best practice and scientific consensus. This includes ensuring that methodologies approved under the program are consistent with any new requirements issued by Verra and that methodologies have appropriate criteria and procedures for addressing all SD VISta requirements.

As a result of a review, Verra may need to put on hold the prevailing versions of methodologies or permanently withdraw methodologies approved under the SD VISta Program. Relevant stakeholders will be kept informed during the review process. The procedure for reviews is set out in the sections below. Note that these procedures are applicable to all types of methodologies and a module may be put on hold or withdrawn without the parent methodology being put on hold. The statuses of all methodologies are available on the Verra website

5.11.1 A review of a methodology may be triggered as a result of the following:

1) Verra periodically issues new requirements that reflect the ongoing development of the program, best practice and/or emerging scientific consensus with respect to projects and

methodologies. On occasion, methodologies may become materially inconsistent with new requirements subsequently issued (e.g., the inconsistency could lead to a material difference in the quantification of sustainable development assets by projects applying the methodology).

2) Verra may periodically review methodologies where there are concerns that they do not reflect best practice or scientific consensus, or they are materially inconsistent with SD VISta requirements. Such reviews may be triggered by general scientific or technical developments in the sector or specific concerns about a methodology that are brought to the Verra's attention.

3) Verra sanctions the consolidation of a number of methodologies into one single methodology (requiring the withdrawal of the original methodologies).

5.11.2 The procedure for the review are as follows:

1) The review of the methodology and any relevant issue that triggered the review is undertaken by Verra, with input sought from the developer, the technical assessment team that initially assessed the methodology and other appropriately qualified external experts, as required.

2) Where the review is triggered by new requirements being issued by Verra, Verra undertakes the review of approved SD VISta methodologies within 60 days of the new requirements being issued.

5.11.3 The outcome of the review is as follows:

1) Where it is determined through the review that the methodology meets all SD VISta requirements and reflects best practice and scientific consensus, no further action is required.

2) Where the review determines that the methodology requires limited modifications, edits or clarifications, Verra coordinates with the developer to update the methodology documentation, in accordance with procedure set out in Section 5.12. Verra may require the technical assessment team that initially assessed the methodology to review and approve the updates. Likewise, the Verra may seek input from appropriately qualified external experts.

3) Where the review determines that the methodology requires substantive revision, the methodology is put on hold. Where the developer or another entity would like to have the methodology reissued, the methodology shall be revised and approved via the methodology approval process set out in Sections 5.1-5.8 above (though the methodology shall be exempt from the submission of a methodology concept note and corresponding application fee, processing fee and the public stakeholder consultation). Verra may seek input from appropriate qualified external experts prior to approving the new version of the methodology.

4) Where the review determines that the methodology is fundamentally flawed, the methodology is withdrawn (or in certain circumstances put on hold pending further investigation). The withdrawal of a methodology is considered permanent.

5.11.4 Where the review determines that the methodology needs to be withdrawn due to consolidation of a number of methodologies, the methodology is withdrawn. The withdrawal of the methodology is considered permanent.

5.12   METHODOLOGY REVISIONS

5.12.1 Methodology revisions shall be prepared using the *SD VISta Methodology Template*. The SD VISta Program distinguishes between two types of revisions based on the extent of the revisions.

1 **5.12.2** Where the methodology requires substantive revision (e.g., inclusion of new project activities, or
2 significant revisions to qualification and/or monitoring requirements), the methodology shall be
3 revised and approved via the methodology approval process set out in Sections 5.1-5.8 above.

4 **5.12.3** For minor revisions, the methodology may be revised and approved by Verra without the need of
5 a technical assessment. For minor revisions the following applies:

6 1) A description shall be developed and submitted using the *SD VISta Minor Methodology*
7 *Revision Description Template*. All instructions in the template shall be followed. Upon
8 submission, Verra invoices the developer for the minor methodology revision application fee,
9 the rate of which is set out in SD VISta document *Program Fee Schedule*.
10 2) Verra will evaluate the description to determine whether the proposed revision meets the
11 conditions for minor revisions.
12 3) Where the Verra determines that the proposed revision is substantive, the developer may
13 submit a methodology concept note following the procedure set out in Section 5.1 above and
14 Verra invoices the developer for the difference between methodology revision application fee
15 and the substantive methodology application fee.

16 Where a minor methodology revision has been accepted by Verra, the methodology will be
17 approved applying Steps 5, 6, and 8 of the methodology approval process. Verra staff will draft an
18 assessment report utilizing the *SD VISta Minor Revision Assessment Report Template*. Verra
19 may contract with appropriately qualified external experts to assess the revision, as required,
20 which will be identified before the minor revision concept is approved.

21 **5.12.4** For limited modifications, edits or clarifications to the methodology, the methodology may be
22 updated via a process whereby Verra makes the required changes or coordinates with the
23 developer to make the changes, and issues a revision (i.e., new version) of the methodology.

24 **5.12.5** Where the methodology revision is approved by the Verra, the prevailing version of the
25 methodology is withdrawn and the revised methodology replaces it. The previous version of the
26 methodology may be used for up to six months from the date it was withdrawn.

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6   Complaints and Appeals

Project, methodology element developers, validation/verification bodies and other stakeholders may submit enquiries to Verra at any time. In addition, the SD VISta Program provides a complaints procedure and an appeals procedure. A complaint is an objection to a decision taken by Verra or an aspect of how it operates the SD VISta Program, or a claim that the SD VISta rules have had an unfair, inadvertent or unintentional adverse effect.

All expenses, internal and external, incurred by Verra in handling complaints and appeals shall be paid by the entity filing the complaint or appeal. Prior to initiation of the handling process, Verra will inform the entity filing the complaint or appeal of its estimated handling cost. Where the outcome of a complaint or appeal is to overturn an earlier decision made by Verra, the entity filing the complaint or appeal will not be liable for covering such expenses.

6.1   COMPLAINTS

Complaints may be submitted via the following procedure:

1)   The complaint shall include the following information:

     a)   Name of the complainant.

     b)   Name of organization, if relevant.

     c)   Contact information for the complainant.

     d)   Details of the complaint.

     e)   Declaration of any conflict of interest in submitting the complaint.

2)   The complaint shall be addressed to the SD VISta Program Manager and emailed to secretariat@verra.org with the word complaint in the subject line. An email response is provided to the complainant from Verra acknowledging receipt of the complaint.

3)   Verra appoints an appropriate person to handle the complaint, who will organize an analysis (involving external experts, as required) and determine any appropriate action required.

4)   Verra prepares a written response and provides this to the complainant. The response to the complaint is brought to the attention of and approved by Verra's CEO.

5)   All information submitted by the complainant with respect to the complaint is kept confidential by Verra.

Complaints about entities (by the clients of such entities) that provide services under the SD VISta Program, such as validation/verification bodies and Verra registries, shall be pursued via the respective entity's complaint procedure. Where the complaint is not resolved to the satisfaction of the complainant and the complaint is in relation to the respective entity's interpretation of the SD VISta rules, the complainant may submit a complaint to Verra. Note that other stakeholders may also choose to submit

complaints to entities providing services under the SD VISta Program where such entities have complaints procedures for third parties (i.e., non-clients).

6.2 APPEALS

Where a complaint, submitted as set out in Section 6.1, has not been resolved to the satisfaction of the complainant, complainants are provided with the following appeals procedure:

1) The appeal shall include the following information:

   a) Name of the appellant.

   b) Name of the organization, if relevant.

   c) Contact information for the appellant.

   d) Details of the appeal, including reference to the original complaint.

2) The appeal shall be addressed to the chair of the Verra Board and emailed to chairverraboard@verra.org with the word appeal in the subject line. An email response is provided to the appellant from the chair of the Verra Board acknowledging receipt of the appeal.

3) The Verra Board organizes an analysis, involving external experts (as required).

4) The Verra Board prepares a written response and provides this to the appellant, copying in Verra's CEO. The Verra Board's decision is final and binding.

5) All information submitted by the appellant with respect to the appeal is kept confidential by Verra and the Verra Board.

7   Logo Use and Communications

7.1   LOGO USE

The SD VISta logo may be used for materials about SD VISta validated and SD VISta verified projects upon specific written approval by Verra. A request for logo use shall be sent to logo@verra.org, including a copy of the relevant document or material and a description of its intended use.

7.2   COMMUNICATIONS

A SD VISta validated and/or verified project may communicate this status through oral or written means and shall do so in a way that accurately represents the validated or verified sustainable development benefits and any SD VISta claims or assets generated by the project.

7.2.1   Statements about a project that has been validated but not verified shall ensure that any reference to the use of the SD VISta Program refers only to the quality of project design and to projected benefits and does not suggest that a verification has been completed or that benefits have been achieved beyond those documented in the validated project design.

7.2.2   Project proponents shall ensure that statements regarding SD VISta status are used only for the project and activities specifically described in the project documents that have been validated or verified.

7.2.3   SD VISta claims shall be worded exactly as they are on the validation and/or verification statement.

7.2.4   SD VISta assets shall be claimed only after they are verified and then only by the project proponent (with respect to generating the asset) and by the owner of the asset.

8 Glossary

Accession Representation [SD VISta Accession Representation]	The deed issued by the project proponent, and an acceding entity, made in respect of an acceding entity joining a project as project proponent, and which is prepared using the *SD VISta Deed of Accession in Respect of Registration Deed of Representation Template*
Commercially Sensitive Information	Trade secrets, financial, commercial, scientific, technical or other information whose disclosure could reasonably be expected to result in a material financial loss or gain, prejudice the outcome of contractual or other negotiations or otherwise damage or enrich the person or entity to which the information relates
Complaint	An objection to a decision taken by Verra or an aspect of how it operates the SD VISta Program, or a claim that the SD VISta rules have had an unfair, inadvertent or unintentional adverse effect.
Double Counting	The scenario under which a singular sustainable development benefit is monetized separately by two different entities or where a sustainable development benefit is sold to multiple buyers
Interested Stakeholder	Any person, group of persons, or entity that has shown an interest, or is known to have an interest, in the activities of the project but that will not be materially affected by those activities (similar to the UNFCCC term "global stakeholder"; adapted from the *FSC-STD-01-002 FSC Glossary of Terms)*
Issuance Representation [SD VISta Issuance Representation]	The unilateral representation issued by the project proponent at each SD VISta asset issuance request, made in respect of a specific type of sustainable development benefits generated by the project, and which is prepared using the *SD VISta Issuance Deed of Representation Template*;
Listing Representation [SD VISta Listing Representation]	The unilateral representation issued by the project proponent at the time of the project pipeline listing request, made in respect of the project, and which is prepared using the *SD VISta Listing Representation Template*
Local Laws	All norms given by organisms of government whose jurisdiction is less that the national level (e.g. departmental, municipal and customary norms)
Materiality	The concept applied to determine if errors, omissions and misstatements in information could affect the net sustainable development impact assertion and influence decisions resulting from it
Methodology	A specific set of criteria and procedures, which apply to specific project activities, for identifying the project boundary, determining the baseline scenario, demonstrating additionality (if an asset is being used for offsetting purposes), quantifying net sustainable development impacts, and specifying monitoring procedures

Monitoring Report [SD VISta Monitoring Report]	The document that records data to allow the assessment of the sustainable development benefits, SD VISta claims and SD VISta assets generated by the project during a given time period in accordance with the monitoring plan set out in the project description, and which is prepared using the *SD VISta Monitoring Report Template* or a Verra-approved template for projects conducting monitoring concurrently for SD VISta and another program
Project Activity	The specific set of technologies, measures and/or outcomes that alter the conditions that exist at the start of the project and which result in sustainable development benefits
Project Description [SD VISta Project Description]	The document that describes the project's sustainable development activities and that uses either the SD VISta Project Description Template or a Verra-approved project description template for projects to meet both SD VISta and another program's rules
Project Pipeline [SD VISta Project Pipeline]	The list of projects on the Verra project database which are participating in some way in the SD VISta Program but have not yet registered
Project Proponent	The individual or organization that has overall control and responsibility for the project, or an individual or organization that together with others, each of which is also a project proponent, has overall control or responsibility for the project. The entity(s) that can demonstrate project ownership in respect of the project.
Registration [SD VISta Registration]	Enrollment on the Verra project database of a project that has been validated under the SD VISta Program
Registration Representation [SD VISta Registration Representation]	The unilateral representation issued by the project proponent at the time of the project registration request, made in respect of the project, and which is prepared using the *SD VISta Registration Deed of Representation Template*
Retirement	The permanent removal of an SD VISta asset from circulation in the Verra registry system
SD VISta Asset	A user-defined environmental or social unit that is generated according to an approved SD VISta methodology, verified by an accredited auditor, recorded and has the potential to be transacted on the Verra registry system
SD VISta Claim	A user-defined statement about a specific sustainable development benefit validated and verified by an accredited auditor
Stakeholder	Any person who can potentially be affected by the project; similar to the UNFCCC term "local stakeholder". In identification of stakeholders, it is permitted to consider significance of user populations and how deeply affected they may be by the project such that distant or intermittent user groups who will be affected in very limited ways by the project need not be defined as stakeholders. Note: Any reference in these requirements to stakeholders that

	does not explicitly refer to interested stakeholders is limited to this group of potentially affected stakeholders.
Validation Report [SD VISta Validation Report]	The written report of validation prepared by the validation/verification body in accordance with the SD VISta rules
Validation Representation [SD VISta Validation Representation]	The deed issued by the validation/verification body, referencing the validation report to which it relates, containing a unilateral representation that it has validated the project's compliance with the applicable SD VISta rules, and which is prepared using the *SD VISta Validation Deed of Representation*
Validation/Verification Body	An organization approved by Verra to act as a validation/verification body in respect of providing validation and/or verification services in accordance with the SD VISta rules and requirements
Verification Report [SD VISta Verification Report]	The written report of the verification prepared by the validation/verification body in accordance with the SD VISta rules
Verification Representation [SD VISta Verification Representation]	The deed issued by the validation/verification body, referencing the verification report to which it relates, containing a unilateral representation that it has verified the project's sustainable development benefits, SD VISta claims and SD VISta assets in accordance with the applicable SD VISta rules, and which is prepared using the *SD VISta Verification Deed of Representation Template*
Verified Carbon Unit	A unit issued by, and held in the Verified Carbon Standard (VCS) registry representing the right of an accountholder in whose account the unit is recorded to claim the achievement of a GHG emission reduction or removal in an amount of one (1) metric tonne of CO_2 equivalent that has been verified by a validation/verification body in accordance with the VCS rules
Verra Website	www.verra.org

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9 References

Forest Stewardship Council. 2016. *FSC Glossary of Terms*. Bonn. Available at https://ic.fsc.org/en/document-center.

IPCC. 2006. *Guidelines for National Greenhouse Gas Inventories*. Available at: http://www.ipcc-nggip.iges.or.jp/public/2006gl.

ISEAL Alliance. 2013. *ISEAL Credibility Principles*. Available at https://www.isealalliance.org/credible-sustainability-standards/iseal-credibility-principles.