

CORSIA Eligible Emissions Unit Programme Change Notification Form

Version 2.0; Effective from January 10 2022

Verified Carbon Standard (VCS) Program (August 31st, 2023)

**Material changes relevant to the conditional approval
of the VCS Program for CORSIA First Phase (2024-2026)**

PART A: ABOUT THIS FORM

Once an emissions unit programme is approved by the ICAO Council as eligible to supply CORSIA Eligible Emissions Units, the programme commits to notify the ICAO Secretariat of any "material changes" to its "Scope of Eligibility", *including any unilateral decision to revoke or invalidate a class of CORSIA-eligible emission units within the programme's Scope of Eligibility*, for further review¹ by the Technical Advisory Body (TAB) that advises the ICAO Council on the eligibility of emissions units for use in CORSIA.

*TAB Procedures*² defines a "Material Change" as an update to a programme's *Scope of Eligibility* that would alter the programme's response(s) to any questions in its application form and further inquiries from the TAB over the course of the programme's assessment, including programme-initiated unit invalidation and/or revocation. (paragraph 7.3.).

TAB Procedures defines a CORSIA Eligible Emissions Unit Programme's *Scope of Eligibility* as "the extent and limits of a programme's eligibility, which is defined, assessed, and granted on the basis of the programme-level governance structures, measures or mechanisms, and procedures that programmes have in place at the time of their initial submission of application materials to the ICAO Secretariat; and any updates to these procedures that are communicated to TAB during the course of its assessment; and as defined in the general or programme-specific eligibility parameters set out in TAB's recommendations" (paragraph 4.5).

Annually, TAB will indicate deadlines for programmes to notify ICAO of any such material changes. These notifications should be submitted by the next deadline after the material change has occurred; the upcoming deadlines are indicated in the version of the *TAB Work Programme and Timeline* document that is currently effective. This document is available on the CORSIA website³.

Material changes should be disclosed using this form. TAB will then consider the need for any further review, in line with *TAB Procedures*. If TAB identifies that the change is indeed material and should be further assessed, it will invite public comments on the consistency of the proposed revision with the Emissions Unit Criteria (EUC) and *Guidelines for Criteria Interpretation*. The ICAO Secretariat will

¹ Any unilateral programme-initiated invalidation and/or revocation of a class of CORSIA-eligible emissions units is considered to be a "material change" to the CORSIA-eligible programme's *Scope of Eligibility*. Such units are regarded as immediately ineligible for use for CORSIA purposes in light of absence of assurance that it will administer the units consistent with its *Terms of Eligibility*. The units will be reflected as exclusions from the programme's *Scope of Eligibility* in the ICAO Document "CORSIA Eligible Emissions Units" upon Council's confirmation of the update. Once a programme notifies ICAO that it wishes to exclude a class of units from its eligibility scope, and in order to provide the most accurate and timely information available prior to Council's confirmation of the update, the ICAO Document "CORSIA Eligible Emissions Units" will identify in a footnote that the programme requested a change to its *Scope of Eligibility* to exclude certain units subject to a decision by the ICAO Council and, if possible, clearly specify the affected class of units. The programme's *Scope of Eligibility* that is deemed valid by the ICAO Council will be reflected in the ICAO Document titled "CORSIA Eligible Emissions Units" in a timely manner

² In *TAB Procedures*, paragraphs 4.5, 7.3 and 8.2 – 8.6 in particular pertain to the *Scope of Eligibility* and notification and assessment of material changes.

³ The *TAB Work Programme and Timeline* and *TAB Procedures* documents are available here:
<https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx>

inform the programme of TAB's decision to more deeply assess the programme's modification, or its confirmation that the modification is consistent with the CORSIA EUC. The programme will also be informed of the date by which the review will be completed. The length of the review should be determined by the severity and scale of the material change.

PART B: PROGRAM CHANGE NOTIFICATION(S)

The Programme is requested to provide the following information regarding any modification(s) to the programme's *Scope of Eligibility* that could constitute a "material change" as described above. Report each change separately by duplicating (copying and pasting) the table below as needed.

Programme name:

Verified Carbon Standard (VCS) Program (August 31st, 2023), material changes relevant to the conditional approval of the VCS Program for CORSIA First Phase (2024-2026)

CHANGE 1
a. Description of the change (e.g., the addition, modification, deletion undertaken):
<p>Version 4.5 of the VCS Standard, released in August 2023, clarified the baseline reassessment requirements in clauses 3.2.6 and 3.2.7. Version 4.4 of the <i>Registration and Issuance Process</i>, also released August 2023, clarifies the documents required for baseline reassessment. The site visit requirements for baseline reassessment were also clarified in Version 4.5 of the VCS Standard (see section 4.1.12).</p> <p>VCS projects are required to reassess baselines and update project descriptions including monitoring plans at crediting period renewal. Crediting period renewal can only be validated within 2 years of the end of the crediting period, if this deadline is missed the project cannot renew the crediting period. This effectively limits the amount of time a non-AFOLU project can go without baseline reassessment to seven years.</p> <p>Baselines must also be reassessed every ten years, or every six years for AUDD, APD (where the agent is unknown), AUC and AUWD projects. Version 4.2 of the standard reduced the reassessment period from ten to six for the project types listed above and added baseline reassessment requirements for ALM projects.</p> <p>VCS projects are encouraged to submit a verification report every 5 years, as described in section 4.7.1 and 5.3.6 of the <i>Registration and Issuance Process</i>. Projects that do not meet this timeline are flagged on the registry as late to verify. AFOLU projects that do not submit timely verifications have buffer credits put on hold and are inactivated after 15 years. Version 4.4 of the <i>Registration and Issuance Process</i> clarified that inactive projects must reassess the project baseline to be reactivated (see 5.3.9).</p>
b. Rationale for the change:
<p>These changes were made as part of Verra's regular review and improvements to program requirements. The update to the <i>Registration and Issuance Process</i> clause 5.3.9 was made to clarify that the VCS Program meets the following condition for the eligibility of VCU's under CORSIA's First Phase: "Put procedures in place requiring that a reevaluation of baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario, for any VCS activity that wishes to undergo verification but has not done so within an allowable number of years between verification events determined by the programme"</p>

c. Where the change is reflected in the Programme's documentation or other resource(s)⁴:
<ul style="list-style-type: none"> • VCS Standard, v4.5, Section 3.2.5– 3.2.7, 3.9.8, • Registration and Issuance Process, v4.4, Section 4.2.6, 4.7.1, 5.3.6, 5.3.9
d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:
These changes are mainly clarifications and do not materially alter the previous submissions.
e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:
These changes are mainly clarifications and do not materially alter the previous submissions. The new clause in 5.3.9 of the <i>Registration and Issuance Process</i> clarifies that baseline reassessment is required to reactivate a project that has been inactivated due to too much time elapsing between verifications.

CHANGE 2
a. Description of the change (e.g., the addition, modification, deletion undertaken):
<p>It has been communicated that VCUs will not be considered eligible for the CORSIA First Phase (2024-2026 compliance period) where their assessment of additionality has relied upon an exception to legal additionality rules.</p> <p>This will be addressed in detailed guidance on the scope of eligibility of VCUs under the First Phase that Verra plans to release when ICAO grants eligibility to VCUs for the First Phase. In the meantime, to make this change known, the CORSIA eligibility page on the website has been updated to include the following clear statement:</p> <p>“Projects that are required by law, even if not systematically enforced, will not be eligible for use under the CORSIA First Phase. Further guidance on CORSIA labels for VCU vintages of 2021 and later will be available once full CORSIA approval for the First Phase is received.”</p>
b. Rationale for the change:
To ensure the VCS Program meets the following condition for the eligibility of VCUs under CORISA’s First Phase: “Clearly state in VCS program documents that VCUs shall not eligible for the CORSIA first phase (2024-2026 compliance period) if issued to an activity that applies methodologies or methodological standards which allow any exemptions to legal additional requirements, such as in situations where legally binding mandates are systematically not enforced and/or non-compliance is widespread.”

⁴ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

c. Where the change is reflected in the Programme's documentation or other resource(s)⁵:
<ul style="list-style-type: none"> • VCS website • VCS CORSIA Label Guidance (forthcoming) (to be released after full approval of the VCS to supply CORSIA eligible emissions units for the 2024-2026 compliance period (First Phase)).
d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:
As this is a new requirement under CORSIA, Verra's guidance has not previously communicated this restriction.
e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:
As this is a new requirement under CORSIA, this amendment on the webpage is the first time such a restriction has been announced by Verra or submitted by Verra to ICAO.

CHANGE 3
a. Description of the change (e.g., the addition, modification, deletion undertaken):
Verra has clarified and expanded the double counting provisions throughout the VCS Program Documents as part of the August 2023 VCS Program update, including by issuing Article 6 Labels Guidance addressing requirements and process for host Parties' authorization under Article 6.
b. Rationale for the change:
To ensure the VCS Program meets the following condition for the eligibility of VCUs under CORISA's First Phase: "Develop and put into place a complete suite of procedures necessary to prevent double-claiming, consistent with the criterion Only counted once towards a mitigation obligation and the relevant Guidelines, mindful of TAB's considerations and analysis of the COP26 outcomes on Article 6 of the Paris Agreement contained in the document Clarifications of TAB's Criteria interpretations."
c. Where the change is reflected in the Programme's documentation or other resource(s)⁶:
<ul style="list-style-type: none"> • VCS Standard, v4.5 • Updated definitions: VCS Program Definitions, v4.4 • Registration and Issuance Process, v4.4, Section 4.2.19 <p>VCS Program templates:</p> <ul style="list-style-type: none"> • VCS Project Description Template, v4.3

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- [VCS Validation Report Template](#), v4.3
- [VCS Verification Report Template](#), v4.3
- [VCS Joint Validation & Verification Report Template](#), v4.3
- [VCS Monitoring Report Template](#), v4.3

Article 6 procedures for VCUs, see guidance documents:

- [VCS Document Article 6 Label Guidance](#)
- VCS Document *CORSIA Label Guidance* (forthcoming, to be released after ICAO approval for First Phase labels).

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

Material Change Submission April 2021

Verra updated the requirements with respect to double counting in the VCS Standard v4.1 Sections 3.19 and 3.20 (these are currently sections 3.20 and 3.21 in the VCS Standard v4.2). Verra added requirements in these sections of the VCS Standard as to clarify that VCUs used in the context of Paris Agreement Article 6 mechanisms and international Paris-related programs such as CORSIA must meet requirements established under such mechanisms and programs, including those relating to double counting and corresponding adjustments. Project proponent must use VCU labels to demonstrate adherence to such requirements (current Section 3.21.1).

In addition, Verra has prepared a revised version of the CORSIA Label Guidance (see Attachment 3. Guidance for CORSIA Labels). This update includes requirements for the Letter of Authorization, which a project must provide in order to demonstrate the country has authorized the units for use in CORSIA and will not double count such units.

Updates are available in the VCS Standard v4.1 Sections 3.19 and 3.20 (these are currently sections 3.20 and 3.21 in the VCS Standard v4.2), the CORSIA Label Guidance (Attachment 3) and in the JNR Requirements v4.0, Scenario 2 Requirements and Scenario 3 Requirements Section 3.7.

The following prior submissions (from our program application form dated 12 June 2020) are modified: 1. In section 4.7, response to point b) (page 59) “Are measures in place to avoid double-use, as defined in the corresponding Paragraphs, particularly with respect to registry-related protocols and/or oversight?” mentions procedures from APX and IHS Markit, which are no longer valid. Verra now manages the registry system directly. This also applies to the response to point c) (page 59) “Are measures in place to avoid double-selling, as defined in the corresponding Paragraphs, particularly with respect to registry-related protocols and/or oversight?” 2. Responses to double counting procedures have been updated: ● The response to the question “Are measures in place (or would the Program be willing and able to put in place measures) to avoid double-claiming as defined in Paragraph 3.7.3?” on page 60, mentions double counting in the Kyoto context. This section has been updated to clarify how this applies in the post-Kyoto context. ● Further our response stated that Verra is willing to consider new requirements for “ If no measures are currently in place, describe what measures the Program would consider putting in place in relation to the guidelines in Paragraphs 3.7.3 and Paragraphs 3.7.8 – 3.7.9” (page 60). Such updates have been developed. ● In response to “If no measures are currently in place, describe what measures the Program would consider putting in place in relation to the guidelines in Paragraphs 3.7.10 – 3.7.13” (page 61). The proposed host country attestations noted (in the first bullet point on page 62) have been developed.

Q&A with ICAO July 2021

1. How do you foresee aligning and implementing your programme's systems and procedures consistent with international requirements on avoidance of double counting and claiming, including in particular corresponding adjustments by host countries, as required?

Verra response: Once Article 6 is agreed, Verra would analyze outcomes and make adjustments to our current plans as needed. This will likely be an ongoing process as further rules, specifications and norms are established over time under the UNFCCC decisions and market norms. This would follow our standard process of developing program updates as needed, undertaking stakeholder consultations and ultimately updating requirements or registry procedures as needed.

2. Have you approached national governments regarding their provision of host country attestations reflecting how they will apply corresponding adjustments in respect of CORSIA eligible emissions units? If so, are there any measures or procedures in place or under development by the country(ies) to support these country actions under the Paris Agreement?

Verra response: Verra started a Global Dialogue on voluntary markets along with several partners. While the focus is on the VCM, one of the main goals has been discussing and engaging with governments on issues including double counting. There are a broad range of views on the subject across countries. There are several other initiatives aimed at country capacity building under Paris, which is a role that goes far beyond the remit of Verra. Most countries do not yet have these systems in place as Article 6 is not yet agreed. Indeed, countries do not want to get ahead of the Article 6 outcomes and are generally waiting for the outcome before implementing anything. Further, many/most countries are likely to need capacity building support to implement anything on this (support on NDC tracking, registries, institutional arrangements for reviewing/approving activities for exporting mitigation outcomes, etc.). There are several pilots ongoing testing how this infrastructure might work. Verra will analyze and incorporate any key lessons learned from these pilots, as possible.

3. Is there a system or systems in place to track units generated in the country(ies) that may be cancelled for CORSIA offsetting requirements? Does the programme itself have any procedures providing for such tracking by a host country?

Verra response: Verra will be able to track all units that are promised a CA (which will underpin the label) and whether (and when) such adjustments are actually made. When the units are used, the Verra registry can specify that such units have been retired for the purpose of CORSIA use, and by what airline. Verra plans to issue annual reports, which would include information on credits issued that have been authorized by Host Countries for CORSIA and other offsetting purposes and the units correspondingly adjusted, when such information is available.

4. Do host countries have a policy on what and when adjustments should apply in respect of CORSIA eligible units?

Verra response: Our understanding is that countries are planning to treat CORSIA and Article 6 in the same way - e.g., for Article 6, if CAs are only needed for mitigation outcomes inside NDC scope, countries will apply the same logic for CORSIA. On both, therefore, countries will need to await the outcome of Article 6 negotiations. 84 Countries should state in the Letter of Authorization when they will report information on CAs they've promised (most likely this will be contained in the biennial transparency report (BTR)). Countries would then report adjustments made in the subsequent BTR.

5. What do you envisage as a process or procedures pertaining to the timing of applying adjustments?

Verra response: We are not clear on this question - is this about how we imagine countries will apply adjustments? If so, we envisage adjustments will be made/reported via their BTRs - in other words, CAs will be reported every two years. It is possible the negotiation texts will elaborate more on this and require more (or less) frequent reporting. For Verra's part, we will

immediately apply a label to projects that have been promised the adjustment (in the Letter of Authorization), and will implement a way of indicating when the actual adjustment has been made. Overall, this is a question for the Article 6 negotiators.

6. According to programme procedures and/or host country policies, at what point will corresponding adjustments be applied by host countries—at the time that units are, e.g., issued, or authorised, or used toward CORSIA?

Verra response: As noted above, this is envisaged as happening in the BTR. BTRs are meant to be submitted every two years. See also above in terms of us labelling when the project has the letter of authorization and when the adjustment is made.

7. What risks have the host country(ies) or programme identified that could arise from different choices of approaches (as examples, risks to, e.g., the host country, airlines, market participants)? How are these risks addressed or could be addressed?

Verra response: The main risk is that the host country doesn't make the promised CA, or the airline needs to use the unit before the adjustment is made. Several options exist to manage this risk: • Insurance products may be available: Vera has been in discussions with several providers who are interested in building a product for this • A buffer pool could potentially be created: while there are pros/cons of this option, a buffer may be feasible for managing CA risk • VCS could label the units only after the host country has issued its BTR: This option would ensure that only units that have already been adjusted would be labelled as CORSIA eligible. This option would be the most restrictive, but would also avoid all risk that such adjustments might not happen. However, in order to take this approach, it would need to be a CORSIA-wide policy, as it would otherwise be race to the bottom if not all programs do this. Verra would also like to express concerns over the seller liability approach, which would also cause a race to the bottom. It is obviously very attractive to buyer airlines for units to have seller liability. However, many project developers that would then be liable are small, community run and only exist in a single country. They would not have the resources, nor the ability in most cases to actually replace their units with ones that have a CA. If they are in a country that hasn't made the promised adjustments, it is unlikely that any other units would be available. It is also unlikely they could afford to replace such units which are almost certainly to be higher-priced and have limited availability in the market. An unenforceable seller liability approach is an extremely high risk for the integrity of the system.

8. VCS procedures reviewed by TAB seem to reflect the programme's reliance on host countries to apply and report on corresponding adjustments for CORSIA-eligible units in a manner consistent with the EUC and guidelines.

- a. Does VCS foresee developing more detailed programme procedures pertaining to these country actions and related requirements?

Verra response: Verra will build out more detailed requirements when Article 6 negotiations are concluded.

- b. In the absence of programme procedures pertaining to these country actions, including inter alia for the contents of attestations or expectations for corresponding adjustments and related national reporting, how does VCS foresee assessing the sufficiency and consistency of a country's own measures with the EUC and guidelines?

Verra response: Verra submitted the full contents of the Letter of Authorization. Once Article 6 is agreed, Verra will build out the documentation further if needed. Article 6 should specify sufficient country measures for meeting the EUCs. Reporting any CAs made in the BTR should satisfy the EUC and provide workable means for Verra to identify and report on all units used for CORSIA purposes and the status of the adjustments made. If however, Article 6 does not get agreed, or does not specify when such adjustments should be reported, Verra may be able to implement other ways of reporting on such adjustments

from countries, based on an ad-hoc assessment of their procedures. This question will be revisited after the Glasgow COP.

e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:

Verra has clarified and expanded the double counting provisions throughout the VCS Program Documents as part of the August 2023 VCS Program update:

- [VCS Standard](#), v4.5, Section 3.23: Incorporated requirements from guidance documentation directly into the VCS Standard and added evidence requirements and process for avoiding double issuance of credits across multiple crediting programs. Projects may be registered under both the VCS Program and another GHG program (which may be an approved GHG program such as CDM, JI, and the Climate Action Reserve, or any other GHG program) but their reductions and removals cannot be double counted within or across GHG programs. The term GHG program covers carbon crediting programs, as defined further in the VCS Program Definitions.
- [VCS Standard](#), v4.5, Section 3.24: Incorporated requirements from guidance documentation directly into the VCS Standard and added evidence requirements and process for avoiding double claiming, including with emissions trading programs or other binding emission limits, other forms of credit, and scope 3 emissions. VCU labels demonstrate that a unit meets the requirements of other (non-VCS) standards or program, such as requirements under the Article 6 of the Paris Agreement (Article 6) or other international programs such as the CORSIA.
- [VCS Standard](#), v4.5, Section 3.25: Elaborated VCU Labels. These VCU labels designate that a particular VCU has met the requirements of another certification or is eligible or approved for use in a national, sectoral, or investor-specific market. A VCU label does not represent ownership of the benefits or outcomes generated by the project to fulfil the requirements of any other standard or criteria. The Verra website lists available VCU labels and the procedure for attaining such labels.
- [Article 6 Label Guidance, v1.0](#): Introduced new, dedicated guidance for how VCUs may receive Article 6 Labels to indicate they have been authorized for specific uses by host countries under Article 6 of the Paris Agreement. The implementation of these labels brings the VCS into alignment with how Parties to the Paris Agreement are to account for their climate action. Article 6 Labels are optional under the VCS Program, as not all uses of VCUs require authorization from host Parties, but the labels are necessary for retirement against certain retirement purposes in the Verra Registry (including CORSIA).
- [VCS Program Definitions](#), v4.4: Added or updated definitions, as follows:
 - **Double Claiming:** Any situation in which the same GHG emission reduction or carbon dioxide removal is credited or claimed by more than one entity towards separate mitigation targets or emissions inventories. Double claiming does not include nested claims such as the same reduction or removal being claimed by a business and the jurisdiction(s) in which it operates. Double claiming includes when a GHG emission reduction or carbon dioxide removal is credited under the VCS Program and the same emission reductions and removals or GHG-related benefits are also credited or claimed under an emission trading program, binding emissions limit, or GHG-related environmental credit system. See "Emissions Trading Program", "Binding Emissions Limit", and "GHG-related Environmental Credit System".
 - **Double counting:** Any situation in which the same GHG emission reduction or carbon dioxide removal is counted, claimed, or credited more than once. Double counting includes double issuance, double use, and double claiming.

- **Double Issuance:** Any situation in which the same GHG emission reduction or carbon dioxide removal is credited by two or more projects, or through two or more GHG programs. Double issuance includes when the same GHG emission reduction or carbon dioxide removal issued as a VCU under the VCS Program is also credited under another GHG program, and such credits have not been cancelled under the other GHG program. See "GHG Program" for further clarification of what constitutes double issuance.
- **Double use:** Any situation where a GHG emission reduction or carbon dioxide removal or GHG-related benefit is further sold, transferred, retired, used, or cancelled after having already been retired or used.
- **Binding Emissions Limit:** A system that creates binding limits on the total GHG emissions or emissions per unit of output or activity from a site, company, sector, or region but does not include emissions trading.
- **Emissions Trading Program:** A voluntary or regulatory program or scheme that allows for trading in GHG credits or allowances. Examples of an emission trading program include cap-and-trade emission trading schemes, such as the [Regional Greenhouse Gas Initiative \(RGGI\)](#) and [European Union Emissions Trading System](#), or baseline-and-credit system such as [Canada's Output-Based Pricing System](#).
- **GHG Program:** A formal or organized program, system, or arrangement for the recognition of activities leading to GHG emission reductions or carbon dioxide removals, and/or the crediting or issuance of instruments representing, or acknowledging GHG emission reductions or carbon dioxide removals. Examples of a GHG program include, but are not limited to, any form of GHG crediting mechanism that issues carbon credits or offsets, such as international and independent programs (CDM, JI, ACR, CAR, Gold Standard), or any other carbon crediting mechanisms or offsets systems administered by government agencies, such as the Switzerland CO2 Attestations Crediting Mechanism or Canada federal GHG Offset System.
- **GHG-related Environmental Credit System:** A system for the crediting, issuance of instruments, or acknowledging activities that could be interpreted as having GHG emission reduction or carbon dioxide removal value. Examples of a GHG-related environmental credit system include, but are not limited to, energy attribute certificates (EAC); renewable energy certificates (REC); Guarantee of Origin (GO); or renewable thermal certificates (RTC)."
- Consequential changes applied throughout registration and issuance processes and templates:
 - [Registration and Issuance Process](#), v4.4, Sections 4.2.15, 4.2.17, 4.2.19
 - VCS Project Description Template, v4.3
 - VCS Monitoring Report Template, v4.3
 - VCS Joint Project Description & Monitoring Report Template, v4.3
 - VCS Validation Report Template, v4.3
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Version 2.0; Effective from January 10 2022

Verified Carbon Standard (VCS) Program (August 31st, 2023)

Other material changes (changes that are NOT relevant to the conditional approval of the VCS Program for CORSIA First Phase (2024-2026))

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Verified Carbon Standard (VCS) Program (August 31st, 2023), other material changes

CHANGE 1
a. Description of the change (e.g., the addition, modification, deletion undertaken):
<p>Verra has replaced the previous Methodology Approval Process with a new Methodology Development and Review Process.</p> <p>Updates include:</p> <ol style="list-style-type: none">1. Restructuring and general improvements to the document.2. Addition of Section 2 with overarching rules and guidance for methodology development.3. Addition of a methodology idea note for the development of new and revised methodologies, tools, or modules.4. Establishment of a formal option for Verra to lead methodology development by hiring an expert consultant.5. Introduction of a requirement for developers to collaborate on concept notes, methodologies, and methodology frameworks under certain circumstances.6. Updates to the process and requirements for methodology revisions.7. Enhanced review process for approved VCS methodologies, modules and tools, including a regular review and potential update within five years of its last update or review. This update will become effective for new methodologies approved after the issue of this document. Existing methodologies will have a transition period of two years from the issue of this document.8. General improvements to the methodology development and review process.9. Modification of the use of external experts for certain assessment responsibilities.10. Updated criteria for Verra to reject or put methodologies on hold.11. Update to incorporate minimum potential GHG reduction and removal thresholds for new methodologies or major revisions that expand the scope of a methodology.12. Updated public consultation requirements for minor methodology revisions and clarified public consultation process.13. Update to conduct periodic reviews of methodologies from approved GHG programs. Overall updates to clarify the review process for existing methodologies.14. Updates to the process for inactivation and exclusions of methodologies15. Revised requirement regarding reassessment of standardized methods
b. Rationale for the change:
<p>These updates reflect the current best practice in development and review of methodologies to ensure program integrity and focus methodology development on the areas of greatest potential climate impact. The option for Verra to lead the process is intended to streamline the process when there is a significant opportunity without an external proponent capable of developing a methodology in line with Verra requirements.</p>

c. Where the change is reflected in the Programme's documentation or other resource(s)⁴:
<i>Methodology Development and Review Process, v4.3</i> (PDF)
d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:
<p>In the 2022 reassessment application, Verra's response to "Question 3.1 Clear methodologies and protocols, and their development process," included the following:</p> <p>"The most recent version of the VCS Methodology Approval Process document is available on the VCS website.</p> <p>January 2022 Update:</p> <p>Introduced dynamic performance benchmarks to the VCS Methodology Requirements, which enable benchmarks that take into consideration real-time performance changes in a given sector or activity type. Under this approach, data from control plots or sources that represent the baseline scenario is matched with monitored plots or data from the project to create a performance benchmark that will be updated at least every five years."</p>
e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:
The most recent version of the <i>Methodology Development and Review Process, v4.3</i> (PDF) is available on the VCS Program website. This includes the improvements listed in "a." above.

CHANGE 2
a. Description of the change (e.g., the addition, modification, deletion undertaken):
The scope of the VCS program was expanded to explicitly include geological carbon storage (GCS) projects in December 2022.
b. Rationale for the change:
Geological carbon storage is an important climate mitigation opportunity with some unique characteristics that needed to be explicitly addressed and enabled in the VCS program.
c. Where the change is reflected in the Programme's documentation or other resource(s)⁵:
The <i>VCS Standard</i> now includes references to GCS that are further elaborated in the <i>Geologic Carbon Storage (GCS) Requirements, v4.0</i>

⁴ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

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d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

This is a new addition to the VCS program that does not materially impact previously submitted information.

e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:

This is a new addition to the VCS program that does not materially impact previously submitted information.

CHANGE 3

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Verra has approved the following NEW methodologies:

Methodology name	Unique Methodology / Protocol Identifier	Sectoral scope
Methodology for Improved Forest Management Using Dynamic Matched Baselines from National Forest Inventories	VM0045 , v1.0	Scope 14
Methodology for Reducing Food Loss and Waste	VM0046 , v1.0	Scope 13
Methodology for Biochar Utilization in Soil and Non-Soil Applications	VM0044 , v1.0	Scope 13

Verra has approved the following REVISED methodologies:

Methodology name	Unique Methodology / Protocol Identifier	Sectoral scope
Methodology for Improved Forest Management through Extension of Rotation Age (minor revision)	VM0003 , v1.3	Scope 14
Methodology for Improved Agricultural Land Management (major revision)	VM0042 , v2.0	Scope 14
Methodology for Biochar Utilization in Soil and Non-Soil Applications (minor revision)	VM0044 , v1.1	Scope 13
Energy Efficiency and Fuel Switch Measures in Thermal Applications (minor revision)	VMR0006 , v1.2	Scope 3

Verra would like to propose that the following methodologies belonging to sectoral scope 14 be considered by the TAB and the Council for inclusion in the VCS's scope of eligibility:

- Methodology for Improved Forest Management Using Dynamic Matched Baselines from National Forest Inventories, [VM0045](#), v1.0
- Methodology for Improved Forest Management through Extension of Rotation Age (minor revision), [VM0003](#), v1.3

b. Rationale for the change:
Adding new methodologies improves the impact of the VCS program on reducing climate change. Revising methodologies ensures that they are aligned with the best available science and the latest program requirements.
c. Where the change is reflected in the Programme's documentation or other resource(s)⁶:
All methodologies are available on the VCS Methodologies website
d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:
<p>Summarize the programme's process for developing further methodologies and protocols, including the timing and process for revision of existing methodologies. (Paragraph 2.1) A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and questions pertaining to this question:</p> <p>a. The VCS Program's current processes for developing methodologies are available publicly on the Verra website in the VCS Methodology Approval Process document.</p> <p>b. All methodologies, modules and tools approved under the VCS Program are available publicly on the Verra website on the methodologies page. Additionally, note that a direct link to each methodology and module has been included within Appendix B: Programme Scope Information Request, submitted as a supplementary document to this application</p>
e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:
The information in "a." above is supplementary to the previously submitted Appendix B.

⁶ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.