

CLARIFICATIONS TO THE VCS PROGRAM RULES AND REQUIREMENTS

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This document provides clarifications applicable to the *VCS Standard, v4.5*, and *VCS Methodology Requirements, v4.4*. Such clarifications are effective on the date listed in the table below. Project proponents and validation/verification bodies must apply and interpret the Verified Carbon Standard (VCS) Program documents consistent with the clarifications set out in this document.

The clarifications will be incorporated into the next issued versions of the program documents.

Clarification	Description	Document and Section Reference	Effective Date
Clarification 1	Modification of the baseline validity period for Avoiding Unplanned Deforestation activities where the baseline is allocated from jurisdictional level data	<i>VCS Standard, v4.5</i> , Section 3.2.5	Effective immediately
Clarification 2	Clarification related to the timing of the historical reference period for methodologies where the baseline is allocated from jurisdictional level data	<i>VCS Methodology Requirements, v4.4</i> , Section 3.4.17(2)(a)	Effective immediately
Clarification 3	Modification of the procedure for establishing a baseline scenario for projects that use a jurisdictional allocation approach	<i>VCS Methodology Requirements, v4.4</i> , Section 3.4.17(2)(c)	Effective immediately

1 Clarification 1

Clarification: *VCS Standard v4.4, Section 3.2.5*

3.2.5 For all Avoiding Unplanned Deforestation and Degradation (AUDD) (**where the baseline is not allocated from jurisdictional level data**), APD (where the agent is unknown), Avoiding Unplanned Conversion (AUC), and Avoiding

Unplanned Wetland Degradation (AUWD) project types, the project proponent shall, for the duration of the project, reassess the baseline every six years.

For Avoiding Unplanned Deforestation projects where the baseline is allocated from jurisdictional level data, the initial project baseline validity period may be as little as one year but no more than seven years. The second and subsequent project baseline validity periods shall be no more than six years. The project proponent shall reassess the baseline at the end of each baseline validity period.

Background:

In the [new REDD methodology](#) (*VM0048 Reducing Emissions from Deforestation and Forest Degradation* and *VMD0055 Estimation of Emission Reductions from Avoiding Unplanned Deforestation*), baseline validity periods (BVPs) for Avoiding Unplanned Deforestation activities are set at the jurisdictional level, not at the project level. While jurisdictional activity data baselines are always valid for six years, projects that validate or transition to VM0048 after the jurisdictional BVP start date will have to update their initial project baseline more or less frequently than every six years,

A project that validates or transitions to this methodology after the initial year of a jurisdictional BVP may choose to use that jurisdictional baseline until the end of the jurisdictional BVP. If the project starts in the last year of the six-year jurisdictional BVP, its initial baseline validity period will last as little as one year.

Alternately, a project that validates or transitions to this new methodology in the second year of a jurisdictional BVP may use this jurisdictional baseline for up to seven years. This would be the case if it exercises the option outlined in *VMD0055* to use its original baseline through the second year of the subsequent jurisdictional BVP.

Subsequent project baseline must be the same duration as the jurisdictional BVP.

2 Clarification 2

Clarification: VCS Methodology Requirements, v4.4, Section 3.4.17(2)(a)

3.4.17 Determination and establishment of the LU/LC change component of the baseline is handled differently for the two eligible REDD activity types, as follows:

- 1) APDD: The criteria...
- 2) AUDD: The criteria...

- a) Methodologies shall.... Such analysis shall be based on historical factors over at least the previous 10 years that explain past patterns and can be used to make future projections of deforestation. **Where methodologies use a jurisdictional allocation approach, the methodology may allow a time gap between the (jurisdictional) historical reference period and the start of a project's baseline validity period.**

Background:

Jurisdictional allocation approaches, e.g., *VM0048*, use a jurisdictional historical reference period to determine a baseline scenario for the entire jurisdiction. This jurisdictional baseline scenario is valid for a set duration called (a “jurisdictional baseline validity period”). The proposed update to the methodology requirement allows a gap between the jurisdictional historical reference period and the start of the project baseline validity period (BVP) to accommodate several scenarios under *VM0048*.

Where a project validates or transitions to *VM0048* after the start of the jurisdictional BVP, the end of the historical reference period will not align with the start of the project's BVP.

Where a project proponent chooses to extend a project's baseline for up to two years into the jurisdictional BVP after the project begins to use *VM0048* (see Clarification 1/*VCS Standard*, v4.5 Section 3.2.5), the end of the jurisdictional historical reference period will not align with the second project BVP under *VM0048*.

In the third project baseline under *VM0048*, projects must align with the jurisdictional BVP. Therefore, their historical reference periods will immediately precede the start of the BVP.

3 Clarification 3

Clarification: *VCS Methodology Requirements, v4.4, Section 3.4.17(2)(c)*

3.4.17 Determination and establishment of the LU/LC change component of the baseline is handled differently for the two eligible REDD activity types, as follows:

- 1) APDD: The criteria...
- 2) AUDD: The criteria...
 - a) Methodologies shall....
 - b) In the frontier....

- c) The criteria and procedures for establishing the baseline scenario in the frontier and mosaic configurations shall take into account such factors as historical deforestation and/or degradation rates ~~and require the. The methodology shall require the~~ project proponent to develop a baseline by:
- i) ~~Using activity data provided by Verra; or~~
 - ii) ~~Determining and analyzing a reference area....~~

Background:

In VM0048, activity data on deforestation for Avoiding Unplanned Deforestation projects are established at the jurisdictional level; Verra is responsible for collecting this data and allocating it to projects. Projects then use appropriate emission factors to translate that activity data into baseline scenarios for their projects. This clarification enables that option.