Methodology Approval Process
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Verra’s certification programs include the Verified Carbon Standard (VCS) Program and its Jurisdictional and Nested REDD+ (UNR) framework, the Climate, Community & Biodiversity Standards (CCBS) Program, the Sustainable Development Verified Impact Standard (SD VISta) Program, and the Plastic Waste Reduction Program.

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1 INTRODUCTION

The methodology approval process is the process by which new methodologies, methodology revisions, modules and tools (referred to in this document as “methodologies”) are approved under the VCS Program. The process consists of two main steps. First, the methodology developer submits a methodology concept note for evaluation and acceptance by Verra. Second, following Verra acceptance of the methodological concept (“concept”), the methodology developer drafts the full methodology and submits it for assessment and approval. Such methodologies are subject to an in-depth review by Verra, a public stakeholder consultation hosted on the Verra website and an independent assessment by one validation/verification body, before final approval by Verra.

The methodology approval process is outlined at a high level in the VCS Program Guide and the purpose of this document is to provide detailed requirements and practical guidance on the process. The document lays out the steps involved in the methodology approval process and then provides further requirements and guidance for specific elements that are subject to the process. This document is intended for use by methodology developers (“developers”), project proponents, validation/verification bodies and any other parties who use the methodology approval process.

This document will be updated from time-to-time and readers shall ensure that they are using the most current version of the document.
2 SCOPE AND COST OF THE METHODOLOGY APPROVAL PROCESS

2.1 Scope of the Methodology Approval Process

The following are subject to the methodology approval process:

1) New methodologies.
2) Methodology revisions.
3) New modules and tools.
4) Module and tool revisions.

2.2 Methodology Approval Process

New methodologies, new methodology modules and tools, and methodology revisions are approved through the process set out in Section 4 below, which consists of an in-depth review by Verra, a public stakeholder consultation, an independent assessment by one validation/verification body and final review and approval by Verra.

Verra may pilot alternative processes for approving methodologies where it is deemed that an alternative approach may be more efficient, and equally robust. In such instances, Verra will define and transparently document the alternative process.

2.3 Cost of the Methodology Approval Process

The cost of the methodology approval process consists of two separate administration fees and the cost of contracting the validation/verification body to undertake assessment of the methodology. All costs are borne by the developer.

Specifically, an application fee is payable upon submission of a methodology concept note, as set out in Section 3.3. Following Verra acceptance of the concept, a processing fee is payable upon submission of the full methodology, as set out in Section 4.3. The administration fee rates are set out in the VCS Program document Program Fee Schedule.

In addition, validation/verification bodies charge for undertaking assessment of the methodology. Their rates are primarily dependent on the scope and complexity of the methodology. Developers are
encouraged to contact several validation/verification bodies to determine their cost and service options.

Financial compensation is available to developers of new methodologies, the details and conditions of which are set out in the VCS Program Guide.

The time taken to complete the methodology approval process is largely dependent upon the initial quality of the methodology and the length of time taken by the validation/verification body to complete its assessment.
3 METHODOLOGY CONCEPT ACCEPTANCE

3.1 Overview

Diagram 1 summarizes the methodology concept acceptance process, which is further described in the sections that follow.

Diagram 1: Steps in the Methodology Concept Acceptance Process

Step 1: Development of methodology concept note
Developer prepares methodology concept note and submits it to Verra

Step 2: Evaluation of methodology concept
Verra evaluates the information presented in the methodology concept note

Step 3: Acceptance of methodology concept
Verra notifies developer if methodology concept has been accepted or not accepted

3.2 Step 1: Development of Methodology Concept Note

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

3.2.2 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 7.
3.3 Step 2: Evaluation of Methodology Concept

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

Note – Where a concept includes a group of methodology elements (e.g., a new methodology with associated modules), the concept will be handled as a single unit of work.

3.3.2 Verra evaluates the concept to determine whether:

1) The project activities covered by the concept are not covered by an 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 emission reduction 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.

3.3.3 Preference will be given to methodology concepts that include one or more of the following:

1) An innovative approach to demonstrating additionality or quantifying emission reductions or removals (e.g., the methodology concept uses a standardized method, modeling and/or approaches that simplify monitoring).
2) Demonstration that the concept has the potential for significant environmental impact (e.g., projects applying the methodology could generate more than 1 million tonnes of GHG emission reductions and/or removals during a 10-year period).
3) Demonstration that the concept is applicable to a sector or region that is underrepresented in the carbon markets.
4) Demonstration that proposed projects are awaiting the development and approval of the methodology.

3.4 Step 3: Acceptance of Methodology Concept

3.4.1 Verra will complete its initial evaluation of the concept within 25 business days of submission, and will submit questions or comments to the developer, as appropriate, where additional information is required for Verra to complete its evaluation.
Once Verra has sufficient information to complete its evaluation of the concept note, Verra 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.

3.4.2 Where the concept is accepted, the developer drafts the full methodology and may submit it for approval following the procedure set out in Section 4.

3.4.3 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.

3.4.4 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.
4 METHODOLOGY APPROVAL PROCESS

4.1 Overview

Diagram 2 summarizes the methodology approval process, which is further described in the sections that follow.

Diagram 2: Steps in the Methodology Approval Process

**Step 1: Development of methodology**
Developer prepares methodology and submits it to Verra

**Step 2: Verra review of methodology**
Verra conducts in-depth review of methodology

**Step 3: Public stakeholder consultation**
Verra conducts public stakeholder consultation

**Step 4: VVB assessment of methodology**
Verra contracts validation/verification body to conduct assessment of the methodology

**Step 5: Final review and approval**
Verra reviews methodology documentation and assessment reports (and approves or does not approve methodology accordingly)
4.2 Step 1: Development of Methodology

4.2.1 The developer prepares the methodology documentation that will be subject to review by Verra, public stakeholder consultation and independent assessment by one validation/verification body.

4.2.2 The methodology documentation shall be prepared in accordance with all the applicable VCS 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. In addition, the methodology documentation should apply the guidance on language and terminology set out in the Validation and Verification Manual.

Methodologies and methodology revisions shall be prepared using the VCS Methodology Template and modules and tools shall be prepared using the VCS 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.

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 Verra a signed methodology approval process submission form (see Section 4.3).

4.3 Step 2: Verra Review of Methodology

4.3.1 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 VCS Program document Program Fee Schedule. The methodology processing fee shall be paid by the developer before Verra begins its review of the methodology documentation.

4.3.2 Verra conducts a review of the methodology documentation to ensure that the methodology is of sufficient quality to enable its assessment under the VCS methodology approval process, and to ensure that the methodology documentation has been completed in accordance with VCS Program rules. Verra’s review of the methodology will focus on ensuring that the methodology is well-structured and clearly written, there is logical and technical consistency within the methodology and there are no major inconsistencies with VCS Program rules and requirements.

Note – Methodology developers must take the time to ensure that methodology documentation is professionally written, structured and formatted. Verra will not post methodology documentation for public comment until it is of acceptable quality (e.g., is free from typos and grammatical errors). Verra may contract, at its own expense, an external expert where Verra staff do not have sufficient technical expertise to review all technical aspects of the methodology or where Verra deems that an external expert would add value to the Verra review
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.

4.3.3 Where the Verra 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 VCS Program or the functioning of the broader carbon market, Verra reserves the right not to accept the methodology into the methodology approval process.

4.4 Step 3: Public Stakeholder Consultation

4.4.1 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 may also host a presentation of the methodology. Any comments shall be submitted to Verra at methodologies@verra.org and respondents shall provide their name, organization, country and email address.

4.4.2 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 validation/verification body what action it has taken.

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

4.5 Step 4: VVB Assessment of Methodology

4.5.1 Verra will send a request for proposals (RFP) to all validation/verification bodies which meet the relevant eligibility criteria to conduct the methodology assessment (set out in Section 5.1 below). Upon receipt of any proposals, Verra will narrow the pool of eligible validation/verification bodies based on those with the most relevant expertise and experience. Verra will forward the remaining proposals to the methodology developer, and the methodology developer may make a selection amongst the eligible pool of validation/verification bodies provided by Verra. Verra contracts the validation/verification body selected by the methodology developer, using its standard agreement. The developer pays the validation/verification body directly, as provided for in the contract between Verra and the validation/verification body and the methodology approval process submission form.

4.5.2 The validation/verification body shall not begin their assessment until the Verra review is complete and shall issue the assessment report only after the public stakeholder consultation period has ended.

4.5.3 The developer shall respond to all and any of the validation/verification body’s findings. As a result of any such findings, the developer may need to amend the methodology documentation.
4.5.4 The validation/verification body shall produce an assessment report in accordance with the VCS Program rules and best practice. The assessment report shall be prepared using the VCS Methodology Assessment Report Template. The assessment report shall address the scope of assessment applicable to the methodology (see Sections 6.1, 7.2 and 8.1 for methodologies, methodology revisions and modules/tools respectively). 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 3 above).

2) A summary of all methods, criteria and processes used to determine whether and how the methodology adheres to VCS Program 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. Where applicable, the name of the VCS-approved expert and his/her role in the assessment shall also be stated.

4) A description of all and any of the validation/verification body’s findings and the developer’s response to them.

5) An assessment statement prepared in accordance with the requirements for validation statements set out in the VCS Standard, mutatis mutandis. Such statement shall also state the version number of the methodology documentation upon which the statement is based.

6) Evidence of fulfillment of eligibility requirements for validation/verification bodies, as set out in Section 5.2.

4.6 Step 5: Final Review and Approval

4.6.1 The developer shall provide Verra with the most recent methodology documentation, the assessment report produced by the validation/verification body and a signed Methodology Element Approval Request Form.

4.6.2 Verra reviews the most recent methodology documentation and the assessment report produced by the validation/verification body to ensure the methodology has been assessed in accordance with VCS Program rules. Where the review finds that the methodology has not been assessed in accordance with VCS Program rules, it will require the developer to revise the methodology documentation, involving the validation/verification body, as required. Where necessary, the validation/verification body shall revise the assessment report. Verra may withhold the acceptance of the assessment report until all findings from Verra’s review have been satisfactorily addressed. Verra may also make revisions to the methodology where it deems necessary.
4.6.3 Where Verra approves the methodology, it notifies the developer and the validation/verification body of same. 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.

4.6.4 Where the assessment report does not approve the methodology and attempts to resolve the situation in accordance with Section 4.6.2 have been unsuccessful, it 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 VCS Program rules or would sanction politically or ethically contentious project activities, or may otherwise impact the integrity of the VCS Program or the functioning of the broader carbon market.

*Note – The validation/verification body shall be responsible for reviewing any minor modifications, edits or clarifications that need to be made to the methodology within two years of its approval. The process for such updates is set out in Section 9.*

4.7 Procedure for Clarification and Facilitation by Verra

4.7.1 The developer and/or the validation/verification body may request that Verra provides clarification with respect to unresolved findings or the VCS Program rules. Verra consults all necessary parties before providing any clarification and notifies the developer as well as the validation/verification body when such clarification is provided.

4.8 Inactive Methodologies

4.8.1 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 updates 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 ELIGIBILITY REQUIREMENTS FOR VALIDATION/VERIFICATION BODIES

5.1 Eligibility Requirements

5.1.1 The eligibility requirements for validation/verification bodies are set out in Table 1 below. Recognizing that the approval of methodologies has implications for more than a single project, the eligibility requirements ensure that the appropriate level of expertise and experience is applied in the methodology approval process. Table 1 also states (third column) for which of the applicable eligibility requirements the validation/verification body shall submit evidence of its fulfillment of same. The specific requirements regarding evidence of fulfillment of applicable eligibility requirements are outlined in Section 5.2.

*Note – The eligibility requirements for validation/verification bodies set out in Table 1 are in addition to the requirements for competence set out in the VCS Standard.*
## Table 1: Eligibility Requirements for Validation/Verification Bodies

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Eligibility Requirements</th>
<th>Evidence Required?</th>
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</table>
| **Non-AFOLU methodologies**      | 1) The validation/verification body shall be eligible under the VCS Program to perform validation for the applicable sectoral scope(s). Where there is more than one sectoral scope applicable to the methodology, the validation/verification body shall be eligible for all relevant sectoral scopes for validation; AND  
2) The validation/verification body shall have completed at least ten project validations or methodology assessments under the methodology approval process in the sectoral scope group applicable to the methodology.¹ Project validations can be under the VCS Program or an approved GHG program and projects shall be registered under the applicable program. A validation of a single project under more than one program (e.g., VCS and CDM) counts as one project validation. Methodology assessments shall be for methodologies that have been approved by Verra. | N                 |
| **AFOLU methodologies**          | 1) The validation/verification body shall be eligible under the VCS Program to perform validation for sectoral scope 14² (AFOLU); AND  
2) For non-ARR methodologies, the validation/verification body shall use an AFOLU expert (see Section 10) in the assessment; AND  
3) The validation/verification body shall have completed at least ten project validations in any sectoral scope. Project validations can be under the VCS Program or an approved GHG program and projects shall be registered under the applicable program. A validation of a single project under more than one program (e.g., VCS and CDM) counts as one project validation. | N                 |
| **Methodologies using a standardized method** | In addition to the above, the validation/verification body shall use a standardized methods expert (see Section 10) in the assessment. | Y                 |

¹ The sectoral scope groups shall be determined in accordance with the ANSI project level groups to which the VCS sectoral scopes are mapped. The mapping of ANSI project level groups to VCS sectoral scopes is available on the Verra website. Where the methodology has more than one applicable sectoral scope and such scopes fall under more than one sectoral scope group, the validation/verification body must have validated at least ten projects or methodologies in each of the relevant sectoral scope groups.

² Or the approved GHG program equivalent to VCS Program sectoral scope 14, where the validation/verification body is accredited under an approved GHG program and the sectoral scopes under the approved GHG Program are not directly equivalent to the VCS Program numbering system for sectoral scopes.
5.1.2 In the unlikely event of there being no validation/verification bodies that meet the eligibility requirements set out in Table 1, the developer shall contact Verra, who will work with the developer to choose an appropriately qualified validation/verification body.

5.2 Evidence of Fulfilment of Requirements

5.2.1 The validation/verification body shall submit evidence of its fulfillment of eligibility requirements where indicated in the third column of Table 1. Such evidence shall be provided in the validation/verification body’s assessment report of the methodology and shall be as follows:

1) Where the validation/verification body is required to have undertaken a certain number of project validations or methodology assessments, a summary of such work shall include the following:
   
a) For project validations, the name of the project, the date that the validation report was issued, the date that the project was registered and the name of the GHG program under which the project was registered.
   
b) For methodology assessments, the name of the methodology and the date that the assessment report was issued.
   
2) Where the validation/verification body is required to use an AFOLU expert or a standardized methods expert, the assessment report shall state the name of the expert and their role in the assessment.
6 NEW METHODOLOGIES

6.1 Scope of Assessment

6.1.1 The validation/verification body shall determine whether the proposed methodology complies with the requirements set out in the VCS Program document VCS Methodology Requirements and any other applicable requirements set out under the VCS Program.

6.1.2 Validation/verification bodies shall adhere to the instructional text in the Methodology Element Assessment Report Template and refer to the guidance in the Validation and Verification Manual when completing the methodology assessment report.

6.1.3 The scope of assessment shall include (at a minimum) the following, and the assessment report shall provide an explanation of whether and how the methodology addresses these:

1) Relationship to approved or pending methodologies: Assessment of whether any existing methodology could reasonably be revised to meet the objective of the proposed methodology, determined in accordance with Section 6.2.

2) Stakeholder consultation: Assessment of whether the developer has taken due account of all stakeholder comments.

3) Structure and clarity of methodology: Assessment of whether the methodology is written in a clear, logical, concise and precise manner.

4) Definitions: Assessment of whether the key terms in the methodology are defined clearly and appropriately, and are consistently used in the methodology.

5) Applicability conditions: Assessment of whether the proposed methodology’s applicability conditions are appropriate, adequate and in compliance with the VCS Program rules.

6) Project boundary: Assessment of whether an appropriate and adequate approach is provided for the definition of the project’s physical boundary and sources and types of GHGs included.

7) Baseline scenario: Assessment of whether the approach for determining the baseline scenario is appropriate, adequate and in compliance with the VCS Program rules.

8) Additionality: Assessment of whether the approach/tools for determining whether the project is additional are appropriate, adequate and in compliance with the VCS Program rules.

9) Baseline emissions: Assessment of whether the approach for calculating baseline emissions is appropriate, adequate and in compliance with the VCS Program rules.

10) Project emissions: Assessment of whether the approach for calculating project emissions is appropriate, adequate and in compliance with the VCS Program rules.
11) **Leakage**: Assessment of whether the approach for calculating leakage is appropriate, adequate and in compliance with the VCS Program rules.

12) **Net GHG emission reductions and/or removals**: Assessment of whether the approach for calculating the net GHG benefit of the project is appropriate, adequate and in compliance with the VCS Program rules.

13) **Monitoring**: Assessment of whether the monitoring approach is appropriate, adequate and in compliance with the VCS Program rules.

14) **Data and parameters**: Assessment of whether the specification for data and parameters (available at validation, and monitored) is appropriate, adequate and in compliance with the VCS Program rules.

15) **Uncertainty**: Assessment of whether the approach for addressing uncertainty is appropriate, adequate and in compliance with the VCS Program rules.

6.1.4 Where the proposed methodology references tools or modules approved under the VCS Program or an approved GHG program, the validation/verification body shall determine whether the tool or module is used appropriately within the methodology. Reassessment of the actual tool or module is not required.

6.2 **Relationship to Approved or Pending Methodologies**

6.2.1 In order to safeguard against the unnecessary proliferation of methodologies, methodology developers are required to demonstrate that no approved or pending methodology under the VCS Program or an approved GHG program could reasonably be revised to meet the objective of the proposed methodology. Methodology revisions are appropriate where a proposed activity or measure is broadly similar to an activity or measure covered by an existing approved methodology such that the proposed activity or measure can be included through reasonable changes to that methodology. The procedure for demonstration and assessment that no existing methodology could reasonably be revised to meet the objective of the proposed methodology is as follows:

1) The methodology developer shall list the approved or pending methodologies, under the VCS Program or an approved GHG program, that fall under the same sectoral scope or same AFOLU project category\(^3\) or combination of sectoral scopes or AFOLU project categories, as applicable. The list shall include, at a minimum, all such methodologies that are available sixty days before the proposed methodology is submitted to Verra. Such list of methodologies (“listed methodologies”) shall contain the methodology name and reference number, and the GHG program under which it is approved or pending.

2) The methodology developer shall state whether, and explain how, the proposed methodology uses, includes, refers to or relies upon all or part of any of the listed

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\(^3\) The current AFOLU project categories are ARR, ALM, IFM, ACoGS, WRC and REDD.
methodologies. Where it does, the methodology developer shall demonstrate that none of the identified methodologies ("similar methodologies") could have been reasonably revised (i.e., developed as a methodology revision) to meet the objective of the proposed methodology. The onus is upon the methodology developer to demonstrate that a methodology revision would not have been more appropriate, failing which the proposed methodology shall not receive a positive assessment from the validation/verification body. Examples that sufficiently demonstrate the requirement for a new methodology include, but are not limited to, the following:

a) The proposed methodology uses an approach to setting the baseline and assessing additionality that is different to any of the similar methodologies (e.g., the similar methodologies use a project method for additionality, whereas the proposed methodology uses a performance method).

b) The proposed methodology uses, includes, refers to or relies upon all or part of a number of the similar methodologies, such that it would have been problematic to revise any particular one of the similar methodologies.

c) The proposed methodology uses a modular approach to provide a more flexible methodology with wider applicability than any of the similar methodologies.

d) The proposed methodology draws upon the similar methodologies to provide a simplified methodology for micro-scale projects.

e) None of the similar methodologies could be revised without substantial changes to the sections on project boundary or procedure for determining the baseline scenario.

f) None of the similar methodologies could be revised without the addition of new procedures or scenarios to more than half of its sections.

6.2.2 The methodology developer shall document the above in the relevant section of the methodology document, such document being subject to review by Verra, public consultation and independent assessment by the validation/verification body. Where Verra or the validation/verification body is unable to conclude that any approved or pending methodology under the VCS Program or an approved program could not have been reasonably revised to meet the objective of the proposed methodology, in accordance with the procedure set out above, it shall not grant the methodology a positive assessment.
6.3 Proposals for Methodologies Currently Excluded under the Scope of the VCS Program

6.3.1 The scope of the VCS Program is revised from time to time, such as with the inclusion of AFOLU into the program in November 2008 and ozone-depleting substances in January 2010. As part of the process of revising the scope of the VCS Program, it is useful for Verra to have a view of possible methodologies and projects that might be eligible under such revisions. Where developers would like to prepare methodologies that currently fall outside of the scope of the VCS Program and have them assessed by a validation/verification body, they are encouraged to contact Verra and to follow the requirements in this document if continuing with such methodology development and assessment.
7 METHODOLOGY REVISIONS

Methodology revisions shall be prepared using the VCS Methodology Template. The VCS Program distinguishes between three types of revisions based on the extent of the revisions and between revisions to VCS methodologies and revisions to approved GHG program methodologies. The requirements for each are set out in the sections below.

7.1 Types of Methodology Revisions

7.1.1 Verra determines on a case-by-case basis whether a methodology revision is substantive, minor, or represents a limited modification, edit or clarification, based on the extent and type of changes proposed.

7.1.2 Where the methodology requires revision (substantive or minor), the methodology shall be revised and approved via the methodology approval process set out in Sections 3 and 4 above.

7.1.3 For minor revisions the following applies:

1) A description shall be developed and submitted using the VCS Minor Methodology Revision Description Template. All instructions in the template shall be followed. Upon submission, Verra invoices the developer for the methodology application fee, the rate of which is set out in the VCS Program document Program Fee Schedule.

2) Verra will evaluate the description to determine whether the proposed revision meets the conditions for minor revisions.

3) Where Verra determines that the proposed revision is substantive, the developer may submit a methodology concept note following the procedure set out in Section 3 and is subject to the appropriate application fee (in addition to the application fee paid upon the original submission).

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

7.2 Scope of Assessment

The scope of assessment for methodology revisions shall be the same as for new methodologies (see Section 6.1), though excluding assessment of relationship to approved or pending methodologies.
7.3 Revisions to VCS Methodologies

A revision to a VCS methodology is handled as an update to the prevailing version of the methodology and the following applies:

1) The methodology revision shall not narrow the methodology’s applicability or in any other way exclude project activities that are eligible under the prevailing version of the methodology, unless such narrowing or exclusion is authorized by Verra.

2) The methodology document of the prevailing version of the methodology shall be edited to incorporate the methodology revision. The Word version of the prevailing methodology document may be requested from Verra. Where the prevailing version of the methodology does not use the VCS Methodology Template, the methodology shall be transferred into the template.

3) Where the methodology revision is approved by Verra, the prevailing version of the methodology is withdrawn and the revised methodology replaces it, and the following applies:
   a) Projects that have not yet completed validation: The previous version of the methodology may be used where a project is listed on the VCS project pipeline by the date the methodology is withdrawn and a validation report is issued within six months of such date.
   b) Registered projects: Registered projects shall be updated to use the latest version of the methodology at crediting period renewal or baseline reassessment (when such reassessment is required; see the VCS Standard for detail). The previous version of the methodology may be used by projects where the validation of a crediting period renewal or baseline reassessment is completed within six months of the date the methodology is withdrawn.

7.4 Revisions to Approved GHG Program Methodologies

A revision to an approved GHG program methodology creates a parallel, revised methodology and the following applies:

1) The methodology revision shall reference the (underlying) methodology that it is revising, including the methodology name, version number, issue date and approved GHG program. The methodology revision shall require the use of the latest version of such methodology, such that the methodology revision keeps pace with developments that may occur in the underlying methodology.

2) The methodology revision shall use the VCS Methodology Template. The rationale for developing the methodology revision shall be clearly stated. Where sections of the underlying methodology are not altered, this shall be stated in the relevant section of the methodology revision document.

3) Where a methodology revision has been approved by Verra and a new version of the underlying methodology is issued such that the integrity of the methodology revision is affected and it no longer meets with VCS Program requirements, projects will not be able to use the methodology revision (as set out in the validation and verification section of the VCS Standard). The methodology revision may be updated and approved via the methodology approval process.
Note – Methodology deviations and monitoring plan deviations do not require the project proponent to prepare new methodology documentation and are not managed via the methodology approval process. Instead, the validation/verification body validates the deviation as part of the project validation or verification process (as applicable) in accordance with the VCS Standard.
8 NEW MODULES AND TOOLS

8.1 Scope of Assessment

8.1.1 New modules and tools shall be assessed against the aspects of the assessment scope for new methodologies set out in Section 6.1 that are relevant to the specific module or tool.

8.1.2 The assessment of a revision to a module does not require the reassessment of all methodology framework documents which reference it, though the assessment shall determine whether the revised module is appropriate for the methodologies and that all methodologies maintain their overall integrity. Likewise, the assessment of a revision to a tool shall ensure that the integrity of methodologies that use the tool is not adversely impacted.
9 REVIEW OF APPROVED VCS METHODOLOGIES

On occasion, Verra may review methodologies approved under the VCS 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 VCS Program rules and 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 VCS 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.

9.1 Trigger for Review

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

1) Verra periodically issues new requirements that reflect the on-going 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 GHG emission reductions or removals 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 VCS 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 Verra’s attention.

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

9.2.1 The review of the methodology and any relevant issue that triggered the review is undertaken by Verra, with input sought from the developer, the validation/verification body(s) that initially assessed the methodology and appropriately qualified external experts, as required.

9.2.2 Where the review is triggered by new requirements being issued by Verra, Verra undertakes the review of approved VCS methodologies within 60 days of the new requirements being issued.

9.3 Outcome of Review

9.3.1 Where the review determines that the methodology meets all VCS Program rules and requirements and reflects best practice and scientific consensus, no further action is required.

9.3.2 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 7.1.4. Verra may require the validation/verification body that initially assessed the methodology to review and approve the updates via email. Likewise, Verra may seek input from appropriately qualified external experts.

9.3.3 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 Section 4 (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.

9.3.4 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.

9.3.5 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.

9.4 Grace Periods

9.4.1 Versions of methodologies put on hold or withdrawn may be used for the grace period set out for the methodology on the Verra website, provided the project has been listed on the VCS project pipeline on the Verra Registry by the date the methodology is put on hold or withdrawn. Projects shall have their validation reports issued before the end of the grace period. Beyond such date, projects may only use any new approved version of the methodology. Grace periods are determined by Verra using the following guidelines:
1) Where the methodology only requires limited modifications, edits or clarifications (consistent with Section 9.3.2), the prevailing version of the methodology is considered withdrawn when the updated version of the methodology is issued and the prevailing version of the methodology may be used for up to six months from the date it was withdrawn. Where the continued use of the prevailing version of the methodology is not appropriate (e.g., a typo in an equation could lead to material misstatement in the estimation of GHG emission reductions or removals), no grace period is granted for the use of the prevailing version of the methodology.

2) Where the methodology requires substantive revision (consistent with Section 9.3.3), or is withdrawn or put on hold due to fundamental flaws (consistent with Section 9.3.4), the following applies:

a) The prevailing version may be used for up to six months after it was put on hold.

b) Where the prevailing version of the methodology impacts the integrity of the VCS Program or the functioning of the broader carbon market, no grace period is granted (to any projects), subject to approval from the Verra Board.

3) Where the methodology is withdrawn due to consolidation of methodologies in accordance with Section 9.3.5, the withdrawn methodology may be used for up to twelve months after the date of withdrawal.

9.4.2 Methodologies being developed under the methodology approval process do not have to comply (immediately) with new requirements where the assessment report has been submitted to Verra in accordance with the VCS Program rules before the time Verra issues such new requirements. However, such methodologies, where finally approved by Verra, are valid for six months from the date that the new requirements were issued by Verra (i.e., any projects shall have their validation report issued within such time periods). After such time period, projects cannot use the methodology and it is considered put on hold or withdrawn, as determined by Verra.

9.4.3 Notwithstanding the above, methodologies being developed under the methodology approval process shall be required, subject to Verra Board approval, to comply (immediately) with new requirements where a failure to do so would impact the integrity of the VCS Program or the functioning of the broader carbon market.
10 USE OF EXPERTS IN THE ASSESSMENT OF METHODOLOGIES

10.1 Purpose of Expert

10.1.1 Recognizing that there is currently limited experience and expertise within the broader validation/verification body community regarding the assessment of certain methodologies and the precedent that is set by new methodologies approved under the VCS Program, an expert shall be used in the assessment of the following:

1) Non-ARR AFOLU methodologies (see Table 1).
2) Methodologies that use a standardized method.

10.1.2 The process for use and designation of experts shall operate as set out in Sections 10.2 and 10.3. The requirement and necessity for validation/verification bodies to use an expert shall be revisited by Verra as and when it has been demonstrated that the validation/verification body community has developed sufficient experience and expertise in assessing the relevant types of methodologies.

10.2 Use of Expert

10.2.2 As set out in Section 5.1, a validation/verification body conducting an assessment of an AFOLU methodology or a methodology that uses a standardized method may need to use an expert in the assessment, and the following applies:

1) Experts shall be approved by Verra in accordance with the procedure set out in Section 10.3.
2) AFOLU experts shall be approved for the AFOLU project category relevant to the methodology.
3) Standardized method experts have the authority to assert their expert judgment in relation to the appropriateness of the proposed level(s) of the performance benchmark metric in ensuring environmental integrity and provision of sufficient financial incentive to potential projects, and therefore to require the methodology to use a level it deems appropriate.
10.2.3 The expert can be part of the validation team or act as technical expert to the validation team. Where the expert is acting as technical expert to the validation team, they shall meet all the requirements of technical experts set out in ISO 14065:2013 and shall not carry out the assessment alone.

10.2.4 As set out in Section 5.2 the methodology assessment report shall state the name of the expert and its role in the assessment.

10.3 Application Procedure for Experts and List of Experts

10.3.1 The procedure for applying to be an expert is as follows:

1) The applicant shall complete the expert application form, available on the Verra website, and submit this together with two references, at least one of which shall be a professional non-academic reference, to Verra at methodologies@verra.org. The applicant shall also pay the expert application fee, the rate of which is set out in the VCS Program document Program Fee Schedule.

2) The application is assessed by members of an assessment panel and on a quarterly basis. Further information about the assessment panel, process and schedule is available on the Verra website.

3) The assessment criteria for AFOLU experts are as follows:

a) **AFOLU expertise and experience**: The applicant shall possess significant expertise in the project category. The applicant shall have at least three years of relevant work experience or an equivalent combination of education and work experience as follows:

i) Have expertise in assessing carbon baselines, modeling, leakage, and measurement and monitoring frameworks, as they relate to AFOLU methodologies;

ii) Have experience in developing AFOLU projects or methodologies or assessing projects or methodologies under the VCS Program or an approved GHG program; and,

iii) Be well-versed in current scientific thinking and best practices associated with AFOLU project design and implementation, and carbon accounting and reporting.

Such experience shall be demonstrated and supported with direct work experience, education/training, peer-reviewed journal articles, publications, publicly available reports and/or methodologies developed, applied or assessed.

Based on the above requirements, the following expertise and experience are expected for ALM, IFM, REDD, ACoGS and WRC AFOLU expert applicants:

i) ALM AFOLU expert applicants shall demonstrate the above AFOLU expertise and experience with respect to agricultural and cropland systems. Applicants shall have knowledge and experience related to farming, fertilization and nutrient cycling.
Applicants shall have experience in quantifying emissions from agricultural systems and from fertilizer application and have experience modeling, measuring and monitoring soil carbon stocks and GHG emissions from agricultural activities and crop systems.

ii) IFM AFOLU expert applicants shall demonstrate the above AFOLU expertise and experience with respect to plantations, silviculture, agro-forestry, and timber harvesting. Applicants shall have experience in determining baseline scenarios for managed forests and shall demonstrate an understanding of forest stand dynamics. Applicants shall demonstrate experience in modeling timber harvests or forest rotations and shall have experience quantifying carbon stock. Applicants shall have experience in measuring and monitoring forest carbon. Applicants shall understand the dynamics of market leakage with respect to timber production.

iii) REDD AFOLU expert applicants shall demonstrate the above AFOLU expertise and experience with respect to forests facing threats of deforestation and degradation. Applicants shall have experience in determining the most plausible baseline scenario in either a planned or unplanned deforestation and/or degradation situations. Applicants shall demonstrate an understanding with regard to drivers of deforestation and/or degradation and approaches to modeling deforestation and/or degradation patterns, and be able to apply that knowledge to leakage. Applicants shall demonstrate an understanding of forest stand dynamics. Applicants shall demonstrate experience in measuring and monitoring changes in land use and carbon stock.

iv) ACoGS AFOLU expert applicants shall demonstrate the above AFOLU expertise and experience with respect to grasslands and shrublands. Applicants shall have experience in establishing the most plausible baseline scenario in either a planned or unplanned land use conversion of forest or non-forest ecosystems. Applicants shall demonstrate an understanding with regard to drivers of land use conversion and approaches to modeling land use conversion, and be able to apply that knowledge to leakage. Applicants shall demonstrate an understanding of grassland and shrubland ecosystem dynamics. Applicants shall have experience modeling, measuring and monitoring soil carbon stocks.

v) WRC AFOLU expert applicants are expected to demonstrate the above AFOLU expertise and experience with respect to wetland ecosystems. WRC experts many demonstrate wetlands expertise for peatlands only, wetlands excluding peatlands or wetlands including peatlands. WRC expert applicants for non-peatlands shall have knowledge and experience related to wetlands conservation and restoration activities such as enhancing, creating and/or managing hydrological condition, sediment supply, salinity characteristics and water quality. Applicants shall have experience in quantifying, measuring, modeling and monitoring GHG emissions or gas fluxes from wetland ecosystems. WRC AFOLU expert applicants for peatlands
shall have experience establishing the most plausible baseline scenario and quantifying trace gas fluxes from drained and undrained peatland ecosystems. Applicants shall demonstrate experience in measuring and monitoring changes in peat depth and extent as well as changes in site conditions relevant to GHG fluxes and shall demonstrate expertise in hydrological connectivity as it relates to ecological leakage.

b) **AFOLU project category and regional scope:** The applicant shall possess appropriate regional experience in the relevant project category. For example, REDD applicants shall possess relevant developing country and tropical forest experience. This is required because it is expected that most REDD methodologies will be applied within such contexts and because of the unique characteristics that must be considered when establishing robust deforestation and degradation baselines in these regions.

c) **Organizational affiliation and independence:** The applicant shall demonstrate independence and freedom from conflict of interest in relation to the methodology assessment process.

4) The assessment criteria for standardized methods experts are as follows:

a) **Standardized methods expertise and experience:** The applicant shall possess significant expertise in the development and use of standardized methods. The applicant shall have at least three years of relevant work experience or an equivalent combination of education and work experience as follows:

i) Have expertise and experience in developing projects or methodologies or assessing projects or methodologies that use standardized methods; and,

ii) Be well versed in current scientific thinking and best practices associated with standardized methods and their implementation.

Such experience shall be demonstrated and supported with direct work experience, education/training, peer-reviewed journal articles, publications, publicly available reports and/or methodologies developed, applied or assessed.

b) **Organizational affiliation and independence:** The applicant shall demonstrate independence and freedom from conflict of interest in relation to the methodology assessment process.

5) Applicants will be notified of the outcome of the assessment and, where approved, shall be added to the list of experts. The list shall state the name of the expert, the AFOLU project category(s) for which they are approved (for AFOLU experts), and their contact details. The list of experts is available on the Verra website.

6) An expert can request to be removed from the list of experts at any time by contacting Verra and requesting same. Verra also reserves the right to remove an expert from the list where it determines that the expert no longer meets the required criteria or performance quality for experts.
11 POST-APPROVAL ASSESSMENTS

Recognizing that market and sector conditions change over time, the procedures set out in this section are provided to ensure that methodologies, once approved, remain appropriate to evolving market and sector conditions. These procedures also provide an important safeguard given the limited experience to date with the development and use of standardized methods under GHG programs. These procedures may be revised as experience with standardized methods is acquired.

11.1 Post-Approval Assessment of Standardized Methods

11.1.1 For methodologies using a standardized method, an assessment shall be undertaken within five years of the approval of the standardized method and each subsequent five years, as follows:

1) The developer (or another entity) shall re-evaluate the standardized method to reflect current data or demonstrate that there have not been significant changes in data, as follows:

a) For performance methods, the data and dataset characterizing available technologies, current practices and trends within a sector (which may be documented and contained in the methodology or may be maintained in a separate database referenced by the methodology) shall be evaluated, and updated if there have been significant changes in the data. The developer does not need to undertake stakeholder consultation with respect to the level of the performance benchmark metric (as is required for the initial development of performance methods).

b) For activity methods, additionality shall be re-determined (from scratch using the activity penetration, financial viability or revenue streams options). Where the activity method uses the activity penetration option and the level of activity penetration has risen (since initial approval) to exceed the five-percent threshold level, the activity method may not be revised to use either of the other two options. Such activity methods become invalid and shall be withdrawn.

Note – The VCS Methodology Requirements should be read for further information on the use of data within standardized methods and appropriateness of the level of performance benchmarks.

2) The developer or another entity shall submit to Verra a report documenting the standardized method revaluation. This report shall be issued no earlier than four years after the previous approval of the methodology. Verra reviews the report and determines whether a revision to the standardized method or methodology is required.

3) Where a methodology revision is required, the revised methodology shall be approved via the methodology approval process set out in Section 4. In addition, the following applies:
a) The methodology shall be exempt from the submission of a methodology concept note or minor methodology revision description, and corresponding application fee, processing fee and the public stakeholder consultation.

b) The scope of assessment shall be limited to assessment of the revisions undertaken as set out in Section 11.1.1(1) above.

c) For performance methods where data is maintained in a central repository (i.e., not documented and contained within the methodology), the validation/verification body shall assess whether there are still clear and robust custody arrangements for the data and defined roles and responsibilities with respect to the central repository.

d) For performance methods, Verra re-examines the appropriateness of the level(s) of the performance benchmark metric to ensuring environmental integrity and provision of sufficient financial incentive to potential projects, by re-evaluating the original (and any subsequent) analysis undertaken to determine the level of the performance benchmark metric and considering evidence from use of the methodology by projects. The methodology may need to be revised to reflect the outcome of such re-examination and Verra will co-ordinate with the developer accordingly.

e) Verra reviews the revised methodology and the assessment report submitted by the validation/verification body, together with the outcome of the re-examination of the appropriateness of the level(s) of the performance benchmark metric, following the procedure set out in Section 4.6, mutatis mutandis.

4) Where a report is not submitted to Verra within five years of the methodology’s initial or previous approval, the methodology is put on hold until such time as it is determined that the methodology does not require revision or the revised methodology is approved. Where the methodology remains on hold on the day that is seven years after its previous approval, the methodology will be withdrawn.

Note – Where methodologies are put on hold or withdrawn, grace periods apply (as set out in Section 9) and registered projects may continue to issue VCUs for the remainder of their project crediting periods.

11.2 Interim Assessment of Activity Methods

11.2.1 For methodologies or modules using an activity method that uses the activity penetration option for establishing a positive list, an interim assessment shall be undertaken within three years of the initial or previous (where the activity method has already undergone post-approval assessment in accordance with Section 11.1) approval of the activity method, as follows:

1) The scope of the assessment shall be to assess whether the activity penetration level for the project activity remains within the permitted threshold.

2) The developer or another entity shall submit to Verra a report documenting the assessment. A full re-analysis of the activity penetration level is not required and other
proxies may be used to confirm that the activity penetration level for the project activity remains within the permitted threshold. Proxies may include the continued existence of barriers to the implementation of the project activity (such as cost of technology, cost of implementation of the project activity or level of awareness of the project activity) and the continuing validity of assumptions made within the activity method.

3) The report shall be submitted to Verra no sooner than 30 months, and no later than 34 months, after the initial (or previous) approval of the activity method.

4) Where Verra deems that the report does not adequately justify that the activity penetration level remains within the permitted threshold, and the developer (or other entity) does not provide sufficient further evidence, the methodology will be put on hold. It may be revised and assessed via the methodology approval process.

11.3 Periodic Assessment of Default Factors

11.3.1 For methodologies that establish (their own) default factors which may become out of date (see the VCS Methodology Requirements for further information on default factors), an assessment shall be undertaken within five years of the approval of the methodology and each subsequent five years, as follows:

1) The scope of the assessment shall be to assess whether the value of the default factor remains appropriate to current market, sector or other relevant conditions.

2) The developer or another entity shall submit to Verra a report documenting the assessment. An assessment of the key parameters used to establish the value of the default factor may be used to ascertain whether the value of the default factor remains appropriate (i.e., a full re-evaluation of the value is not required).

3) The report shall be issued no earlier than four years after the previous approval of the methodology.

4) Where Verra deems that the report does not adequately justify that the value of the default factor remains appropriate, and the developer (or other entity) does not provide sufficient further evidence, the methodology will be put on hold. It may be revised and assessed via the procedure set out in Section 9.3.2 or 9.3.3, as appropriate. The scope of assessment shall be limited to assessment of whether the new value of the default factor is appropriate.
# APPENDIX 1: DOCUMENT HISTORY

<table>
<thead>
<tr>
<th>Version</th>
<th>Date</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>v4.0</td>
<td>19 Sep 2019</td>
<td>Initial version released under VCS Version 4.</td>
</tr>
<tr>
<td>V4.1</td>
<td>22 Jun 2022</td>
<td>Incorporated clarifications to grace periods for use of previous versions of methodologies from <em>Clarifications to VCS Program Rules and Requirements</em>, published 19 April, updated 21 April 2022. See Section 7.3. These clarifications are effective from 19 April 2022.</td>
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Standards for a Sustainable Future

- Verified Carbon Standard
- Jurisdictional & Nested REDD+
- Climate, Community & Biodiversity Standards
- Sustainable Development Verified Impact Standard
- Plastic Waste Reduction Standard