

VCS Standard, v4.0 and Registration and Issuance Process, v4.0

Errata and Clarifications

This document provides errata and clarifications applicable to the program documents referenced in the table below. Such errata and clarifications are effective on the effective date listed in the table. Project proponents and validation/verification bodies (VVBs) shall apply and interpret the Verified Carbon Standard (VCS) Program documents consistent with the clarifications set out in this document.

The errata and clarifications will be incorporated into the next issued versions of the program documents. This errata & clarifications document was last updated on 5 February 2021.

Erratum/ Clarification	Description	Document and Section Reference	Effective Date
Clarification 1	Effective dates for projects seeking to transfer to the VCS Program from an approved GHG program, with activities <u>included</u> within the scope of the VCS Program	<i>VCS Standard, v4.0</i> Section 3.19.5	5 Feb 2021
Clarification 2	Effective dates for projects seeking to transfer to the VCS Program from an approved GHG program, with activities now <u>excluded</u> from the scope of the VCS Program	<i>VCS Standard, v4.0</i> Section 3.19.5	5 Feb 2021
Clarification 3	Effective dates for GHG credits seeking to convert into VCUs for credits issued to projects registered under an approved GHG program, with activities <u>included</u> within the scope of the VCS Program	<i>Registration and Issuance Process, v4.0</i> Section 4.2.15	5 Feb 2021
Clarification 4	Effective dates for GHG credits seeking to convert into VCUs for credits issued to projects registered under an approved GHG program, with activities now <u>excluded</u> from the scope of the VCS Program	<i>Registration and Issuance Process, v4.0</i> Section 4.2.15	9 Mar 2020

1 CLARIFICATION 1: VCS Standard, v4.0 Section 3.19.5, Effective dates for projects seeking to transfer to the VCS Program from an approved GHG program, with activities included within the scope of the VCS Program (5 Feb 2021)

Background:

Verra announced an update to the VCS on 9 March 2020 to restrict projects and credits from transitioning to the VCS Program from approved GHG programs. The update was aligned with the revised scope of activities, published on 19 September 2019, and corrected the grace period for projects and credits with activities now excluded from the scope of the VCS Program. Prior to the 9 March 2020 update, the grace period for such project transfers and GHG credit conversions was not consistent with the grace period set out for projects only using the VCS Program.

The first three clarifications, all issued on 5 February 2021, provide additional detail about effective dates as written in the *VCS Standard, v4.0* Appendix 2: Document History. This clarification specifies effective dates for projects registered under an approved GHG program, with activities included within the scope of the VCS Program (see *VCS Standard, v4.0* Section 2.1). New text is included in red, below.

Clarification:

Projects registered under an approved GHG program, with activities that are included within the scope of the VCS Program (see *VCS Standard, v4.0* Section 2.1), shall only be eligible to complete a gap validation and/or transfer to the VCS Program where the project initiates the pipeline listing process¹ with the VCS Program on or before 31 December 2021 and completes gap validation on or before 31 March 2022. The project shall also submit a request for registration with the VCS Program on or before 30 June 2022.

The following also applies:²

- 1) For a project that does not include afforestation and/or reforestation activities:
 - a) The project shall have an original project crediting period start date on or after 1 January 2016 with an approved GHG program; *or*
 - b) Where the project has an original project crediting period start date from 1 January 2013 to 1 January 2016, the project shall have issued credits during the period 1 January 2016 to 5 March 2021, or shall have a status of “issuance requested” on the CDM Registry by 5 March 2021.
- 2) For a project with afforestation and/or reforestation activities, the project shall have been registered under an approved GHG program on or after 1 January 2013.

¹ To initiate the pipeline listing process within the Verra registry, a project proponent or an authorized representative must submit the applicable documents (see the Registration and Issuance Process, v4.0 Section 3) and must change the project status to *Pipeline listing requested (under development)* or *Pipeline listing requested (under validation)*.

² A project is deemed to have met these timelines where Verra confirmed (in writing, to the project proponent or an authorized representative) the project’s eligibility on or before 4 February 2021.

Further, the following applies with respect to vintages:³

- 1) For a project that does not include afforestation and/or reforestation activities, only emission reductions with vintages beginning on or after 1 January 2016 are eligible for VCU issuance.
- 2) For a project with afforestation and/or reforestation activities, only emission reductions with vintages beginning on or after 1 January 2013 are eligible for VCU issuance.

³ Similarly, a project is deemed to have met these timelines where Verra confirmed (in writing, to the project proponent or an authorized representative) the project's eligibility on or before 4 February 2021.

2 CLARIFICATION 2: VCS Standard, v4.0 Section 3.19.5, Effective dates for projects seeking to transfer to the VCS Program from an approved GHG program, with activities now excluded from the scope of the VCS Program (5 Feb 2021)

Background:

To further ensure consistent application of the VCS Program rules and requirements to all projects, this second of the three clarifications issued on 5 February 2021 more clearly specifies effective dates for projects registered under an approved GHG program, with activities that were eligible under VCS Version 3 but are now excluded from the scope of the VCS Program (see *VCS Standard, v4.0* Section 2.1). New text is included in red, below.

Clarification:

For project activities that were eligible under *VCS Version 3*, but are now excluded from the scope of the VCS Program (Section 2.1): ... 3) Projects registered under an approved GHG program shall only be eligible to complete a gap validation and/or transfer to the VCS Program where the project has applied for registration with the VCS Program on or before 9 March 2020, unless evidence of contracting for a VCS gap validation prior to 9 March 2020 is provided. **Where such evidence is available, the project must also request pipeline listing with the VCS Program on or before 5 March 2021 and complete gap validation on or before 31 May 2021. The project must also submit a request for registration with the VCS Program on or before 30 June 2021.**

3 CLARIFICATION 3: *Registration and Issuance Process, v4.0* Section 4.2.15, Effective dates for GHG credits seeking to convert into VCU for credits issued to projects registered under an approved GHG program, with activities included within the scope of the VCS Program (5 Feb 2021)

Background:

With the same intention of ensuring consistent application of the VCS Program rules and requirements to all projects, this third of the three clarifications issued on 5 February 2021 serves to provide additional detail about effective dates as written in the *VCS Standard, v4.0* Appendix 2: Document History. The clarification specifies effective dates for credit conversions for credits issued to projects registered under an approved GHG program, with activities included within the scope of the VCS Program (see *VCS Standard, v4.0* Section 2.1). New text is included in red, below.

As context, note that effective dates were already announced on 9 March 2020 for requests to convert credits issued to projects registered under an approved GHG Program, with activities excluded from the scope of the VCS Program (see *VCS Standard, v4.0* Appendix 2: Document History).

Clarification:

GHG credits issued to projects registered under an approved GHG program, with activities that are included within the scope of the VCS Program (see *VCS Standard, v4.0* Section 2.1), shall only be eligible to be converted into VCUs where one of the following is demonstrated:⁴

- 1) For GHG credits issued to a project that does not include afforestation and/or reforestation activities:
 - a) The project has an original project crediting period start date on or after 1 January 2016 with an approved GHG program; *or*
 - b) Where the project has an original project crediting period start date from 1 January 2013 to 1 January 2016, the project has issued credits during the period 1 January 2016 to 5 March 2021, or has a status of “issuance requested” on the CDM Registry by 5 March 2021.
- 2) For GHG credits issued to a project with afforestation and/or reforestation activities, the project was registered with an approved GHG program on or after 1 January 2013.⁵

Further, the following applies with respect to vintages:

- 1) For GHG credits issued to a project that does not include afforestation and/or reforestation activities, only GHG credits with vintages beginning on or after 1 January 2016 are eligible for conversion into VCUs.
- 2) For GHG credits issued to a project with afforestation and/or reforestation activities, only GHG credits with vintages beginning on or after 1 January 2013 are eligible for conversion into VCUs.

⁴ GHG credits are deemed to have met these timelines where Verra confirmed (in writing, to the project proponent or an authorized representative) the credits’ eligibility on or before 4 February 2021.

⁵ Note that for a project seeking to convert GHG credits to VCUs, a project with activities within the Agriculture, Forestry, and Other Land Use (AFOLU) sector must register under the VCS Program and the project will be required to deposit credits into the AFOLU pooled buffer account, in accordance with the *AFOLU Non-Permanence Risk Tool*. Such a project must first register under the VCS Program before any GHG credits may be converted into VCUs, given the risk of non-permanence (see *VCS Standard, v4.0* Section 4.2.15(5)).

4 CLARIFICATION 4: *Registration and Issuance Process, v4.0* Section 4.2.15, Effective dates for GHG credits seeking to convert into VCU for credits issued to projects registered under an approved GHG program, with activities now excluded from the scope of the VCS Program (9 Mar 2020)

Background:

This clarification serves to reiterate the effective dates for credit conversions for credits issued to projects registered under an approved GHG program, with activities excluded from the scope of the VCS Program. These dates were published on 9 March 2020, in the update to the *VCS Standard, v4.0* (see Appendix 2: Document History). These effective dates are reiterated below. There is no new substantive text and no change to these effective dates. These dates are reiterated here for completeness only.

Clarification:

For project activities that were eligible under *VCS Version 3*, but are now excluded from the scope of the VCS Program (Section 2.1): ... 4) GHG credits issued under an approved GHG program shall only be eligible to be converted into VCUs where a conversion request has been submitted on or before 9 March 2020, unless evidence of contracting for a CER conversion prior to 9 March 2020 is provided, in which case the conversion must take place on or before 9 April 2020.