

## Application of the Oeko-Institut/WWF-US/EDF methodology for assessing the quality of carbon credits

This document presents results from the application of version 3.0 of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF-US) and Environmental Defense Fund (EDF), for assessing the quality of carbon credits. The methodology is applied by Oeko-Institut with support by Carbon Limits, Greenhouse Gas Management Institute (GHGMI), INFRAS, Stockholm Environment Institute, and individual carbon market experts. This document evaluates one specific criterion or sub-criterion with respect to a specific carbon crediting program, project type, quantification methodology and/or host country, as specified in the below table. Please note that the CCQI website [Site terms and Privacy Policy](#) apply with respect to any use of the information provided in this document. Further information on the project and the methodology can be found here: [www.carboncreditquality.org](http://www.carboncreditquality.org)

Criterion:	<a href="#">6.1 Robustness of the carbon crediting program's environmental and social safeguards</a>
Carbon crediting program:	<a href="#">Verified Carbon Standard</a>
Assessment based on carbon crediting program documents valid as of:	<a href="#">15 May 2022</a>
Date of final assessment:	<a href="#">31 January 2023</a>
Score:	<a href="#">AFOLU: 2.46</a> <a href="#">Non-AFOLU: 1.42</a>

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# Assessment

## Indicator 6.1.1

### Relevant scoring methodology provisions

“The program requires the project owners to identify and mitigate potential negative environmental and social impacts, including to local and affected stakeholder wellbeing.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, Section 3.16, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities, and shall engage with local stakeholders during the project development and implementation processes[..].”
- Provision 2 Source 1, Section 3.16.1, page 39: “The project proponent shall identify potential negative environmental and socio-economic impacts, and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals. [..]”
- Provision 3 Source 1, section 3.16.2, page 39: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design.”

### Assessment outcome

AFOLU/Other: Yes (2 Points).

### Justification of assessment

The carbon crediting program provisions stipulate that project proponents must identify and address any negative environmental and socio-economic impacts of project activities (Provision 1). Further, the project proponent must identify potential negative environmental and socio-economic impacts and shall take steps to mitigate them (Provision 2). The provisions further require, that a local stakeholder consultation is conducted before validation that allows stakeholders to evaluate impacts and raise concerns about potential negative impacts (Provision 3). This qualifies with the requirement of the indicator to consider local stakeholder wellbeing when identifying impacts. The indicator is therefore considered to be fulfilled.

## Indicator 6.1.2

### Relevant scoring methodology provisions

“The program clearly defines the types of environmental and social impacts that the project owners must identify and mitigate.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities and shall engage with local stakeholders during the project development and implementation processes.”
- Provision 2 Source 1, section 3.16.1: “No Net Harm. The project proponent shall identify potential negative environmental and socio-economic impacts and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The carbon crediting program requires the project owner to identify and address any negative environmental and socio-economic impacts of the project (Provision 1 and 2). The program does not provide a list of potential negative impacts that all projects must at a minimum assess. It therefore relies mainly on the project owner and validator to consider all relevant impacts that might be associated with a specific project or not. A predefined list of impacts is considered to provide more assurance that impacts will be considered as it serves as a guide to project owners what impacts must at a minimum be assessed. As the program does not clearly define the type of impacts that must be assessed the indicator is considered to not be fulfilled.

## Indicator 6.1.3

### Relevant scoring methodology provisions

“The program requires the project owners to assign roles and responsibilities for managing environmental and social risks of the project.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf)

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities and shall engage with local stakeholders during the project development and implementation processes.”
- Provision 2 Source 1, section 3.16.1: “No Net Harm. The project proponent shall identify potential negative environmental and socio-economic impacts and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The VCS Standard require the project proponent to identify and address social and environmental risks (Provision 1 and 2) but does not explicitly require the assignment of roles and responsibilities to manage these risks.

## Indicator 6.1.4

### Relevant scoring methodology provisions

“The program assesses the institutional arrangements and capacities of the project owners to identify and manage the environmental and social risks associated with the project.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.15, page 42 (on AFOLU projects): “The management teams involved in the project shall have expertise and prior experience implementing land management and carbon projects with community engagement at the project scale. Where relevant experience is lacking, the project proponent shall either demonstrate how they have partnered with other organizations to support the project or have a recruitment strategy to fill the identified gaps.”

**Assessment outcome**

AFOLU: Yes (1 Point).

Other: No (0 Points).

**Justification of assessment**

For AFOLU projects, the carbon crediting program does require project management teams to have expertise and prior experience in implementing land management carbon projects with community engagement at the project scale (Provision 1). However, this does not apply for other project types.

**Indicator 6.1.5****Relevant scoring methodology provisions**

“The program requires the project owners to identify and adhere to any national or local legal requirements which may be relevant to the project.”

**Information sources considered**

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

**Relevant carbon crediting program provisions**

Provision 1 Source 1, section 3.1.3, page 7: “Projects and the implementation of project activities shall not lead to the violation of any applicable law, regardless of whether or not the law is enforced.”

**Assessment outcome**

AFOLU/Other: Yes (1 Point).

**Justification of assessment**

The general requirements defined section 3.1 of the VCS standard mandate that projects and the implementation of project activities shall not result in the violation of applicable law (Provision 1). The indicator is therefore fulfilled.

**Indicator 6.1.6****Relevant scoring methodology provisions**

“The program requires the disclosure of all relevant information from the project owner’s evaluation of environmental or social impacts. If an Environmental Impact Assessment is relevant or required to be carried out in the project’s local legal context, the assessment is fully disclosed (except for any confidential information that is not relevant to the conclusions of the assessment).”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 Registration and Issuance Process, Version 4.0, issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf)
- 3 VCS Project Description Template; Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Project-Description-Template-v4.0.docx>

### Relevant carbon crediting program provisions

- Provision 1 Source 2, section 3, “Pipeline listing process”, page 3: “The Verra registry contains a project pipeline which lists projects before they are registered. Projects shall be listed on the project pipeline before the opening meeting between the validation/verification body and the project proponent (such opening meeting representing the beginning of the validation process).”
- Provision 2 Source 2, section 3.14, page 5: “To list a project as under validation, the following shall be submitted to the Verra registry:
- 1) A complete project description (i.e., one with all sections of the VCS Project Description Template completed);
  - 2) Proof of contracting of the validation, provided in accordance with Section 4.2.6; and
  - 3) A listing representation.
- Provision 3 Source 3, section 2.1 “No Net Harm”, page 10: “Summarize any potential negative environmental and socio-economic impacts and the steps taken to mitigate them.”
- Provision 4 Source 3, section 2.3 “Environmental Impact”, page 10: “Summarize any environmental impact assessments carried out with respect to the project, where applicable.”
- Provision 5 Source 2, section 3.1.9, page 6: “Verra reviews the project documents to ensure that sufficient information is present for the project to undergo public comment and may require the project proponent to update project documentation before listing the project on the Verra registry.”
- Provision 6 Source 2, section 3.1.10, page 6: “Verra shall upload all relevant project documentation to the Verra registry. Verra will use the information from the project documents to create the project record in the Verra registry. The status of the project shall be under development or under validation, as appropriate.”

### Assessment outcome

AFOLU/Other: No (0 Points).

## Justification of assessment

As per the carbon crediting program's registration and issuance process, all projects must list with the project pipeline of the Verra registry (Provision 1). To list a project, project owners must submit a complete project description with all sections of the project description template completed (Provision 2). These include a section on "No net harm" where potential negative environmental and socio-economic impacts and the steps taken to mitigate them must be summarized (Provision 3). It further includes a section "Environmental impact" where any environmental impact assessments carried out with respect to the project should be summarized (Provision 4). The project description template will be checked by the Verra Secretariat for completeness (Provision 5) and uploaded to the publicly accessible Verra registry (Provision 6). Thus, the carbon crediting program fulfils the aspect of the indicator to disclose the relevant information from the project owner's evaluation of environmental or social impacts. With respect to the disclosure of any Environmental Impact Assessment conducted for the project the program requires to summarize these in the project description template. There is no specific requirement in the program's provision to disclose these. This aspect of the indicator is therefore not fulfilled as a summary of the EIA does not disclose all information.

## Indicator 6.1.7

### Relevant scoring methodology provisions

"The program requires, at least for any potential negative impacts, that a validation and verification entity validates the evaluation of social and environmental impacts by the project owner prior to registration."

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 Validation and Verification Manual, v3.2. Document issued in October 2016. Online available at: [https://verra.org/wp-content/uploads/2018/03/VCS\\_Validation\\_Verification\\_Manual\\_v3.2.pdf](https://verra.org/wp-content/uploads/2018/03/VCS_Validation_Verification_Manual_v3.2.pdf)
- 3 VCS Monitoring Report template, v4.0. Document issued on 19 September 2019. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>.
- 4 VCS Validation Report Template, online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Validation-Report-Template-v4.0.docx>.
- 5 VCS Verification Report Template, online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Verification-Report-Template-v4.0.docx>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1.11, page 53: "Where the project does not meet the criteria for validation or verification, the validation/verification body shall produce a negative validation conclusion and provide the validation or verification report and project description, or monitoring report, to Verra. The project shall be ineligible for

registration until such time as corrective action is taken and the (same) validation/verification body has provided a positive validation or verification.”

- Provision 2 Source 2, section 4.1, page 40: “When preparing a validation or verification report, VVBs must address, at minimum, the specific items detailed within the VCS templates (VCS Validation Report Template and VCS Verification Report Template, respectively) and adhere to the structure of the template. However, VVBs can provide additional information. VVBs are encouraged to include additional documentation as annexes to the reports where needed.”
- Provision 3 Source 4, section 3.2.1 “No net harm”, page 7: “Identify and discuss any potential negative environmental and socio-economic impacts identified by the project proponent. Discuss whether reasonable steps have been taken to mitigate such impacts.”
- Provision 4 Source 4, section 3.2.3 “Environmental Impact”, page 7: “Identify and discuss the implications of any environmental impact assessments conducted with respect to the project.”
- Provision 5 Source 4, section 4.2.1, page 9: “Identify and discuss any potential negative environmental and socio-economic impacts identified by the project proponent. Discuss whether reasonable steps have been taken to mitigate such impacts.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The specific items that must be addressed by VVBs during a validation or verification are defined in the respective template for the validation and verification reports (Provision 2). Both the template for the validation and the verification report include a mandatory section for VVBs to validate information provided by the project owner with respect to safeguards (Provision 3 and 5). For the validation report VVBs further must discuss the implications of any environmental impact assessments conducted with respect to the project. (Provision 4). Where the project does not meet the criteria for validation or verification, the project is ineligible for registration until corrective action is taken (Provision 1). The indicator is therefore considered to be fulfilled.

## Indicator 6.1.8

### Relevant scoring methodology provisions

“The program requires a follow-up on any potential negative impacts identified in the evaluation of social and environmental impacts prior to registration, e.g., by including measures to mitigate any negative impacts in monitoring plans.”



### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Monitoring Report template, v4.0. Document issued on 19 September 2019. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities and shall engage with local stakeholders during the project development and implementation processes.”
- Provision 2 Source 1, section 3.16.1, page 39: “No Net Harm”. “The project proponent shall identify potential negative environmental and socio-economic impacts and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission.”
- Provision 3 Source 2, section 2.1 “No Net Harm”, page 6: “Summarize any potential negative environmental and socio-economic impacts and the steps taken to mitigate them.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The negative impacts identified (Provision 1 and 2) and respective mitigation measures are included in the monitoring plan (Provision 3). This indicator is therefore fulfilled.

## Indicator 6.1.9

### Relevant scoring methodology provisions

“The program requires, at least for any potential negative impacts, that social and economic impacts be monitored throughout the crediting periods of the project.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Monitoring report template, v4.0. Document issued on 19 September 2019. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.4.3, page 18: “The project proponent shall use the VCS Monitoring Report Template or an approved combined monitoring report template available on the Verra website, as appropriate, and adhere to all instructional text within the template.”
- Provision 2 Source 2, section 2.1, page 6: “Summarize any potential negative environmental and socio-economic impacts and the steps taken to mitigate them.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The VCS requires that any potential environmental and socio-economic impacts, and steps taken to mitigate them, are summarized in monitoring reports. A summary of these impacts, however, does not mean that the actual impacts need to be monitored by the project owners. The criterion is therefore not fulfilled.

## Indicator 6.1.10

### Relevant scoring methodology provisions

“The program requires the project owners to establish an environmental and social management plan, at least for projects that the program classifies as having high environmental and social risks.”

### Information sources considered

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### Relevant carbon crediting program provisions

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### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The VCS Standard does not contain such a provision.

## Indicator 6.1.11

### Relevant scoring methodology provisions

“The program has a grievance mechanism in place that allows local stakeholders to submit grievances throughout the lifetime of the project without any barriers (e.g. liability for expenses associated with the investigation). Such grievances must be duly considered by the carbon crediting program.”

### Information sources considered

- 1 Verra Complaints and Appeals Policy, Online available at: <https://verra.org/wp-content/uploads/2019/01/Verra-Complaints-and-Appeals-Policy-v1.0.pdf>

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 1 “Complaints”, page 2: “Complaints by stakeholders about a project proponent or its partners shall be pursued with the respective entity. Similarly, complaints about entities (by the clients of such entities) that provide services under the relevant Verra program, such as assessors, shall be pursued via the respective entity. In either of the cases above, 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 relevant program 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 relevant program where such entities have complaints procedures for third parties (i.e., non-clients).”

Provision 2 Source 1, section 1 “Complaints”, page 1: “A complaint is an objection to a decision taken by Verra or an aspect of how it operates a program(s) managed by Verra, or a claim that relevant program rules have had an unfair, inadvertent or unintentional adverse effect. Stakeholders are provided with the following complaints procedure:

1) The complaint shall include the following information:

- a) Name of the complainant.
- b) Name of organization, where 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 appropriate program manager listed on the Verra website and emailed to [secretariat@verra.org](mailto: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 the Verra Chief Executive Officer (CEO).

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

Provision 3 Source 1 (continued): “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.”

### Assessment outcome

AFOLU/Other: No (0 points)

### Justification of assessment

The program has a complaints and appeals policy that sets out the procedure and rules for submitting complaints to the program. These stipulate that complaints about a project must be pursued first with the project owner. Only when the complaint cannot be resolved to the satisfaction of the complainant it may be submitted to Verra (Provision 1). Upon receipt, the program appoints an appropriate person to handle the complaint, and afterwards prepares a written response and provides this to the complainant. The response to the complaint is brought to the attention of and approved by the Verra CEO (Provision 2). Complainants must bear the cost of the complaint if it does not result in overturning an earlier decision made by Verra (Provision 3). The latter is considered a considerable barrier for accessing the grievance mechanism as for example the capacity of vulnerable local people bearing the cost of such a complaint procedure is low. The indicator is therefore not fulfilled.

## Indicator 6.1.12

### Relevant scoring methodology provisions

“The program requires that project owners have a culturally appropriate grievance mechanism in place for local stakeholders to submit grievances to them throughout the lifetime of the project. Such grievances must be duly considered by the project owner.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.18 “AFOLU Projects – Communication and consultation”, page 43: “The project proponent shall develop a grievance redress procedure to address disputes with local stakeholders that may arise during project planning and

implementation, including with regard to benefit sharing. The procedure shall include processes for receiving, hearing, responding and attempting to resolve grievances within a reasonable time period, taking into account culturally appropriate conflict resolution methods. The procedure and documentation of disputes resolved through the procedure shall be made publicly available. The procedure shall have three stages:

- 1) The project proponent shall attempt to amicably resolve all grievances and provide a written response to the grievances in a manner that is culturally appropriate.
- 2) Any grievances that are not resolved by amicable negotiations shall be referred to mediation by a neutral third party.
- 3) Any grievances that are not resolved through mediation shall be referred either to a) arbitration, to the extent allowed by the laws of the relevant jurisdiction or b) competent courts in the relevant jurisdiction, without prejudice to a party's ability to submit the grievance to a competent supranational adjudicatory body, if any.

All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”

### **Assessment outcome**

AFOLU: Yes (1 Point).

Other: No (0 Points).

### **Justification of assessment**

The carbon crediting program does not require project owners to set up a grievance mechanism for projects except for AFOLU projects only (Provision 1). The indicator is therefore fulfilled for AFOLU projects only.

### **Indicator 6.1.13**

#### **Relevant scoring methodology provisions**

“The program requires that the grievance mechanism to be established by the project owners provides the possibility of providing anonymous grievances.”

#### **Information sources considered**

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

## Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.18 “AFOLU Projects – Communication and consultation”, page 43: “The project proponent shall develop a grievance redress procedure to address disputes with local stakeholders that may arise during project planning and implementation, including with regard to benefit sharing. The procedure shall include processes for receiving, hearing, responding and attempting to resolve grievances within a reasonable time period, taking into account culturally appropriate conflict resolution methods. The procedure and documentation of disputes resolved through the procedure shall be made publicly available. The procedure shall have three stages:

- 1) The project proponent shall attempt to amicably resolve all grievances and provide a written response to the grievances in a manner that is culturally appropriate.
- 2) Any grievances that are not resolved by amicable negotiations shall be referred to mediation by a neutral third party.
- 3) Any grievances that are not resolved through mediation shall be referred either to a) arbitration, to the extent allowed by the laws of the relevant jurisdiction or b) competent courts in the relevant jurisdiction, without prejudice to a party’s ability to submit the grievance to a competent supranational adjudicatory body, if any.”

Provision 2 Source 1, section 3.16.19, page 43: “All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”

## Assessment outcome

AFOLU/Other: No (0 Points).

## Justification of assessment

The carbon crediting program does not require project owners to provide a grievance mechanism for projects, except for AFOLU projects. The relevant provisions of the carbon crediting program regarding requirements for grievance mechanisms in AFOLU projects (Provisions 1 and 2) do not mention the option to submit anonymous grievances.

## Indicator 6.1.14

### Relevant scoring methodology provisions

“The program requires that grievances received by the carbon crediting program and/or the project owners must be responded to within a specific response time.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, Section 3.16.18 “AFOLU Projects – Communication and consultation”, page 43: “AFOLU. [...] The project proponent shall develop a grievance redress procedure to address disputes with local stakeholders that may arise during project planning and implementation, including with regard to benefit sharing. The procedure shall include processes for receiving, hearing, responding and attempting to resolve grievances within a reasonable time period, taking into account culturally appropriate conflict resolution methods. The procedure and documentation of disputes resolved through the procedure shall be made publicly available.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The carbon crediting program does not require project owners to provide a grievance mechanism for projects, except for AFOLU projects. The relevant provisions of the carbon crediting program regarding requirements for grievance mechanisms in AFOLU projects (Provisions 1) require that grievances must be responded to within a “reasonable time period”, without defining a specific response time.

### Indicator 6.1.15

#### Relevant scoring methodology provisions

“The program requires the project owners to conduct an assessment of which local stakeholders will be impacted by the project.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16 “Safeguards – Concept”, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities and shall engage with local stakeholders during the project development and implementation processes.”

- Provision 2 Source 1, section 3.16.11 “AFOLU Projects”, page 40: “The project proponent shall conduct a thorough assessment of the local stakeholders that will be impacted by the project. The project description shall include information on local stakeholders at the start of the project, including:
- 1) The process(es) used to identify local stakeholders likely impacted by the project and a list of such stakeholders;
  - 2) Identification of any legal or customary tenure/access rights to territories and resources, including collective and/or conflicting rights, held by local stakeholders;
  - 3) A description of the social, economic and cultural diversity within local stakeholder groups and the differences and interactions between the stakeholder groups;
  - 4) Any significant changes in the makeup of local stakeholders over time;
  - 5) The expected changes in well-being and other stakeholder characteristics under the baseline scenario, including changes to ecosystem services identified as important to local stakeholders;
  - 6) The location of communities, local stakeholders and areas outside the project area that are predicted to be impacted by the project; and
  - 7) The location of territories and resources which local stakeholders own or to which they have customary access.”

### Assessment outcome

AFOLU: Yes (1 Point).

Other: No (0 Points).

### Justification of assessment

The carbon crediting program requires project owners to engage with local stakeholders for all project types (Provision 1). This provision does not fulfil the requirement of the indicator “to conduct an assessment of which stakeholders will be impacted by the project” as it is not clear and explicit enough. For AFOLU projects the program requires that the project owner conducts a thorough assessment of the local stakeholders that will be impacted by the project. For AFOLU projects this indicator is fulfilled.

## Indicator 6.1.16

### Relevant scoring methodology provisions

“In assessing which local stakeholders will be impacted by the project, the program explicitly requires, at least for projects affecting land use, that the project owners identify local stakeholders that hold any legal or customary tenure or access rights to the land.”



## Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

## Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.11 “AFOLU Projects”, page 41: “The project proponent shall conduct a thorough assessment of the local stakeholders that will be impacted by the project. The project description shall include information on local stakeholders at the start of the project, including:

- 1) The process(es) used to identify local stakeholders likely impacted by the project and a list of such stakeholders;
- 2) Identification of any legal or customary tenure/access rights to territories and resources, including collective and/or conflicting rights, held by local stakeholders;
- 3) A description of the social, economic and cultural diversity within local stakeholder groups and the differences and interactions between the stakeholder groups;
- 4) Any significant changes in the makeup of local stakeholders over time;
- 5) The expected changes in well-being and other stakeholder characteristics under the baseline scenario, including changes to ecosystem services identified as important to local stakeholders;
- 6) The location of communities, local stakeholders and areas outside the project area that are predicted to be impacted by the project; and
- 7) The location of territories and resources which local stakeholders own or to which they have customary access.”

## Assessment outcome

AFOLU/Other: Yes (1 Point).

## Justification of assessment

The carbon crediting program requires that the project owner must identify any legal or customary tenure/access rights to territories and resources, including collective and/or conflicting rights, held by local stakeholders. The indicator is therefore fulfilled.

## Indicator 6.1.17

### Relevant scoring methodology provisions

“The program requires the project owners to conduct a local stakeholder consultation in a way that is inclusive and culturally appropriate for local communities (taking into account, e.g., literacy, culture and language).”

## Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2, page 40: “Local Stakeholder Consultation. The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design.
- Provision 2 Source 1, section 3.16.11 “AFOLU Projects”, page 41: “The project proponent shall conduct a thorough assessment of the local stakeholders that will be impacted by the project. The project description shall include information on local stakeholders at the start of the project, including:
- 1) The process(es) used to identify local stakeholders likely impacted by the project and a list of such stakeholders;
  - 2) Identification of any legal or customary tenure/access rights to territories and resources, including collective and/or conflicting rights, held by local stakeholders;
  - 3) A description of the social, economic and cultural diversity within local stakeholder groups and the differences and interactions between the stakeholder groups;
  - 4) Any significant changes in the makeup of local stakeholders over time;
  - 5) The expected changes in well-being and other stakeholder characteristics under the baseline scenario, including changes to ecosystem services identified as important to local stakeholders;
  - 6) The location of communities, local stakeholders and areas outside the project area that are predicted to be impacted by the project; and
  - 7) The location of territories and resources which local stakeholders own or to which they have customary access.
- Provision 3 Source 1, section 3.16.19 “AFOLU Projects”, page 43: “All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”

## Assessment outcome

AFOLU: Yes (1 Point).

Other: No (0 Points).

## Justification of assessment

The carbon crediting program's provisions for all project types do not include any requirements for conducting local stakeholder consultations in a way that is inclusive and culturally appropriate for local communities. While the provisions stipulate that the purpose of the stakeholder consultation is to maximize participation in the project, there are no requirements or guidelines that support conducting these consultations in a way that they are inclusive taking into account the local context (Provision 1). For AFOLU projects the provisions require project owners to assess the social, economic and cultural diversity within local stakeholder groups and the differences and interactions between the stakeholder groups (Provision 2). The program further requires that all communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate (Provision 3). Therefore, the indicator is fulfilled for AFOLU projects.

## Indicator 6.1.18

### Relevant scoring methodology provisions

“The program requires that the local stakeholder consultation be conducted before the decision of the project owners to proceed with the project and before the validation of the project.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2 General, page 40: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design. The project proponent shall establish mechanisms for ongoing communication with local stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation.”
- Provision 2 Source 1, section 3.16.4, page 40: “The project proponent shall take due account of all and any input received during the local stakeholder consultation and through ongoing communications, which means it will need to either update the project design or justify why updates are not appropriate. The project proponent shall demonstrate to the validation/verification body what action it has taken in respect of the local stakeholder consultation as part of validation, and in respect of ongoing communications as part of each subsequent verification.”
- Provision 3 Source 1, section 3.7 “Project Start Date”, page 25: “The project start date of a non-AFOLU project is the date on which the project began generating GHG emission reductions or removals. The project start date of an AFOLU project is the date on which activities that led to the generation of GHG emission reductions or removals are implemented (e.g., preparing land for seeding, planting, changing agricultural or

forestry practices, rewetting, restoring hydrological functions, or implementing management or protection plans). Projects shall complete validation within specific timeframes from the project start date.”

Provision 4 Source 1, section 3.7.1, page 25: “Non-AFOLU projects shall complete validation within two years of the project start date. Additional time is granted for non-AFOLU projects to complete validation where they are applying a new VCS methodology. Specifically, projects using a new VCS methodology and completing validation within two years of the approval of the methodology by Verra may complete validation within four years of the project start date.”

Provision 5 Source 1, section 3.7.3, page 25: “AFOLU projects shall complete validation within five years of the project start date.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The carbon crediting program requires that project owners conduct a stakeholder consultation before validation and demonstrate to the VVB what action it has taken in respect of the local stakeholder consultation as part of validation (Provision 1 and 2). This aspect of the indicator is therefore considered to be fulfilled. The program however does not require project owners to conduct the consultations before the decision to proceed with the project. Validation must be finalized within two years of the project start date (Provision 4) and within 5 years of the start date for AFOLU projects (Provision 5). Start date is defined by the carbon crediting program as the date on which the project began generating GHG emission reductions or removals (Provision 3). These rules would allow for stakeholder consultations to take place after the project start date and thus do not fulfil this aspect of the indicator. The indicator is therefore considered not to be fulfilled.

## Indicator 6.1.19

### Relevant scoring methodology provisions

“The program requires the project owners to take due account of any input received in the local stakeholder consultation and to publicly document how inputs received are addressed.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Monitoring report Template. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>
- 3 VCS Validation report Template. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Validation-Report-Template-v4.0.docx>

- 4 VCS Registration and Issuance process. Version 4.0. Document issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration and Issuance Process v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2 General, page 40: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design. The project proponent shall establish mechanisms for ongoing communication with local stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation.”
- Provision 2 Source 1, section 3.16.4, page 40: “The project proponent shall take due account of all and any input received during the local stakeholder consultation and through ongoing communications, which means it will need to either update the project design or justify why updates are not appropriate. The project proponent shall demonstrate to the validation/verification body what action it has taken in respect of the local stakeholder consultation as part of validation, and in respect of ongoing communications as part of each subsequent verification.”
- Provision 3 Source 2, section 2.2 “Local Stakeholder Consultation, page 6: Describe the process for, and the outcomes from, ongoing communication with local stakeholders conducted prior to verification. Include details on the following:
- The procedures or methods used for engaging local stakeholders (e.g., dates of announcements or meetings, periods during which input was sought).
  - The procedures or methods used for documenting the outcomes of the local stakeholder communication.
  - The mechanism for on-going communication with local stakeholders.
  - How due account of all and any input received during ongoing communication has been taken. Include details on any updates to the project design or justify why updates are not appropriate.”
- Provision 4 Source 3, section 3.2.2 “Local Stakeholder Consultation”, page 7: “Summarize any stakeholder input received during the local stakeholder consultation. Assess whether the project proponent has taken due account of all and any input, and provide an overall conclusion regarding local stakeholder input.

Include the project proponent’s response to all input, describe any resultant changes to the project design and provide an explanation of how the project proponent’s responses are appropriate.

For AFOLU projects, identify, discuss and justify a conclusion regarding whether the project communicated information about the project design and implementation, risks,

costs and benefits, relevant laws and regulations and the process of VCS Program validation.”

Provision 5 Source 4, section 4.4.1, page 20: “Where the project is presented for registration without VCU issuance, the project description, validation report, validation representation, registration representation and any AFOLU specific documentation or communications agreement shall be uploaded to the Verra registry as public documents. Any proof of right or proof of contracting shall be uploaded to the Verra registry as private documents (for Verra internal auditing purposes) and therefore will not be publicly available.”

Provision 6 “Source 4, section 4.4.2 Where the project is presented for registration and VCU issuance, the project description, validation report, validation representation, registration representation, monitoring report, verification report, verification representation, issuance representation and any AFOLU specific documentation, communications agreement or VCU conversion representation shall be uploaded to the Verra registry as public documents. Any proof of right or proof of contracting shall be uploaded to the Verra registry as private documents (for Verra internal auditing purposes) and therefore will not be publicly available. Where a project description deviation has been applied, and a revised project description is issued, such project description shall be uploaded to the Verra registry as a public document. Likewise, where a project crediting period has been renewed, the revised project description and new validation report and validation representation shall be uploaded to the Verra registry as public documents.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The program provisions require that project proponents take due account of inputs received and document how inputs are addressed to the validation and verification body (Provision 1 and 2). The program further requires to include such information in the monitoring report as well as the validation report (Provisions 3 and 4). Both documents will be uploaded as public documents to the Verra registry when requesting registration and VCU issuance (Provision 6). Likewise, in cases where no VCU issuance is requested, the validation report will be made publicly available (Provision 5).

### Indicator 6.1.20

#### Relevant scoring methodology provisions

“The program requires that a validation and verification entity assesses whether the project owners have taken due account of all inputs received in the local stakeholder consultation.”

#### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

- 2 VCS Validation report Template. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Validation-Report-Template-v4.0.docx>

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2 General, page 40: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design. The project proponent shall establish mechanisms for ongoing communication with local stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation.”
- Provision 2 Source 1, section 3.16.4, page 40: “The project proponent shall take due account of all and any input received during the local stakeholder consultation and through ongoing communications, which means it will need to either update the project design or justify why updates are not appropriate. The project proponent shall demonstrate to the validation/verification body what action it has taken in respect of the local stakeholder consultation as part of validation, and in respect of ongoing communications as part of each subsequent verification.”
- Provision 3 Source 2, section 3.2.2 “Local Stakeholder Consultation”, page 7: “Summarize any stakeholder input received during the local stakeholder consultation. Assess whether the project proponent has taken due account of all and any input, and provide an overall conclusion regarding local stakeholder input.

Include the project proponent’s response to all input, describe any resultant changes to the project design and provide an explanation of how the project proponent’s responses are appropriate.

For AFOLU projects, identify, discuss and justify a conclusion regarding whether the project communicated information about the project design and implementation, risks, costs and benefits, relevant laws and regulations and the process of VCS Program validation.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The carbon crediting program requires that project owners take due account of inputs received during the local stakeholder consultation (Provision 1 and 2). The program further requires the VVB to assess this (Provision 3). The indicator is therefore considered to be fulfilled.

## Indicator 6.1.21

### Relevant scoring methodology provisions

“The program requires that project owners make key information on the project available to local stakeholders prior to conducting the local stakeholder consultation, such as the project design documents and any supplemental project documentation.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2 “Local Stakeholder Consultation”, page 40: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design.”
- Provision 2 Source 1, section 3.16.17 “AFOLU projects”, page 42: “The project proponent shall take all appropriate measures to communicate and consult with local stakeholders in an ongoing process for the life of the project. The project proponent shall communicate:
- 1) The project design and implementation, including the results of monitoring.
  - 2) The risks, costs and benefits the project may bring to local stakeholders.
  - 3) All relevant laws and regulations covering workers’ rights in the host country.
  - 4) The process of VCS Program validation and verification and the validation/verification body’s site visit.”
- Provision 3 Source 1, section 3.16.19 “AFOLU Projects”, page 42: “All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”

### Assessment outcome

AFOLU/Other: No (0 Points).



## Justification of assessment

The carbon crediting program's provisions addressing stakeholder consultation requirements for general projects (Provision 1) do not contain any specific requirements to make key documentation available before the consultation takes place. For AFOLU projects the program stipulates what the project owner must communicate to local stakeholders. However, no requirements apply with regard to the timing of when the information must be made available (Provision 2). The provisions for AFOLU projects do continue a requirement to perform consultations prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action (Provision 3). It is not fully clear whether this constitutes a requirement to make information available prior to the stakeholder consultations as such.

## Indicator 6.1.22

### Relevant scoring methodology provisions

"The program requires free, prior and informed consent if indigenous, tribal or traditional people are directly affected by a project (e.g., in case of re-locations or where property rights or land inhabited or used by people is affected)."

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Monitoring Report template, v4.0. Document issued on 19 September 2019. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.13 "AFOLU projects", page 41: "The project proponent shall identify the risks for local stakeholders to participate in the project, including project design and consultation. Risks should include trade-offs with food security, land loss, loss of yields and climate change adaptation. The project shall be designed and implemented to avoid trade-offs and manage the identified risks to local stakeholders. [..]"
- Provision 2 Source 1, section 3.16.16 "AFOLU projects", page 42: "The project proponent shall avoid negative impacts of project implementation and mitigate impacts when unavoidable, including the following:
- 1) The project proponent shall recognize, respect and support local stakeholders' property rights and where feasible, take measures to help secure rights. The project shall not encroach on private, stakeholder or government property or relocate people off their lands without consent. The project may affect property rights if free, prior and informed consent is obtained from those concerned and a transparent agreement is reached that includes provisions for just and fair compensation. In the event there are any ongoing or unresolved conflicts over

property rights, usage or resources, the project shall undertake no activity that could exacerbate the conflict or influence the outcome of an unresolved dispute.”

- Provision 3 Source 2, section 2.3 “For AFOLU projects, provide details on the following:
- Activities implemented to mitigate risks local stakeholders due to project implementation.
  - Any updates, where relevant, to the property and land use rights of the local stakeholders and a demonstration that the project has not negatively impacted such rights without first obtaining the free, prior and informed consent of the affected parties, and provided just and fair compensation if done so.”

### Assessment outcome

AFOLU: Yes (2 Points).

Other: No (0 Points).

### Justification of assessment

The program requires that AFOLU projects do not relocate people without their consent. Free, prior and informed consent must be obtained when property rights are affected. Further, an agreement on relocations must be transparent and include provisions for just and fair compensation (Provision 1). The project owners must further ascertain in their monitoring reports that project implementation has not negatively impacted property and land use rights of local stakeholders without their free, prior and informed consent (Provision 2). For non-AFOLU projects no such provisions were found. The indicator is there fulfilled only for AFOLU projects.

## Indicator 6.1.23

### Relevant scoring methodology provisions

“The program requires the project owners to establish mechanisms for ongoing communication with local stakeholders (e.g., periodic consultations) in a manner appropriate to the context of the stakeholders (e.g., literacy, culture and language) and take due account of input received.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Registration and Issuance process. Version 4.0. Document issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf).
- 3 Verra Complaints and Appeals Policy. Version 1.0. Online available at: <https://verra.org/wp-content/uploads/2019/01/Verra-Complaints-and-Appeals-Policy-v1.0.pdf>.

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.3, page 40: “The project proponent shall establish mechanisms for ongoing communication with local stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation.”
- Provision 2 Source 1, section 3.16.4, page 40: “The project proponent shall take due account of all and any input received during the local stakeholder consultation and through ongoing communications, which means it will need to either update the project design or justify why updates are not appropriate. The project proponent shall demonstrate to the validation/verification body what action it has taken in respect of the local stakeholder consultation as part of validation, and in respect of ongoing communications as part of each subsequent verification.”
- Provision 3 Source 1, section 3.16.17 “AFOLU projects”, page 42: “The project proponent shall take all appropriate measures to communicate and consult with local stakeholders in an ongoing process for the life of the project. The project proponent shall communicate:
- 1) The project design and implementation, including the results of monitoring.
  - 2) The risks, costs and benefits the project may bring to local stakeholders.
  - 3) All relevant laws and regulations covering workers’ rights in the host country.
  - 4) The process of VCS Program validation and verification and the validation/verification body’s site visit.”
- Provision 4 Source 1, section 3.16.19 “AFOLU projects”, page 43: All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.

## Assessment outcome

AFOLU: Yes (1 Point).

Other: No (0 Points)

## Justification of assessment

The carbon crediting program requires that project owner establish mechanisms for ongoing communications (Provision 1) and take due account of any communications received (Provision 2). This also applies for AFOLU projects (Provision 3). Only for AFOLU projects the program further specifies that all communication and consultation must be performed in a culturally appropriate manner (Provision 4). The indicator is therefore only fulfilled for AFOLU projects.

## Indicator 6.1.24

### Relevant scoring methodology provisions

“The program requires that a record of how issues from local stakeholder consultations (6.1.18), grievances communicated to project owners (6.1.12) and ongoing communication (6.1.23) have been addressed is made publicly available or made available upon request.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Monitoring report Template. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Monitoring-Report-Template-v4.0.docx>
- 3 VCS Verification Report Template. Online available at: <https://verra.org/wp-content/uploads/2019/09/VCS-Verification-Report-Template-v4.0.docx>
- 4 VCS Registration and Issuance process. Version 4.0. Document issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.2, page 40: “The project proponent shall conduct a local stakeholder consultation prior to validation as a way to inform the design of the project and maximize participation from stakeholders. Such consultations allow stakeholders to evaluate impacts, raise concerns about potential negative impacts and provide input on the project design.
- Provision 2 Source 1, section 3.16.3, page 40: “The project proponent shall establish mechanisms for ongoing communication with local stakeholders to allow stakeholders to raise concerns about potential negative impacts during project implementation. [..]”
- Provision 3 Source 1, section 3.16.4 [...] The project proponent shall demonstrate to the validation/verification body what action it has taken in respect of the local stakeholder consultation as part of validation, and in respect of ongoing communications as part of each subsequent verification.”
- Provision 4 Source 1, section 3.16.19 AFOLU projects “All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”
- Provision 5 Source 2, section 2.2 “Local Stakeholder Consultation, page 6: Describe the process for, and the outcomes from, ongoing communication with local stakeholders conducted prior to verification. Include details on the following:

- The procedures or methods used for engaging local stakeholders (e.g., dates of announcements or meetings, periods during which input was sought).
- The procedures or methods used for documenting the outcomes of the local stakeholder communication.
- The mechanism for on-going communication with local stakeholders.
- How due account of all and any input received during ongoing communication has been taken. Include details on any updates to the project design or justify why updates are not appropriate.”

Provision 6 Source 3, section 4.2.2 “Local Stakeholder Consultation”, page 9: Summarize any stakeholder input received during ongoing communication with local stakeholders. Assess whether the project proponent has taken due account of all and any input, and provide an overall conclusion regarding local stakeholder input.

Include the project proponent’s response to all input, describe any resultant changes to the project design and provide an explanation of how the project proponent’s responses are appropriate.

For AFOLU projects, identify, discuss and justify a conclusion regarding whether the project continues to communicate the necessary relevant information about the project implementation, risks, costs and benefits, relevant laws and regulations and the process of VCS Program verification during the monitoring period.”

Provision 7 Source 4, section 3.2.2 “Local Stakeholder Consultation”, page 7: “Summarize any stakeholder input received during the local stakeholder consultation. Assess whether the project proponent has taken due account of all and any input, and provide an overall conclusion regarding local stakeholder input.

Include the project proponent’s response to all input, describe any resultant changes to the project design and provide an explanation of how the project proponent’s responses are appropriate.

For AFOLU projects, identify, discuss and justify a conclusion regarding whether the project communicated information about the project design and implementation, risks, costs and benefits, relevant laws and regulations and the process of VCS Program validation.”

Provision 8 Source 3, section 4.4.1, page 20: “Where the project is presented for registration without VCU issuance, the project description, validation report, validation representation, registration representation and any AFOLU specific documentation or communications agreement shall be uploaded to the Verra registry as public documents. Any proof of right or proof of contracting shall be uploaded to the Verra registry as private documents (for Verra internal auditing purposes) and therefore will not be publicly available.”

Provision 9 “Source 3, section 4.4.2 Where the project is presented for registration and VCU issuance, the project description, validation report, validation representation, registration representation, monitoring report, verification report, verification

representation, issuance representation and any AFOLU specific documentation, communications agreement or VCU conversion representation shall be uploaded to the Verra registry as public documents. Any proof of right or proof of contracting shall be uploaded to the Verra registry as private documents (for Verra internal auditing purposes) and therefore will not be publicly available. Where a project description deviation has been applied, and a revised project description is issued, such project description shall be uploaded to the Verra registry as a public document. Likewise, where a project crediting period has been renewed, the revised project description and new validation report and validation representation shall be uploaded to the Verra registry as public documents.”

Provision 10 Source 1, section 3.16.18 “AFOLU Projects – Communication and consultation”, page 43: “The project proponent shall develop a grievance redress procedure to address disputes with local stakeholders that may arise during project planning and implementation, including with regard to benefit sharing. The procedure shall include processes for receiving, hearing, responding and attempting to resolve grievances within a reasonable time period, taking into account culturally-appropriate conflict resolution methods. The procedure and documentation of disputes resolved through the procedure shall be made publicly available. [..]”

### Assessment outcome

AFOLU: Yes (1 Point).

Other: No (0 Points).

### Justification of assessment

How inputs from local stakeholder consultations (Provision 1) were taken into account is documented and made public in the monitoring report (Provision 7-9). How inputs from ongoing communication (Provision 2) were taken into account is documented in the monitoring and verification report which are made public (Provision 5 and 6, 8 and 9).

However, there is only a requirement for AFOLU projects to have grievance mechanisms in place (indicator 6.1.12). For AFOLU projects, Provision 1 does state that how inputs were addressed is made public. Therefore, the indicator is fulfilled for AFOLU projects but not sufficiently fulfilled for other project types.

### Indicator 6.1.25

#### Relevant scoring methodology provisions

“The program requires project validation and verification entities to contact and engage with affected local stakeholders during validation.”

#### Information sources considered

-

## Relevant carbon crediting program provisions

-

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The program does not have provisions in place that require project validation and verification entities to proactively consult with affected stakeholders during audits.

## Indicator 6.1.26

### Relevant scoring methodology provisions

“The program requires that projects be subject to public consultation on the global level via online facilities (e.g., submitting comments on an online platform or portal) prior to project registration.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.5 “Public Comment Period” page 40: “All projects are subject to a 30-day public comment period. The date on which the project is listed on the project pipeline marks the beginning of the project’s 30-day public comment period (see the VCS Program document Registration and Issuance Process for more information on the VCS project pipeline).

Projects shall remain on the project pipeline for the entirety of their 30-day public comment period.

Any comments shall be submitted to Verra at [secretariat@verra.org](mailto:secretariat@verra.org) and respondents shall provide their name, organization, country and email address. At the end of the public comment period, Verra provides all and any comments received to the project proponent.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The above documentation clearly specifies that the indicator is fulfilled.

## Indicator 6.1.27

### Relevant scoring methodology provisions

“The program requires that global public consultations of projects make available key information on the project, such as the project design documents and any supplemental project documentation.”

### Information sources considered

- 1 VCS Registration and Issuance process. Version 4.0. Document issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf).
- 2 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3 “Pipeline Listing Process”, page 3: “The Verra registry contains a project pipeline which lists projects before they are registered. Projects shall be listed on the project pipeline before the opening meeting between the validation/verification body and the project proponent (such opening meeting representing the beginning of the validation process). [...] The date on which the project is listed on the project pipeline marks the beginning of that project’s 30-day public comment period. [...] The process for listing a project on the project pipeline is set out in Diagram 2 below, with the notes that follow providing further details.

Project proponent submits project documents to Verra. For projects under development: 1) Draft project description 2) Listing representation. For projects under validation: 1) Complete project description 2) Proof of validation contracting 3) Listing representation

Verra reviews documents to ensure that sufficient information is present for project to undergo public comment” (Section 3 of the VCS Registration and Issuance process)

Provision 2 Source 2, section 3.16.5 “Public Comment Period”, page 40: “All projects are subject to a 30-day public comment period. The date on which the project is listed on the project pipeline marks the beginning of the project’s 30-day public comment period (see the VCS Program document Registration and Issuance Process for more information on the VCS project pipeline).”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

As per the carbon crediting program the listing of a project in the publicly accessible VCS registry marks the start of a 30-day public comment period (Provision 1 and 2). For projects under validation, it is mandatory to submit the complete project description to achieve listing status (Provision 1). The indicator is therefore fulfilled.



## Indicator 6.1.28

### Relevant scoring methodology provisions

“The program requires that input received through global public consultations of projects is publicly documented, that the project owners must take due account of the inputs received, and that it is publicly documented how inputs received are addressed.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 Verra Website – Section “Projects Open for Public Comments”. Online available at: <https://verra.org/open-for-public-comment/>
- 3 VCS Project Description Template, v4.1. Online available at: <https://verra.org/project/vcs-program/rules-and-requirements/>

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.8 “Public Comment Period”, page 40: “The project proponent shall take due account of any and all comments received during the consultation, which means it will need to either update the project design or demonstrate the insignificance or irrelevance of the comment. It shall demonstrate to the validation/verification body what action it has taken.”
- Provision 2 Source 2, section “VCS Projects”: “Comments are invited from the public about whether the below projects meet the requirements of the VCS Program. Comments received by Verra will be published to the project record on the Verra Registry and must be considered by the project proponent. To submit your comments, click the Public Comment Period hyperlink and write in the Public Comment box on the project page on the Verra Registry.”
- Provision 3 Source 3, Section 2.4 “Public Comments”: “Demonstrate how due account of all and any comments received during the public comment period has been taken. Include details on any updates to the project design or demonstrate the insignificance or irrelevance of comments.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The carbon crediting program requires that the project proponents shall take due account of comments received through the public consultation (Provision 1). Comments received will be published to the project record on the publicly accessible Verra Registry (Provision 2). In the project description document, the project owner needs to demonstrate how these inputs are addressed (Provision 3). The indicator is therefore fulfilled.

## Indicator 6.1.29

### Relevant scoring methodology provisions

“The program requires that a validation and verification entity assesses whether the project owners have taken due account of all inputs received in the global stakeholder consultation.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.8 “Public Comment Period”, page 40: “The project proponent shall take due account of any and all comments received during the consultation, which means it will need to either update the project design or demonstrate the insignificance or irrelevance of the comment. It shall demonstrate to the validation/verification body what action it has taken.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The above documentation clearly specifies that the indicator is fulfilled.

## Indicator 6.1.30

### Relevant scoring methodology provisions

“The program has established provisions that allow the public (both global and local project stakeholders) to submit comments to the program about a project at any time during project operation. This includes provisions for the program’s due consideration of the comments received and possible action to address the concern (e.g., halting the issuance of credits, deregistering the project, or requiring compensation for over-issuance).”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).
- 2 VCS Registration and Issuance process. Version 4.0. Document issued on 19 September 2019. Online available at: [https://verra.org/wp-content/uploads/2019/09/Registration\\_and\\_Issuance\\_Process\\_v4.0.pdf](https://verra.org/wp-content/uploads/2019/09/Registration_and_Issuance_Process_v4.0.pdf).

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 6.1.1 “Quality Control of Registered Projects”, page 33: “Verra may, at its discretion, review registered projects and issued VCUs where it has concerns about adherence of the project to the VCS Program rules and the applied methodology. 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. Footnote 2: Concerns may be raised, in confidence, with Verra at any time
  - 4) Verra itself identifies an error or quality issue, as part of routine operations.”
- Provision 2 Source 1, section 6.1.2, page 33: “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 VCU issuance while the review is performed.”
- Provision 3 Source 1, section 6.1.3, page 33: “Where material non-conformances are identified during the review (see the VCS Standard for further details on the threshold for materiality), the validation/verification body shall provide a written response to findings (e.g., corrective action requests or clarification requests) issued by Verra. Verra also suspends further VCU issuance, where it has not already done so.
- Note – Where the relevant validation/verification body is unable to respond due to reasons such as a cease of operations or accreditation, Verra may solicit a response to the findings from alternative entities such as the project proponent or another validation/verification body.”
- Provision 4 Source 1, section 6.1.5, page 33: “Where Verra determines that VCUs have been issued in excess of the correct amount, the following applies:
- 1) The project proponent is responsible for compensating for excess VCU issuance where Verra deems, acting reasonably, that there has been a material erroneous issuance of VCUs 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 VCU 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.
  - 3) Where the excess VCUs remain in the project proponent’s Verra registry account and it can be demonstrated that they have not been used for offsetting purposes, immediate cancellation of the VCUs.

- 4) Replacement of VCUs through immediate cancellation from subsequent issuances of VCUs to the project.
- 5) Purchase by the project proponent of an equivalent number of replacement VCUs, and cancellation of same, within 60 business days of receiving formal Verra notification of such required action.
- 6) Where the project proponent fails to compensate for excess VCU 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.”

### Assessment outcome

AFOLU/Other: Yes (1 Point).

### Justification of assessment

The carbon crediting program provides the option for stakeholder to raise concerns about registered projects with Verra any time (Provision 1). Such a concern may trigger a review of the project by Verra (Provision 1). During the review further issuance of carbon credits will be suspended (Provision 2). If the review identifies non-conformance of the project, the VVB will be requested to propose corrective action (Provision 3). If the review finds that carbon credits have been issued in excess, these need to be compensated by the project owner or further sanctions will be applied (Provision 4). The Indicator is therefore fulfilled.

### Indicator 6.1.31

#### Relevant scoring methodology provisions

“The program provisions explicitly ban any violation of human rights by the project owner or any other entity involved in project design or implementation.”

#### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.1 “No Net Harm”, page 39: The project proponent shall identify potential negative environmental and socio-economic impacts, and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals.

Note that VCUs may be labelled with additional standards and certifications on the Verra registry where both the VCS Program and another standard are applied. The Verra website provides the list of standards that are accepted as VCU labels and the procedure for attaining such VCU labels.”

Provision 2 Source 1, section 3.16.14 “AFOLU projects”, page 40: “The project proponent or any other entity involved in project design or implementation shall not be involved in any form of discrimination or sexual harassment.”

### **Assessment outcome**

AFOLU/Other: No (0 Points).

### **Justification of assessment**

While there is a ban on discrimination and sexual harassment for AFOLU projects (Provision 2), there is no general provision that explicitly bans any violation of human rights. For all projects project owners must take steps to mitigate any negative socio-economic impacts (Provision 1) but there is no specific reference to banning the violation of human rights. The indicator is therefore not fulfilled.

## **Indicator 6.1.32**

### **Relevant scoring methodology provisions**

“The program has safeguards in place that require preserving and protecting cultural heritage in projects.”

### **Information sources considered**

1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### **Relevant carbon crediting program provisions**

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### **Assessment outcome**

AFOLU/Other: No (0 Points).

### **Justification of assessment**

The program has no provisions in relation to cultural heritage in place.

## **Indicator 6.1.33**

### **Relevant scoring methodology provisions**

“The program has safeguards in place in relation to health that at least address the need to avoid or minimize the risks and impacts to (community) health, safety and security that may arise from projects.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.1 “No Net Harm”, page 39: “The project proponent shall identify potential negative environmental and socio-economic impacts, and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals.

Note that VCUs may be labelled with additional standards and certifications on the Verra registry where both the VCS Program and another standard are applied. The Verra website provides the list of standards that are accepted as VCU labels and the procedure for attaining such VCU labels.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The program requires that all potential negative environmental and socio-economic impacts must be identified and mitigated by project owners (Provision 1). However, it has no specific health related provisions. The program therefore does not provide a list of potential negative health related impacts that all projects must at a minimum assess and mitigate. It therefore relies completely on the project owner and validator to consider all relevant impacts that might be associated with a specific project or not. A predefined list of impacts is considered to provide more assurance that impacts will be considered as it serves as a guide to project owners and validators what impacts must at a minimum be assessed. As the program does not clearly define the type of health-related impacts that must be assessed the indicator is considered to not be fulfilled.

## Indicator 6.1.34

### Relevant scoring methodology provisions

“The program provisions specifically require that projects avoid physical and economic displacement in its projects and that, in exceptional circumstances where avoidance is not possible, displacement occurs only with appropriate forms of legal protection and compensation as well as informed participation of those affected.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

## Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.1 “No Net Harm”, page 39: The project proponent shall identify potential negative environmental and socio-economic impacts, and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals.

Note that VCUs may be labelled with additional standards and certifications on the Verra registry where both the VCS Program and another standard are applied. The Verra website provides the list of standards that are accepted as VCU labels and the procedure for attaining such VCU labels.”

Provision 2 Source 1, section 3.16.16 “AFOLU Projects”, page 42: “The project proponent shall avoid negative impacts of project implementation and mitigate impacts when unavoidable, including the following:

1)The project proponent shall recognize, respect and support local stakeholders’ property rights and where feasible, take measures to help secure rights. The project shall not encroach on private, stakeholder or government property or relocate people off their lands without consent [emphasis added]. The project may affect property rights if free, prior and informed consent is obtained from those concerned and a transparent agreement is reached that includes provisions for just and fair compensation. In the event there are any ongoing or unresolved conflicts over property rights, usage or resources, the project shall undertake no activity that could exacerbate the conflict or influence the outcome of an unresolved dispute.”

## Assessment outcome

AFOLU/Other: No (0 Points).

## Justification of assessment

While Provision 2 states that projects “shall not encroach on private, stakeholder or government property or relocate people off their lands without consent” and just and fair compensation is foreseen if property are affected, the provisions do not explicitly exclude voluntary relocation or highlight that displacement shall only occur in exceptional circumstances. The VCS displacement provisions do not fully meet the requirements of the indicator.

## Indicator 6.1.35

### Relevant scoring methodology provisions

“The program has safeguards in place in relation to labour rights that at least require projects to ensure decent and safe working conditions, fair treatment, sound worker-management relationships and equal opportunity for workers.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.17 “AFOLU projects”, page 42: “The project proponent shall take all appropriate measures to communicate and consult with local stakeholders in an ongoing process for the life of the project. The project proponent shall communicate:

- 1) The project design and implementation, including the results of monitoring.
- 2) The risks, costs and benefits the project may bring to local stakeholders.
- 3) All relevant laws and regulations covering workers’ rights in the host country.
- 4) The process of VCS Program validation and verification and the validation/verification body’s site visit.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The program has no specific provisions in place that meet the requirements of the indicator.

## Indicator 6.1.36

### Relevant scoring methodology provisions

“The program has safeguards in place in relation to environmental issues that at least address air pollution, water pollution, soil and land protection, waste management, and biodiversity.”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16 “Concept”, page 39: “Project activities shall not negatively impact the natural environment or local communities. Project proponents shall identify and address any negative environmental and socio-economic impacts of project activities, and shall engage with local stakeholders during the project development and implementation processes. [..]”

Provision 2 Source 1, section 3.16.1, page 39: “The project proponent shall identify potential negative environmental and socio-economic impacts, and shall take steps to mitigate them. Additional certification standards may be applied to demonstrate social and environmental benefits beyond GHG emission reductions or removals.”

Provision 3 Source 1, section 3.16.16 “AFOLU Projects”, page 42: “[...] 2) b) The project shall justify the use of fertilizers, chemical pesticides, biological control agents and other inputs used by the project and their possible adverse effects.”



**Assessment outcome**

AFOLU/Other: No (0 Points).

**Justification of assessment**

The carbon crediting program does require project owners to identify and mitigate any potential negative impacts (Provision 1). The program however does not have specific safeguards in place that provide further details what this at a minimum must entail to meet specific safeguards. The program notes that it provides additional certification options for demonstration of environmental and social benefits (Provision 2). For AFOLU projects additional requirements apply that mandate the project owner to justify the use of fertilizers, chemical pesticides, biological control agents and other inputs used by the project and their possible adverse effects (Provision 3). It is deemed that the provisions of the program do not specify the environmental safeguards sufficiently to fulfil this indicator.

**Indicator 6.1.37****Relevant scoring methodology provisions**

“The program requires, at least for specific project types as defined by the program, the establishment of a specific benefits-sharing mechanism with local stakeholders (e.g., that part of carbon credit proceeds are made available for community activities).”

**Information sources considered**

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**Relevant carbon crediting program provisions**

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**Assessment outcome**

AFOLU/Other: No (0 Points).

**Justification of assessment**

The program does not have provisions in place that require the establishment of a specific benefits sharing mechanism with local stakeholders.

**Indicator 6.1.38****Relevant scoring methodology provisions**

“The program explicitly prohibits the introduction of invasive non-native species, where relevant (e.g. land use projects).”

### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 3.16.16 “AFOLU Projects”, page 42: “To reduce damage to the ecosystems on which the local stakeholders rely:
- a) The project shall not introduce any invasive species or allow an invasive species to thrive through project implementation.
  - b) The project shall justify the use of non-native species over native species, explaining the possible adverse effects of non-native species.”

### Assessment outcome

AFOLU: Yes (1 Point).

Other: No (0 Points).

### Justification of assessment

VCS requires projects to “not introduce any invasive species or allow an invasive species to thrive through project implementation” (Provision 1) and thus acknowledges the adverse effects of invasive species. However, the program allows exceptions when the use of non-native species over native species is justified, and adverse effects are explained (as non-native species are likely to be also invasive non-native species). The indicator is therefore fulfilled for AFOLU projects.

### Indicator 6.1.39

#### Relevant scoring methodology provisions

“The program requires experts to support processes dedicated to avoiding physical and economic displacement and to free, prior and informed consent from indigenous people.

OR

The program requires experts to support all safeguard processes which are included in the program’s provisions.”

#### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

#### Relevant carbon crediting program provisions

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### **Assessment outcome**

AFOLU/Other: No (0 Points).

### **Justification of assessment**

The program has no such provisions in place.

## **Indicator 6.1.40**

### **Relevant scoring methodology provisions**

“The program provides specific guidance for how each of its safeguards should be applied (for example, similar to the guidance notes of the IFC).”

### **Information sources considered**

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### **Relevant carbon crediting program provisions**

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### **Assessment outcome**

AFOLU/Other: No (0 Points).

### **Justification of assessment**

The program has no such specific guidance on safeguards.

## **Indicator 6.1.41**

### **Relevant scoring methodology provisions**

“The program has a dedicated gender policy, strategy or action plan that integrates gender considerations and women empowerment into all aspects of its operations.”

### **Information sources considered**

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### **Relevant carbon crediting program provisions**

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### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

The program has no dedicated gender policy, strategy or action plan in place that integrates gender considerations and women empowerment into all aspects of its operations.

### Indicator 6.1.42

#### Relevant scoring methodology provisions

“The program explicitly requires that stakeholder consultations are conducted in a gender sensitive manner, enabling equal participation.”

#### Information sources considered

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

#### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.16.19 “AFOLU Projects” page 43: “All communication and consultation shall be performed in a culturally appropriate manner, including language and gender sensitivity, directly with local stakeholders or their legitimate representatives when appropriate. The results of implementation shall be provided in a timely manner and consultation shall be performed prior to design decisions or implementation to allow stakeholders adequate time to respond to the proposed design or action.”

### Assessment outcome

AFOLU/Other: No (0 Points).

### Justification of assessment

VCS requires only for AFOLU projects that stakeholder consultations are conducted in a gender sensitive manner (Provision 1). Further for AFOLU projects there are no requirements for equal participation. The indicator is therefore not met.

### Indicator 6.1.43

#### Relevant scoring methodology provisions

“The program explicitly requires that project owners perform a gender safeguard assessment during project design.”

### **Information sources considered**

- 1 VCS Standard, v4.1. Document issued on 22 April 2021. Online available at: [https://verra.org/wp-content/uploads/2021/04/VCS-Standard\\_v4.1.pdf](https://verra.org/wp-content/uploads/2021/04/VCS-Standard_v4.1.pdf).

### **Relevant carbon crediting program provisions**

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### **Assessment outcome**

AFOLU/Other: No (0 Points).

### **Justification of assessment**

The program has no provisions in place that require project developers perform a gender safeguard assessment during project design.

### **Scoring results**

According to the above assessment, the carbon crediting program achieves 22 points for AFOLU projects and 13 points for non-AFOLU project types for the indicators. Applying the scoring approach of the methodology, this results in a score of 2.46 for AFOLU project types and 1.42 for non-AFOLU project types for the criterion.

## Annex: Summary of changes from previous assessment sheet versions

The following table describes the minor change implemented in comparison to the assessment from 31 May 2022.

<b>Topic</b>	<b>Rationale</b>
Indicator 6.1.23	The language of the indicator's "relevant scoring methodology provisions" was updated to Version 3.0 of the methodology.
Indicator 6.1.24	The language of the indicator's "relevant scoring methodology provisions" was updated to Version 3.0 of the methodology.
Indicator 6.1.34	The justification has been elaborated further to provide more detail. No change to assessment result.