ECORA Carbon Credit Certification Program

Document: ECORA Standard

Public Consultation Stage

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Table of Contents

Listo of Figures

1. Acronyms and Definitions

Term	Definition
Additionality	The principle that the reduction of emissions or removals of GHG would not occur in the absence of the incentive provided by carbon markets.
Afforestation	Afforestation: establishment of a forest ecosystem in areas where it would not naturally occur.
Afforestation, Reforestation and Revegetation (ARR)	Category of activities in the AFOLU sector that includes Afforestation, Reforestation, and Revegetation practices aimed at reducing GHG emissions or removals.
AFOLU Collective Reserve Account	Collective account, managed by the ECORA Carbon Credit Certification Program, intended to compensate for possible carbon reversals through non-tradable UCEs automatically deposited by all AFOLU projects upon UCE issuance events.
Agricultural Land Management (ALM)	Category of activities in the AFOLU sector that includes Agricultural Land Management practices aimed at reducing GHG emissions or removals.
Agriculture, Forests and Other Land Uses (AFOLU)	The sector defined by the IPCC that brings together Agriculture, Forestry, and Other Land Use activities used in the accounting of emission reductions or GHG removals.
Authorizations/intentions of the host country (LOA/LOI)	Official document from the host government that authorizes the use of carbon credits as Internationally Transferred Mitigation Outcomes (ITMOs), in English, Internationally Transferred Mitigation Outcomes, and confirms that the corresponding adjustment will be made in the national inventories, as per Article 6 of the Paris Agreement.
Avoidable Reversal	Reversal that occurs due to intentional actions by the Project Proponent aimed at the loss of carbon stock. Avoidable reversals also include those resulting from negligence, recklessness, or lack of skill by the Project Proponent. Examples of avoidable reversal include failures in project management, deliberate exclusion of parts of the originally included area, excessive resource exploitation, or the implementation of agricultural practices involving soil disturbance.
Baseline Scenario (BS)	Quantified reference scenario against which the mitigation effects of GHG provided by the project are measured, representing the emissions and/or removals that would occur in the absence of the implementation of the Project Activity, serving as a parameter to calculate the climate benefits generated.
Biome	Definition applied to Brazil by IBGE that delimits a set of lifeforms (plant and animal) constituted by the grouping of contiguous and regionally identifiable types of vegetation, with similar geoclimatic conditions and a shared history of changes, resulting in its own biological diversity. The following continental Biomes of Brazilian territory are considered: Amazon Biome, Atlantic Forest Biome,

Term	Definition
	Caatinga Biome, Cerrado Biome, Pantanal Biome, and Pampa Biome.
Carbon Credit	Unit that represents the reduction of emissions and/or removal of one metric ton of Carbon Dioxide Equivalent (CO2e).
Carbon Dioxide Equivalent (CO2e)	Standard unit that represents the conversion of other greenhouse gases into CO2e, to compare the radiative forcing of a greenhouse gas with Carbon Dioxide.
Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)	The program of the International Civil Aviation Organization to offset carbon emissions from international flights.
Commitment Period	Period during which the Project Activities and their climate and socio-environmental impacts are maintained and monitored.
Corresponding Adjustments	Accounting adjustment that the host country must make in its national inventory of emissions and removals when it authorizes the international transfer of Internationally Transferred Mitigation Outcomes (ITMOs). in English, Internationally Transferred Mitigation Outcomes, as provided for in Article 6 of the Paris Agreement, for the purpose of fulfilling an NDC (Nationally Determined Contribution) or other international regulatory commitments. This adjustment prevents double counting between the host country's national targets and regulated markets.
Credit Period Start Date	Date on which the generation of GHG emission reductions or removals effectively began.
Crediting Period	The Crediting Period is the period over which a project is eligible to have its emission reductions or GHG removals verified for the issuance of UCE.
Customary Rights	Customs and practices repeatedly and traditionally accepted as norms, without being written or formalized by legislators, such as rules of indigenous peoples and traditional communities.
Double Claiming	Accounting of the same GHG emission reduction or removal by two or more parties in different inventories or targets. It covers: a) geographic overlap between projects with crossing project boundaries; b) simultaneous counting in regulatory schemes and in the voluntary market; c) declaration of the same GHG emission reduction or removal at different inventory levels (company × company, city × state, country × company).
Double counting	Umbrella term that describes any situation in which the same metric ton of CO_2e reduced or removed is credited, reported, or used more than once. It includes, but is not limited to, “double issuance of carbon credits”, “double use”, and “double claiming”.

Term	Definition
Double Issuance	Issuance of more than one carbon credit for the same climate outcome, including the case where a project remains simultaneously registered and active in two or more programs and each issues credits for the same period and/or volume of GHG emission reductions or removals.
Double Use	Reuse of a credit already retired or canceled for a new purpose of transfer, sale, or compensation, for example, relisting a batch of credits that has already been withdrawn in another marketplace or registry.
ECORA Carbon Unit (UCE)	Unit that represents the reduction of emissions to the atmosphere and/or removal from the atmosphere of one metric ton of CO2e, verified by a VVB and registered in the ECORA Carbon Credit Certification Program. This is the carbon credit certified by the ECORA Carbon Credit Certification Program.
Fixed Project	Project modality that does not provide for expansion after initial validation, nor the inclusion of new areas, participants, or Project Activities throughout the credit period.
Forest Harvesting	Planned extraction, partial or total, of forest biomass above and/or below ground, carried out as part of forest, silvicultural, and/or agroforestry management approved in the Project Description Document (PDD). The Harvest may include clear-cutting, thinning, productive pruning, or any intervention aimed at extracting timber products that result in a measurable reduction of the living carbon stock.
Free, Prior and Informed Consent (FPIC)	Mandatory procedure for projects that affect traditional peoples and communities classified in category “a – Rights holders and directly affected communities”, as per Section 5.19. The FPIC must include free, prior, and informed consultation, respect the self-determination of the groups involved, and be conducted by legitimate representatives of the Stakeholders, as well as provide evidence that these groups have been adequately consulted and have agreed to the project.
GHG Reservoir	Component, other than the atmosphere, that has the capacity to accumulate, store, and release greenhouse gases.
GHG sink	Process that removes a Greenhouse Gas from the atmosphere.
GHG Sources	Processes that release Greenhouse Gases into the atmosphere.
Global Warming Potential (GWP)	Global Warming Potential, as defined by ISO 14064-1:2018: Index, based on the radiative properties of Greenhouse Gases (GHG), which measures the radiative forcing resulting from an instantaneous emission of a unit mass of a given GHG in the current atmosphere, integrated over a chosen time horizon, relative to carbon dioxide.
Greenhouse Gases (GHG)	Gaseous components of the atmosphere, natural or anthropogenic, that absorb and emit radiation at specific

Term	Definition
	wavelengths within the spectrum of infrared radiation emitted by the Earth's surface, the atmosphere, and clouds.
Inevitable Reversal	A reversal that occurs in situations beyond the Project Proponent's control or ability to prevent. Extreme natural events such as hurricanes, toppling by strong winds, earthquakes, floods, droughts, forest fires, tornadoes, and blizzards, as well as occurrences caused by humans, such as acts of terrorism, criminal activities, or armed conflicts, are considered inevitable reversals. Cases of external interference, such as logging, mining, or firewood collection by third parties, are also classified as unavoidable, provided they are demonstrably unforeseeable and beyond the control of the Project Proponent.
Integrity Council for Voluntary Carbon Markets (ICVCM)	An independent and multisectoral governance body that sets integrity standards for the global voluntary carbon market.
Intergovernmental Panel on Climate Change (IPCC)	The UN panel created in 1988 that assesses the science, impacts, and solutions for climate change.
International Carbon Reduction and Offset Alliance (ICROA)	The organization that recognizes best practices in the voluntary carbon market.
International Organization for Standardization (ISO)	An independent and non-governmental organization responsible for developing and publishing global technical standards that promote quality, safety, efficiency, and best practices in various sectors.
Materiality	Materiality is the concept according to which errors, omissions, or distortions, whether isolated or combined, that may influence decisions regarding registration, verification, issuance of carbon credits, replacement of carbon credits due to reversals, or project compliance must be identified, assessed, and addressed. A value of ± 5% will be considered as a material discrepancy, which should be used as a reference for decision-making involving the description of materiality throughout this standard.
Methodological Deviation	Specific modification in the application of an approved methodology, necessary to adapt its use to particularities of a specific proposed project that were not originally foreseen
Migration Validation	Process conducted to assess the compatibility between the migrated project and the methodologies of the ECORA Carbon Credit Certification Program. It analyzes scope, baseline, monitoring, additionality, permanence, and other critical aspects to ensure methodological integrity during the transition.
Monitoring Period	The Monitoring Period is a time interval within the Credit Period over which a project's emission reductions or GHG removals are verified for UCE issuance.
Monitoring Report (MR)	Document that describes the results of a project for emission reductions and/or GHG removals for a specific Monitoring Period, including general information,

Term	Definition
	ownership, demonstration of additionality, compliance with socio-environmental safeguards, consultation and stakeholder engagement reports, alignment with SDGs, Baseline Scenario, calculations of emission reductions and/or GHG removals, Monitoring Plan, Non-Permanence Risk Report and Mitigation Plan, as well as other information specified in tools, methodologies, and modules of the ECORA Carbon Credit Certification Program. Its preparation must follow the template provided on the ECORA Platform.
Natural Ecosystems	Location composed of biotic and abiotic components that occur naturally, in a stable and self-sufficient manner.
Project	Activity or set of activities aimed at reducing GHG emissions and/or removals compared to the most likely Baseline Scenario. When mentioned in this standard, this term refers to a Fixed Project or a Scalable Project.
Project Activity	Action or set of specific actions within the Project Area that generates emission reductions and/or GHG removals.
Project Area	Project Area is defined by the specific geographic boundaries where Project Activity occurs and where ECORA Carbon Units (UCEs) are issued.
Project Component (PC)	Represents the basic unit of implementation of a Project. It can be an area, facility, piece of equipment, or a set of areas, even if not contiguous, specific facilities and equipment, where a GHG emission reduction or removal activity is carried out.
Project Description Document (PDD)	Document that describes a GHG emission reduction and/or removal project, including general information, ownership, characterization of the Project Area and other relevant areas, demonstration of additionality, compliance with social and environmental safeguards, stakeholder consultation and engagement reports, alignment with SDGs, Baseline Scenario, calculations of GHG emission reductions and/or removals, Monitoring Plan, Non-Permanence Risk Report and Mitigation Plan, as well as other information specified in tools, methodologies, and modules of the ECORA Carbon Credit Certification Program. Its preparation must follow the template provided on the ECORA Platform.
Project Designer	Individual or legal entity formally designated by the Project Proponent to develop, monitor, and be technically responsible for a project for emission reductions or GHG removals. The Project Designer may be the Project Proponent themselves or a different entity, provided there is a formal delegation of responsibilities. The Project Designer does not hold legal rights over the project or the credits generated, except when they are also the Project Proponent by express legal ownership.
Project Deviation	Project Deviation is any significant change, implemented or proposed after the project registration, that modifies the

Term	Definition
	elements originally described in the Project Description Document (PDD). Permanent Deviation: Structural, operational, or methodological change that continuously modifies the implementation, operation, or monitoring of the project and is irreversible. Temporary Deviation: Temporary deviations are transient and specific changes, with limited duration, that do not permanently modify the scope, methods, or fundamental parameters of the registered project.
Project Proponent	Individual or legal entity that holds formal authority and responsibility for the design, implementation, and management of the emission reduction or GHG removal project. The Project Proponent is the legal holder of the UCEs at the time of their issuance. This may or may not be the Project Designer, as established in the contractual instruments between the parties.
Project Scope	Physical, functional, or accounting delimitation of the activities, assets, sources, and sinks of Greenhouse Gases (GHG) covered by a project or Project Component (PC). Defines the scope of accounting for emissions and/or removals and is essential to avoid overlap and double counting. It may be geographic (area) or functional (processes).
Project Start Date	Date on which the activities that led to the generation of emission reductions or GHG removals began to be implemented.
Quality Assurance and Control (QAC)	Set of procedures, reviews, and systematic verifications adopted throughout all stages of a project's Credit Period, from data collection and modeling to validation, verification, and issuance of carbon credits.
Reduction Emissions from Deforestation and Degradation of Native Vegetation (REDD)	Category of activities in the AFOLU sector that encompasses native vegetation protection practices aimed at reducing GHG emissions.
Reduction Emissions from Planned Deforestation and Degradation of Native Vegetation (REDD/P)	REDD activity category that aims to prevent deforestation and degradation of native vegetation that would be carried out in a planned and regular manner in the Baseline Scenario.
Reduction Emissions from Unplanned Deforestation and Degradation of Native Vegetation (REDD/NP)	REDD activity category aimed at preventing deforestation and degradation of native vegetation that would be carried out in an unplanned and irregular manner in the Baseline Scenario.
Reforestation	Recovery of forest structure in an area previously naturally occupied by such structure.
Revegetation	Development of woody and/or non-woody vegetation cover, not necessarily resulting in a forest formation.
Reversal	Event or set of events that results in net GHG emissions in an amount that compromises UCEs already issued by the project. To be considered a reversal, the event or set of

Term	Definition
	events must result in net GHG emissions in an amount greater than the net benefit of GHG reduction and/or removal generated by the project in the current unverified Monitoring Period. If the net GHG emission event occurs within the first 12 months of the current unverified Monitoring Period, it will be considered a reversal if the net emissions exceed the projected ex-ante net benefit for that 12-month period.
Scalable Project	Project modality that allows the inclusion of new Project Components (PC) throughout the Credit Period, after validation of the initially defined Project Activity.
Serial Code	Unique alphanumeric code assigned to each issued carbon UCE, which allows individual tracking of its origin, status, and movements. “Identity” of the UCE in the ECORA Registry, used to avoid duplication and allow traceability.
Stakeholder Consultation	Stakeholder Consultation is the structured process of participatory discussion of the project, which must be conducted by the Project Proponent with Stakeholders classified in categories “a”, “b”, and “c”, in a prior, free, informed, culturally appropriate, and documented manner.
Stakeholders	Individuals, communities, organizations, institutions, or other entities that have a legitimate interest, exert influence, or are affected, directly or indirectly, by the activities of design, implementation, monitoring, certification, commercialization, or use of carbon credits associated with a carbon project or program.
Sustainable Development Goals (SDGs)	UN global agenda composed of 17 goals aimed at promoting economic, social, and environmental development in an integrated and sustainable manner by 2030.
Validation and Verification Body (VVB)	An independent technical entity responsible for evaluating project compliance with the requirements of the ECORA Carbon Credit Certification Program, based on evidence gathered during audits.
Vintages	Specific calendar year during which GHG emission reductions or removals occurred and are covered by a UCE. Each vintage has its own identification and may have distinct regulatory status and labels.

2. Introduction

ECORA is a Brazilian program for the certification of emission reduction or removal credits of Greenhouse Gases (GHG), called ECORA Carbon Units (UCEs), whose documentation structure is based on scientific rigor, with the objective of establishing criteria and procedures to ensure that climate results are real, verifiable, and of environmental integrity.

The ECORA Standard is the document that defines requirements and guidelines for the quantification, monitoring, reporting, verification, and registration of GHG reductions and removals. The issued UCEs must result from robust, transparent, and technically sound processes, with demonstrable benefits for the climate, environment, and communities.

Aligned with the guidelines established under the United Nations Framework Convention on Climate Change (UNFCCC) — including, for example, the objectives of the Paris Agreement — and structured according to internationally recognized standards, principles of integrity, and best practices, the ECORA Standard is based on the following pillars:

- **Sustainable economic development:** Encourage the adoption of low-carbon economic models that foster innovation, productive diversification, and the creation of long-term sustainable economic value;
- **Environmental integrity**: Recognize GHG reductions and removals that represent real, additional, permanent, and verifiable benefits;
- **Transparency**: Make information and processes available in a clear, accessible, and auditable manner to all Stakeholders;
- **Reliability**: Adopt methodologies, procedures, and controls that promote consistency and accuracy in reported results;
- **Social inclusion**: Enable effective participation of communities and foster respect for human and cultural rights;
- **Climate ambition**: Encourage targets compatible with compliance with the Paris Agreement and climate neutrality;
- **Socio-environmental benefits**: Encourage measurable co-benefits for biodiversity, ecosystem services, and human well-being;
- **Public trust**: Maintain credibility and reputation through solid governance aligned with international best practices.

2.1 Objectives

The ECORA Standard establishes the normative framework to guide the Project Proponent, Project Designer, and other Stakeholders in all phases of the certification cycle, from the conception of the Project Activity to the issuance and retirement of issued UCEs, using methodologies, tools, and guidelines developed by the ECORA Carbon Credit Certification Program.

The standard specifies, among other requirements:

- **Program rules:** Scope requirements, applicability, prevention of double counting, socio-environmental safeguards, among others (Section 3);
- **Certification process:** Determines the steps, deadlines, and rules for the registration process, among others (Section 4);
- **Project requirements:** Establishes rules for the ownership and property of issued UCEs, Project Start Date, legal, social, and land aspects, baseline, additionality, quantification, leakage, permanence, uncertainty management, among others (Section 5);
- **Program methodologies:** Defines general rules, grace period, documentation structure, among others (Section 6);
- **Requirements for Validation and Verification Bodies (VVBs):** Defines rules for VVB accreditation, prevention of conflict of interest, materiality, among others (Section 7);
- **Issued UCEs:** defines rules for UCE attributes, issuance process, registration, retirement, among others (Section 8);
- **Project closure:** Establishes rules for the end of the commitment period, project suspension, among others (Section 9).

Thus, the ECORA Standard aims to establish the applicable requirements and criteria so that each UCE issued through the ECORA Certification Program is associated with real, measurable, additional, permanent GHG emission reductions or removals, verified by an independent third party, without double counting, and that can demonstrably contribute to the reduction of GHG concentration in the atmosphere and mitigation of the effects of climate change caused by global warming.

2.2 Integrity

The ECORA Carbon Credit Certification Program and its respective documents are developed independently and aligned with the best integrity practices of the carbon market, in accordance with the principles and guidelines[1] recognized by ICVCM (*Integrity Council for the Voluntary Carbon Market*), ICROA (*International Carbon Reduction and Offset Alliance*), CORSIA (*Carbon Offsetting and Reduction Scheme for International Aviation*) and by Article 6.2 and 6.4 of the Paris Agreement, under the UNFCCC (*United Nations Framework Convention on Climate Change*).

2.3 Effective Date and Versioning

The ECORA Standard will undergo full revisions, in which the integer number of the document version will be updated, and incremental revisions, in which the number following the decimal point will be updated. Each update will be identified by the version number and the effective date on the cover of the document and in Section 10

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[1]The principles and guidelines considered are based on the documents available until December 2025 on the official websites of the respective institutions.

Full revisions may be undertaken at ECORA's discretion, when there are, but not limited to, the following:

a. Regulatory or best practice updates resulting from the evolution or emergence of new international, national, or sectoral standards that impact methodologies and procedures.
b. Scientific and technical developments;
c. Incorporation of new measurement methods;
d. Inclusion of new types of projects;
e. Stakeholder comments and practical experience;
f. After public consultations, when developers, NGOs, auditors, local communities, investors, credit buyers, research institutions, or government agencies identify failures, gaps, or opportunities for improvement;
g. In audits and project validations, when inconsistencies are identified.

The complete review process will follow the steps below:

a. Identification of the need for review;
b. Preparation of the preliminary version;
c. Public consultation with a 30-day period for receiving contributions from Stakeholders;
d. Recording and publication of comments received;
e. Evaluation of contributions and final technical review;
f. Publication of the new version and archiving of the previous version. Transition rules will be defined at the time of publication of the new version.

Incremental revisions will result from minor updates. Incremental revisions will not undergo public consultation and their applicability will be immediate upon publication.

Minor changes are those that do not alter the normative content, such as:

a. Adjustments of typographical errors, clarity, consistency, and grammatical corrections;
b. Updating citations of methodologies, document links, or table formatting;
c. Inclusion or adjustments of footnotes or examples;
d. Change of layout, design, section numbering, or alteration of logos;
e. Corrections of dates, institution names, or reference;
f. Alignment of nomenclature between sections.

It is the responsibility of users to adopt the most recent version of this Standard, as well as the methodologies, tools, modules, and guidelines provided by the ECORA Carbon Credit Certification Program.

The most recent versions of external documents cited (e.g., IPCC, UNFCCC reports) during project development must be used.

All previous versions of the Standard and supplementary documents of the ECORA Carbon Credit Certification Program will be archived and remain available on the official ECORA website (www.ecora.green).

2.4 Property Rights

The content of the ECORA Carbon Credit Certification Program (texts, methodologies, guidelines, tools, modules, protocols, and related documents) is protected by copyright (Law No. 9,610, of February 19, 1998).

License of use (non-exclusive, non-transferable, revocable):

a. **Permitted use**: access, download, and printing for internal purposes (project development, audits, studies, and compliance);

b. **Prohibited use**: commercial exploitation; full republication; sublicensing or sale; removal of notices; creation of derivative works that induce confusion or suggest endorsement;

c. **Citations**: permitted when necessary, without altering the meaning, with full reference (Program, title, version/date, section/page, and official link);

d. **Derivatives** (adaptations, translations, compilations, derived methodologies): require prior written authorization; authorized versions must cite the source, indicate “unofficial translation/adaptation”, maintain version and date control, and not use trademarks/logos without permission. Authorization requests must describe the purpose, audience, circulation/channel, and supporting materials.

2.5 Reference Citations

Below are normative references for the implementation of the ECORA Standard:

Reference	Title
ISO 9001:2015	Quality management systems — Requirements.
ISO 14033:2019	Environmental management - Quantification and communication of environmental data - Principles, requirements, and guidelines.
ISO 14034:2016	Environmental management — Verification of environmental technologies (ETV).
ISO 14064-1:2018	GHG - Part 1: Specification with guidance, at the organizational level, for quantification and reporting of greenhouse gas emissions and removals.
ISO 14064-2:2019	GHG - Part 2: Specification with guidance, at the project level, for quantification, monitoring, and reporting of the reduction of greenhouse gas emissions or removals.
ISO 14064-3:2019	GHG - Part 3: Specification with guidance for validation and verification of greenhouse gas statements.
ISO 14065:2020	GHG - Requirements for bodies that perform validation and verification of greenhouse gases, for use in accreditation or other forms of recognition.

Reference	Title
ISO 14080:2018	Greenhouse gas management and related activities: Framework and principles for methodologies in climate actions.
ISO/IEC 17011:2017	Conformity assessment – Requirements for accreditation bodies accrediting conformity assessment bodies.
ISO/IEC 17020:2012	Conformity assessment - Requirements for the operation of various types of bodies performing inspection.
ISO/IEC 17029:2019	Conformity assessment - General principles and requirements for validation and verification bodies.
ISO/IEC Guide 98-3:2008	Measurement uncertainty – Part 3: Guide to the expression of measurement uncertainty.
IPCC: 2019	2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
IPCC/AR4: 2007	Fourth Assessment Report: Climate Change
IPCC/AR5: 2014	Fifth Assessment Report: Climate Change
IPCC/AR6: 2023	Sixth Assessment Report: Climate Change

2.6 Language

The operational languages of the ECORA Carbon Credit Certification Program are Portuguese and English. The program's normative documents are made available in both languages.

The documents required during the Certification and Project Registration Process must be prepared and submitted to the ECORA Platform in Portuguese but may also be submitted in English.

For the development of projects for the reduction of emissions or removal of Greenhouse Gases in the ECORA Carbon Credit Certification Program, the Project Designer must follow the use of the terms below in the requirements presented in this standard:

- The term “**must**” is used to indicate what is mandatory as a requirement in the development of emission reduction or GHG removal projects.
- The term “**should**” is used to indicate a recommendation, but not a requirement.
- The term “**may**” is used to indicate a permissible or acceptable option.
- The term “**mandatory**” is also used to refer to mandatory requirements (i.e., “must” statements) in other sections.

2.7 Program Documentation

The ECORA Carbon Credit Certification Program includes technical documents, in addition to the ECORA Standard, that establish specific requirements and guidelines. These documents are classified as:

- Tool: Instrument that assists in the application of technical criteria of the ECORA Standard, containing a step-by-step guide to obtaining results. Its nomenclature begins with the acronym “FE”;
- Guidelines: Set of instructions that guide the application of specific topics of the ECORA Standard. The guidelines help interpret the requirements, contextualize their application, and align the program's objectives with industry best practices. Their nomenclature begins with the acronym “DI”;
- Methodology: Set of procedures and requirements that must be adopted to quantify and demonstrate the reduction of emissions or removals of GHG for different types of projects. Their nomenclature begins with the acronym “ME”;
- Module: Technical component applicable to one or more methodologies, developed to address specific aspects of the measurement and quantification process necessary to demonstrate the reduction of emissions or removals of GHG. Their nomenclature begins with the acronym “MO”;
- Audit Protocol: Document that consolidates the requirements to be evaluated by Validation and Verification Bodies (VVB) in the validation and verification processes of emission reduction or GHG removal projects. Their nomenclature begins with the acronym “PR”.

3. Program Rules

3.1 Principles

The ECORA standard is guided by the principles established by ISO 14064-2. The principles are detailed below and inform the application of the requirements established in this document:

a. **Relevance**: Selection of GHG sources, GHG sinks, data, and methodologies that are appropriate for the user's needs;
b. **Completeness (or Wholeness)**: Inclusion of all relevant GHG emissions and/or removals, and all information necessary to support the criteria and procedures adopted;
c. **Consistency**: Possibility of meaningful comparisons between information related to GHG;
d. **Accuracy**: Reduction of biases and uncertainties as far as technically feasible;
e. **Transparency**: Disclosure of sufficient and adequate information about GHG so that users can make decisions with a reasonable level of confidence;
f. **Conservativeness**: Use of conservative assumptions, values, and procedures to avoid overestimating GHG emission reductions or removals.

3.2 Scope

The ECORA Carbon Credit Certification Program recognizes projects that cover the following scopes:

a. Reduction of emissions or removals of the following GHGs: Carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3);
b. Compliance with the provisions of this standard;
c. Guided by methodologies approved within the scope of the ECORA Carbon Credit Certification Program;
d. Falling under one or more of the following sectors: Energy; Industrial Processes and Product Use (IPPU); Agriculture, Forestry and Other Land Use (AFOLU); and waste;
e. The geographical scope of the ECORA Carbon Credit Certification Program recognizes projects developed in Brazil and in countries of the Global South.

3.3 Eligibility

The eligibility criteria establish the minimum requirements for a project to be considered for certification. Compliance with the eligibility criteria ensures that only initiatives aligned with the ECORA Standard are considered for the issuance of ECORA Carbon Units (UCEs).The eligibility criteria are presented below:

a. Projects must be additional. Additionality must be demonstrated according to the specific criteria of Section 5.11, requirements of the Additionality Demonstration Tool, and the applied methodology;
b. The Baseline Scenario and the Project Activity Scenario must be defined according to the principles of this standard and must be built from realistic data, based on observable and plausible conditions; justifiable, supported by technical, scientific, or properly documented evidence; replicable, able to be reproduced by an independent third party; and conservative, so as not to overestimate emission reductions and/or GHG removals, as specified by the applied methodology;
c. UCEs must be quantifiable, monitorable, and verifiable. Calculations of emission reductions or GHG removals must be carried out in a conservative and transparent manner, based on

measurements and quantification methods/protocols, according to the specifications of the methodology and methodological tools relevant to each applied methodology;

d. Projects must comply with the applicable legal and social regulations of the host country;

e. Projects must include physical actions and/or concrete implementation in the field;

f. Project Activities must be included in the ECORA Carbon Credit Certification Program;

g. Projects must be submitted to the Public Comment Period (R3), as per Section 4.2;

h. Projects must demonstrate results that contribute to the Sustainable Development Goals (SDGs) as per Section 3.5;

i. The Project Area (as defined in Section 1) must not overlap with the area of other emission reduction or GHG removal projects registered or in the process of registration in any certification program, except for migration cases provided for in Section 3.7;

j. Projects located in areas under Jurisdictional Programs must meet the requirements set forth in Section 3.11.

The Project Proponent and/or Designer must notify ECORA of any modification that may affect the project's eligibility through the communication form available on the official ECORA *website*, within 30 days from its identification. The assessment regarding the continuity of the project will be conducted in accordance with Section 9.2.

Not eligible for the ECORA Carbon Credit Certification Program:

a. Projects that have generated or increased GHG emissions with the aim of subsequently reducing, removing, or destroying them to claim carbon credits;

b. Projects that do not meet the requirements established by the methodologies approved under the ECORA Carbon Credit Certification Program;

c. Projects that directly lead to increased extraction of fossil fuels (for example, exploration and extraction of fossil fuels);

d. Projects related to electricity generation from the burning of mineral coal;

e. Projects involving any other electricity generation powered by fossil fuels without the implementation of emission capture technology, except for new gas plants that are part of an expansion of zero-emission generation capacity, as support for the national low-carbon energy transition;

f. Projects focused on road transport that depend on the continued exclusive use of fossil fuel-powered engines.

3.4 Prevention of Double Counting

The emission reductions or GHG removals generated by a project must not be double-counted or double-sold. Double counting includes double issuance, double claiming, and double use, according to the definitions established in Section 1.

The ECORA Carbon Credit Certification Program adopts the following requirements to prevent double counting in its Certification Program:

a. **Uniqueness:** Each metric ton of CO_2e of reduced emission or removal must generate only one carbon credit;

b. **Traceability:** The traceability of each carbon credit, from issuance to retirement or cancellation, is carried out through a unique serial code, as detailed in Section 8.1;

c. **Transparency:** Information on issued UCEs (volume, issuance date, vintage, place of origin, status of Corresponding Adjustments, among others) will be available to the public in real time through a digital platform;

d. **Irreversibility:** Once retired or canceled, the credit lock is permanently recorded on the ECORA digital platform and cannot be transferred, reissued, canceled, or retired again;

e. **Liability *ex-post*:** If double counting is found, the equivalent amount of UCEs must be replaced through the acquisition and retirement of UCEs from the ECORA Carbon Credit Certification Program or carbon credits from an equivalent mechanism defined by ECORA exclusively for the replacement of the compromised UCEs. The credit holder may have their ECORA User Account suspended, being unable to carry out new issuances and transactions until the double counting compensation is resolved.

Participation in Other GHG Programs

GHG reductions or removals must not be simultaneously accounted for in the ECORA Carbon Credit Certification Program and in other GHG programs. A project is not eligible for registration in the ECORA Carbon Credit Certification Program if it is active in another GHG program.

To complete the migration process between programs, the project must prove deactivation in the original program and the rules established in Section 3.7 must be followed.

Geographical Delimitation

For AFOLU projects, the Project Designer must demonstrate that there is no territorial overlap with other GHG projects.

In the project registration process, the Project Designer must submit a single geospatial file in vector format, such as .shp, .kml, or .kmz, that fully represents the eligible Project Area according to the criteria established in Section 5.1.

In projects with multiple CPs, each CP must have its own vector file and exclusive geographic area, with any overlap, even minimal, prohibited between CPs of the same project or between CPs of different projects. This requirement also applies to the Credit Period associated with the exclusive area, in order to avoid spatial or temporal overlap that could result in double counting.

When overlap with active projects or previous registrations is identified during the Preliminary Stages (Section 4.1) or during the Registration Process (Section 4.2), the Project Designer must proceed with one of the actions described below to continue with the certification process. If the identification and rejection of the Project Area occur after project registration, the Project Designer must proceed with one of the actions described below within 90 days. If the deadline is not met or the action presented does not meet the established criteria, the project cancellation process will be initiated, as per Section 9.2.

a. Demonstrate that the conflicting project was canceled without issuing carbon credits for the overlapping area, or;

b. Adjust the geographic boundaries by removing the overlapping area and submit a new geospatial file. If UCEs have been issued for the overlapping area, proportional replacement must be carried out, as per the liability requirement *ex-post,* or;

c. Submit formal evidence of territorial exclusivity and execution of the intervention issued by the competent authority.

Ownership

The Project Proponent must demonstrate that they hold ownership of the UCEs throughout the entire Credit Period, through one of the following alternatives:

a. Sole Project Proponent: Demonstration, unequivocally, that the Project Proponent holds legal ownership of the UCEs and exercises control over the assets and over the processes responsible for emission reductions or GHG removals, or;
b. Multiple parties involved, with a single Project Proponent: When there is more than one party involved in the project, a legally binding participation agreement must be established and presented, which clearly and verifiably establishes that the Project Proponent holds ownership of the UCEs. The Agreement may define percentage splits of the units, provided that all parties formally agree and that the rights of each party are clearly documented, or;
c. Multiple parties involved with multiple Project Proponents: When there is more than one party involved in the project and more than one of them are Project Proponents, a Participation Agreement must be established and presented, which sets out how each party should receive ownership of the UCEs corresponding to their share of custody and their respective responsibilities.

Article 6 of the Paris Agreement and Related International Programs

The UCEs used in the context of the mechanisms of Article 6 of the Paris Agreement and related international programs such as CORSIA must meet all requirements related to double counting and Corresponding Adjustments, as established in Section 3.8.

Double Use

All all issuances, transfers, cancellations, and retirements of UCEs must be carried out exclusively via the ECORA Digital Platform, in accordance with the requirements established in Section 8.

Accountability Term

When applying for project registration in the ECORA Carbon Credit Certification Program, the Project Proponent must sign the Accountability Term. In the term, the Project Proponent must:

a. Demonstrate project ownership and the participation agreement, when applicable;
b. Declare territorial and intervention exclusivity, committing not to register/issue GHG units related to the same ton, area, and period in another GHG program;
c. Declare that they will not register or use the same metric tons of GHG in their own corporate inventory (Scope 3);
d. Declare the commitment to carry out all issuances, transfers, cancellations, and retirements exclusively via the ECORA Digital Platform;
e. Declare awareness and accept the terms of Accountability *ex-post*, assuming the commitment to replace the equivalent amount of UCEs in case double counting is detected.

3.5 Social and Environmental Safeguards and SDGs

The ECORA Carbon Credit Certification Program recognizes a diverse set of Project Activities for emission reductions or GHG removals, each with its own potential to generate environmental and social impacts, both positive and negative.

Compliance with the guidelines and application of the steps in the Social and Environmental Safeguards and SDG Tool document is mandatory for all projects under the ECORA Carbon Credit Certification Program.

The application of the Social and Environmental Safeguards and SDG Tool involves the initial diagnosis, assessment of safeguard compliance, and meeting targets aligned with the Sustainable Development Goals (SDGs) established by the United Nations (UN).

The generation of additional positive impacts, beyond those established in this standard, may be recognized with an additional certification, as presented in Section 3.6.

Social and environmental safeguards

Safeguards allow for the identification, prevention, and mitigation of negative and unintended consequences of any intervention.

The Project Designer must consider relevant, significant, and potential environmental and social impacts that may result from its activities, both within and outside its geographic and operational boundaries, so that its activities do not result in net environmental or social harm.

Before project registration and UCE issuance, the Project Designer must carry out the environmental and social safeguards assessment to consider the impacts resulting from Project Activities, in accordance with the requirements of the Social and Environmental Safeguards and SDG Tool.

The Project Designer must transparently detail how negative impacts will be avoided, reduced, mitigated, or compensated, as well as the monitoring mechanisms for these measures throughout the entire Credit Period of the project.

Social Safeguards

Projects developed that involve communities holding legal and customary rights to land in the Project Area, communities that may have their livelihoods affected by access restrictions to the Project Area, surrounding communities, indigenous peoples, or any Stakeholders demonstrating some degree of vulnerability[2] must comply with all applicable legislation, regulations, and international standards, including but not limited to

[2] Vulnerable groups recognized in the Preamble of the Paris Agreement, promulgated in Brazil by Decree No. 9,073, of June 5, 2017, as follows: *"Recognizing that climate change is a common concern of humankind, the Parties shall, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, the empowerment of women and intergenerational equity."* Available at: https://www.planalto.gov.br/ccivil_03/_ato2015-2018/2017/decreto/d9073.htm

those available in the Social and Environmental Safeguards and SDG Tool. The identification and classification of these Stakeholders must be carried out as per Section 5.19.

Projects must respect the legal and customary rights of potentially impacted communities, promoting effective participation and consultation with Stakeholders as part of the development and implementation of activities, prior to the Project Registration Request (R2) in the ECORA Carbon Credit Certification Program, as per Section 5.19.

The Project Proponent and/or Project Designer must conduct consultations with Stakeholders that are free from coercion, culturally appropriate, inclusive, and documented, whose contributions are considered and incorporated into the design and execution of activities, as per Section 5.19.

The Project Proponent and/or Project Designer must provide transparent and continuous communication channels following consultation with Stakeholders. The communication channels must use language appropriate to the local context, in accordance with Section 5.19.

The Project Proponent and/or Project Designer must provide accessible mechanisms for recording and resolving complaints and conflicts, as per Section 5.19.

The benefits arising from the project must be shared fairlyand proportionally, and documented through a formal and culturally appropriate agreement, in order to contribute to the sustainable development of potentially impacted communities, as per Section 5.19.

The Project Proponent and/or Project Designer must protect human rights, promote gender equality, and provide inclusive and representative engagement of Stakeholders.

The use of child labor, forced labor, or the involvement of people in situations of human trafficking is prohibited in project activities and any other activities of any nature on the property or properties where the Project Area is located. The Project Proponent and/or Project Designer must also provide decent and safe conditions for all workers operating on the property or properties where the Project Area is located, including those hired by third parties and/or temporary workers, in accordance with the relevant legislation of the host country. For projects developed in Brazil, consult the Guidelines Document of the Applicable Regulatory Framework for Projects.

Involuntary physical displacement (relocation, loss of residential land, or loss of shelter) or economic displacement (of land, assets, or access to assets, resulting in loss of income sources or other means of livelihood) of communities for the implementation of Project Activities is not permitted in the ECORA Carbon Credit Certification Program. If there is voluntary displacement, it must be justified, go through a Free, Prior, and Informed Consent (FPIC) process, benefit sharing, and be properly documented, audited, and monitored in accordance with the requirements of Section 5.19 and the Social and Environmental Safeguards and SDG Tool.

The Project Designer must demonstrate that Project Activities do not generate negative economic impacts on third parties, especially on rights-holding communities, those with affected livelihoods, and surrounding communities (Stakeholder categories “a” and “b” of Section 5.19). The Project Designer must use the Social

and Environmental Safeguards and SDG Tool to identify and manage impacts that may affect livelihoods and local economic resilience, and present compatible prevention and mitigation measures.

Projects that affect legal or customary rights of ownership, use, or access to resources (Stakeholders category “a” of Section 5.19) must include a formal benefit-sharing agreement between the Project Proponent, Project Designer, and the impacted groups (including when the impacted group is part of the Project Proponent), promoting justice and participation in the management of financial resources to which they will have rights, as per Section 5.19.

When the impacted group presents organizational, material, and/or technical limitations to adequately manage the financial resources to which they will have rights, the agreement must provide for a capacity-building plan that promotes the group's autonomy in financial management throughout the project. The Project Proponent and/or Developer will be responsible for the preparation and implementation of the plan, as well as for continuous support to the community until it is able to carry out financial management autonomously.

Environmental Safeguards

The Project Designer must demonstrate that emission reduction or GHG removal activities will not compromise progress and integrity in other priority environmental areas, such as air and water quality, endangered species, and protection of natural resources.

For Project Activities developed in areas that are not characterized as natural ecosystems (as defined in Section 1), the Project Designer must demonstrate, through auditable technical and documentary evidence, that ecosystem degradation was already present at least 10 years before the Project Start Date. Areas where degradation events occurred in the 10 years prior to the Project Start Date may only be considered for the purpose of delimiting the Project Area if the degradation activity results from:

a. Extreme natural events, including but not limited to natural fires, severe droughts, storms, floods, or other documented climate disasters;
b. Proven illegal activities carried out by independent third parties, provided it is demonstrated that such agents did not have or do not have any legal, economic, or operational link with the Developer and/or Project Proponent.

The admissible cause of degradation and the absence of a link between the causing agent and the Developer and/or Project Proponent must be objectively and audibly proven, through official records, environmental infraction notices, administrative proceedings, or court decisions.

Projects must be designed and implemented in a way that satisfies the environmental safeguards described in the Social and Environmental Safeguards and SDG Tool related to pollution, soil and water resources; energy; habitat and ecosystems; biodiversity and natural resources.

Impacts Aligned with the SDGs

The SDGs, established by the UN in 2015, comprise a set of 17 interconnected global goals aimed at addressing social, economic, and environmental challenges.

For AFOLU projects, the Project Designer must demonstrate that the Project Activities generate positive impacts that contribute to at least three SDGs, including SDG 13 (Climate Action), whose contribution must be demonstrated by achieving the emission reductions or GHG removals attributed to the project, and at least two additional SDGs among those applicable to the project context.

For non-AFOLU projects, the Project Designer must demonstrate that the Project Activities generate positive impacts that contribute to at least two SDGs, including SDG 13 (Climate Action), whose contribution must be demonstrated by achieving the emission reductions or GHG removals attributed to the project, and at least one additional SDG among those applicable to the project context.

The impacts on the SDGs must be measured according to indicators established in the Socio-environmental Safeguards and SDG Tool.

Contribution to the Net Zero Carbon Emissions Strategy

The Project Designer must demonstrate that the Project Activity does not compromise the decarbonization trajectory of the host country, meeting the following criteria:

The Project Activity must not include arrangements or practices that consolidate high levels of GHG emissions or maintain dependence on carbon-intensive technologies.

The Project Designer must present in the PDD an assessment of the compatibility of the Project Activity with the transition to the net zero carbon emissions strategy, referring to the host country's objectives.

3.6 Additional Certifications

The ECORA Carbon Credit Certification Program enables the certification of additional labels that demonstrate social and environmental benefits beyond the reduction of emissions or GHG removals, defined as co-benefits. For this standard, co-benefits are based on IPCC, 2007[3], and are defined as: “Benefits of policies implemented for various reasons, including climate change mitigation, recognizing that most policies designed to address Greenhouse Gas mitigation also have other justifications, often equally important, such as development, sustainability, and equity goals.”

Projects seeking additional certifications must demonstrate their eligibility during the registration process, as per Section 4.4. Once the additional certification is recognized, the project will be eligible to request the additional label on the UCEs issued during verification events, as per Section 4.3.

[3] IPCC (2007). Climate Change 2007: Mitigation of Climate Change. Working Group III Contribution to the Fourth Assessment Report. Available at: https://www.ipcc.ch/report/ar4/wg3/

The additional certification recognized by the ECORA Carbon Credit Certification Program is the ECORA Additional Socio-environmental Co-benefits Certification, whose eligibility is conditioned on meeting the requirements established in the ECORA Additional Socio-environmental Co-benefits document.

Projects may seek recognition of other additional certifications in the ECORA Carbon Credit Certification Program, provided they meet the following requirements:

a. Be expressly recognized by the ECORA Carbon Credit Certification Program;
b. Not infringe on requirements established in this standard or in the methodologies used in the project;
a. Comply with the legislation of the country in which the project is implemented;
b. Respect the social and environmental safeguards detailed in Section 3.5;
c. Demonstrate that the additional social and environmental benefits would not occur without the project;
d. Present monitoring of additional co-benefits, with methodology and social and environmental indicators that comply with the principles of Section 3.1;
e. Not include any quantification for certification by emission reductions or GHG removals;
f. Undergo the validation and verification processes carried out by an accredited VVB;
g. The data, indicators, and evidence used to demonstrate additional social and environmental impacts must be documented and auditable.

The recognition of the additional certification may be carried out after the project registration, provided that the project undergoes the entire additional certification registration process, as per Section 4.4. In such cases, it is not possible to request the additional label for UCEs already verified from previous periods.

3.7 Migration from Other Programs

Projects from other GHG programs are eligible for migration to the ECORA Carbon Credit Certification Program, when they cumulatively meet the criteria described below.

The Project Activity must be covered by the sectoral scope and there must be an applicable methodology approved by the ECORA Carbon Credit Certification Program. For the transition, rules and requirements established by the standard, methodology, and other applicable documents must be adopted.

Migration Request and Validation

The Project Designer must apply to register with the ECORA Carbon Credit Certification Program according to the steps described in Section 4.2, including Public Comment Period (R3), Migration Validation Audit (R4), and Project Registration Approval (R5). Projects in migration are exempt from the Preliminary Analysis stage (P4), described in Section 4.1.

The ECORA Carbon Credit Certification Program will establish Migration Procedures and provide documents with specific requirements for migration according to the source certification program and applied methodology, aiming to identify and optimize the validation of common criteria, addressing

divergences objectively. The necessary documentation and specific processes to be met will be detailed in the Migration Procedures.

During Migration Validation, the Project Designer must demonstrate that the project meets the requirements of this standard and the applied methodology, through the following criteria:

a. Compliance with the applicable Migration Procedure;
b. For AFOLU projects, application of the Non-Permanence Risk Tool for AFOLU Projects;
c. Compliance with socio-environmental safeguards and contribution to the SDGs as described in Section 3.5;
d. Fulfillment of Stakeholder Engagement requirements, including Free, Prior, and Informed Consent (FPIC) when applicable, as described in Section 5.19, providing evidence if already carried out in the source program. If such requirements have not been previously met, the Project Proponent and/or Project Designer must follow all the steps described in Section 5.19;
e. Migration to the ECORA Carbon Credit Certification Program must not result in regression of socio-environmental benefits, and the continuity of sustainable development actions is subject to the Migration Validation Audit.

Inactivity in the Source Program

Migration processes can only be concluded after the inactivity date in the source program, demonstrated by formal evidence of disengagement.

Temporal eligibility for issuance in the ECORA Carbon Credit Certification Program will be limited to emission reductions or GHG removals occurring after the inactivity date.

The project must have a remaining Credit Period of at least half of the original period, according to the sector and methodology, so that this period is sufficient to apply the requirements of the ECORA Carbon Credit Certification Program and to demonstrate performance after migration. ECORA may define additional specific criteria, according to the remaining period.

Projects with multiple Project Components (PCs)

A project with multiple Project Components (PCs) may transition some or all of its PC's, provided that the eligibility of each PC is individually demonstrated:

a. In the case of partial migration of PCs, the Project Designer must demonstrate inactivity in the Source Program individually, through formal evidence of disengagement;
b. Artificial subdivision of PCs to circumvent scope, size, or methodological requirements is prohibited.

3.8 Authorizations and Corresponding Adjustments (Art. 6/CORSIA)

The UCEs issued by the ECORA Carbon Credit Certification Program may receive labels to indicate that they have been authorized for specific uses by host countries, in accordance with Article 6 of the Paris

Agreement. For this purpose, the Project Designer must provide information, evidence, and statements related to the project's link with mechanisms under Article 6 of the Paris Agreement (including Art. 6.2 and Art. 6.4) and/or with CORSIA.

Labeling reflects the status of governmental authorizations, the nature of Corresponding Adjustments, eligibility for use in regulated or voluntary schemes, and any implications for the right to use the issued UCEs. Three types of labels may be applied:

a. Art. 6 – Pending Corresponding Adjustment (per vintage): applicable when there is LOA/LOI (authorizations/intentions from the host country) for international use, but without a completed corresponding adjustment;
b. Art. 6 – Completed Corresponding Adjustment (per vintage): applicable when there is documentary evidence of the corresponding adjustment for carbon credits already issued;
c. CORSIA-eligible: applicable when there is eligibility for use in CORSIA, according to the rules established by the system; registration conditions the use of the label to the publication of metadata and, upon cancellation of carbon credits, to operator/year information.

For labeling, the Project Designer must submit the following documentation:

a. Current LOA/LOI(s), issued by the designated national authority, including: date of authorization, scope (project/activity), purpose of authorized use, and any limitations;
b. Proof of Corresponding Adjustments per vintage and covered volumes of carbon credits already issued, when already completed, or official statements of pending status/execution schedule of Corresponding Adjustments when not yet completed;
c. For CORSIA: proof of eligibility and host country rules, and awareness that, upon cancellation of carbon credits, the airline operator and compliance year must be reported.

During Validation and/or Verification Audit, the VVB must explicitly conclude on:

a. Authenticity of LOA/LOI and formal compliance (issuing authority, legal basis, signatures, dates, scope, vintages of carbon credits already issued);
b. Consistency per vintage of carbon credits already issued among LOA/LOI, Corresponding Adjustment spreadsheets, volumes issued/canceled in the originating program, and, when applicable, the geographic limit that will migrate to the ECORA Carbon Credit Certification Program with associated LOA/LOI;
c. Status of the corresponding adjustment: what is completed, pending (with deadlines), and what does not apply; when pending, assess risk and recommend conditions;
d. CORSIA: check eligibility at cancellation (operator/year), as well as conflicts with other usage routes. For CORSIA cancellations, the airline operator and year of compliance will be displayed.

3.9 Non-Permanence Risk and Management of the AFOLU Collective Reserve Account

Non-Permanence Risk Assessment

The assessment of the Risk of Non-Permanence aims to identify factors that may compromise the maintenance of emission reductions or GHG removals from AFOLU projects.

The UCEs issued by AFOLU category projects submitted to the ECORA Carbon Credit Certification Program are considered permanent and, in the event of a reversal, the Project Proponent must fully compensate for the losses according to the mechanisms established in this standard.

At the Project Registration Request stage (R2), according to Section 4.2, the Project Designer must meet the following requirements:

a. Carry out the *ex-ante* assessment and issue the Non-Permanence Risk Report according to the Non-Permanence Risk Tool for AFOLU Projects for the entire Credit Period of the project;
b. Submit to Validation Audit all evidence that supported the Non-Permanence Risk assessment;
c. Calculate the *ex-ante* portion of UCEs to be deposited in the AFOLU Collective Reserve Account for the entire Credit Period of the project;
d. The estimated amount of UCEs to be deposited in the AFOLU Collective Reserve Account must be calculated by multiplying the result of applying the Non-Permanence Risk Tool for AFOLU Projects by the estimated amount of UCEs (avoided emissions or net removals, discounted for leakages and uncertainties) for each year throughout the entire Credit Period of the project;
e. The minimum amount of UCEs to be deposited is 10% of the total estimated UCEs for each year throughout the entire Credit Period of the project;
f. Prepare the Mitigation Plan for the identified risks, including the forecast for the entire Commitment Period of the project of mitigation and response measures, implementation schedule, monitoring procedures, and indicators.

At the Project Verification Request stage (Section 4.3), the Project Designer must meet the following requirements:

a. Carry out the *ex-post* assessment and issue the Non-Permanence Risk Report and Mitigation Plan according to the Non-Permanence Risk Tool for AFOLU Projects for the Monitoring Period;
b. Submit to Verification Audit all evidence that supported the Non-Permanence Risk assessment;
c. Calculate the *ex-post* portion of UCEs to be deposited in the AFOLU Collective Reserve Account for the Monitoring Period;
d. The estimated amount of UCEs to be deposited in the AFOLU Collective Reserve Account must be calculated by multiplying the result of applying the Non-Permanence Risk Tool for AFOLU Projects by the estimated amount of UCEs (avoided emissions or net removals, discounted for leakages and uncertainties) for each year during the Monitoring Period;
e. The minimum amount of UCEs to be deposited is 10% of the total estimated UCEs for each year during the Monitoring Period;
f. Update the Mitigation Plan for the identified risks, including results from the Monitoring Period, as well as the forecast for the remaining time of the Commitment Period for mitigation and response actions, implementation schedule, monitoring procedures, and indicators.

In projects with multiple CPs, the Non-Permanence Risk assessment must be carried out individually for each CP. When the distance between the boundaries of the CPs is no more than 10 kilometers and they are exposed to the same levels of risks defined in the Non-Permanence Risk Tool (Environmental and Climatic; Extractive and Economic Activities; Land Tenure; Project Management; Financial Resources; Social and Political)5.5, the Non-Permanence Risk assessments of the CPs may be unified in a single report.

The Non-Permanence Risk Reports and Mitigation Plans for the identified risks will be made publicly available on the project's page on the ECORA Platform and must be part of the set of documents audited in the Validation Audit stage (R4), according to Section 4.2, and Verification Audit (M4), according to Section 4.3.

During the project's Credit Period, the Non-Permanence Risk assessment must take place in the Registration Process and in all Verifications. Failure to update the Non-Permanence Risk Report and Mitigation Plan will prevent the Project Designer from requesting new project verifications (according to Section 4.3). If the Project Designer does not request verification with the updated Non-Permanence Risk Report and Mitigation Plan according to the deadlines and requirements of Section 5.16, a project cancellation process will be initiated, according to the requirements of Section 9.2. After the Credit Period, the Non-Permanence Risk must continue to be monitored until the end of the Commitment Period through Monitoring Reports, according to Section 5.16.

Management of the AFOLU Collective Reserve Account

The Terms and Conditions of the ECORA Carbon Credit Certification Program for the Project Registration Request stage (R2), according to Section 4.2, include acceptance of the mandatory contribution to the AFOLU Collective Reserve Account, in proportion to the result calculated by the Non-Permanence Risk Tool for AFOLU Projects, for each UCE Issuance event of the proposed project, and authorization for the cancellation of credits allocated in the AFOLU Collective Reserve Account to cover reversal events.

After the completion of each verification process, at the UCE Issuance stage (Section 4.3), the deposit of UCEs in the AFOLU Collective Reserve Account will be carried out automatically, according to the specifications of Section 8.

If a reversal occurs (as defined in Section 1), the Project Proponent and/or Project Designer must notify ECORA within 30 calendar days from its identification, through the Reversal Report.

The Reversal Report must include:

a. Contextualization of the occurrence and possible causes;
b. Classification as “avoidable reversal” or “unavoidable reversal” (according to the definitions in Section 1) supported by the appropriate justifications and evidence;
c. Estimate of the total net emissions caused by the event, calculated using the same parameters and measurement methods validated for the project;
d. Reversal value in tons of carbon equivalent calculated from the difference between the total GHG emissions resulting from the reversal event and the net benefit of emission reductions and/or GHG removals generated by the project since the start of the current unverified Monitoring Period. If the reversal event occurs within the first 12 months of the current unverified Monitoring Period, the reversal value will be calculated from the difference between the total GHG emissions resulting from the reversal event and the net benefit of emission reductions and/or GHG removals projected *ex-ante* for the first 12 months of the current unverified Monitoring Period;
e. *Ex-ante* estimate of the net value of emission reductions and/or GHG removals expected for the entire current unverified Monitoring Period (with a maximum period of five years, according to Section 5.16);
f. Action plan for mitigation of impacts and risks, including actions, implementation schedule, and monitoring procedures and indicators.

The difference between the total net emissions caused by the event and the reversal value will be considered as project emission and must be accounted for in the subsequent verification process.

The reversal value, after ECORA's assessment, will be compensated by canceling an equivalent amount of UCEs from the AFOLU Collective Reserve Account, for both avoidable and unavoidable reversals.

In the case of an avoidable reversal, the UCEs canceled for compensation purposes must be replaced by the Project Proponent. The UCEs issued by the project in the verification process after the reversal event will be automatically debited until the amount of UCEs canceled from the AFOLU Collective Reserve Account is replenished as compensation for the reversal value. If the project's UCE generation forecast for the current Monitoring Period (a maximum period of five years, according to Section 5.16) is not sufficient, the Project Proponent must, within 12 months:

a. Make the remaining amount of UCEs required for deposit in the Collective AFOLU Reserve Account available in their ECORA User Account for automatic transfer by ECORA and/or;
b. Formalize and provide evidence to ECORA of the acquisition and retirement of carbon credits from an equivalent mechanism defined by ECORA exclusively for the purpose of replenishing the necessary remaining amount. For each canceled carbon credit, ECORA will automatically issue and deposit one UCE in the Collective AFOLU Reserve Account.

If the Project Proponent does not complete the total required replenishment within the specified period, ECORA may, at its discretion, suspend their ECORA User Account, making it impossible to carry out new issuances and transactions pending regularization.

If the Project Proponent is also a proponent of other projects, ECORA may decide, at its discretion, on the partial or total debit of UCEs issued by the other projects in their subsequent verification processes to offset the remaining reversal amount.

In the case of an unavoidable reversal, the project will remain eligible for UCE issuance, subject to the following criteria:

a. If the reversal amount exceeds the quantity of UCEs previously deposited by the project in the AFOLU Collective Reserve Account, the difference will be automatically debited from the first UCE Issuance event after notification to ECORA for replenishment purposes;
b. If the reversal amount does not exceed the quantity of UCEs previously allocated by the project in the AFOLU Collective Reserve Account, the issuance of new UCEs will not be affected and there will be no need for replenishment.

The baseline may be reassessed if changes in previously estimated carbon stocks are material (as per the definition of materiality in Section 5.20). If revised, the new baseline must be validated at the verification event following the reversal.

The geographic boundary of the Project Area must be maintained and the area affected by the reversal must be monitored until the end of the Project Commitment Period, regardless of whether the reversal is classified as avoidable or unavoidable.

Areas where avoidable or unavoidable reversals have occurred are only eligible for the generation of new UCEs after the full recovery to pre-reversal levels, provided that the eligibility requirements of the applied methodology are met.

Project Activities involving planned activities that reduce carbon stock, such as sustainable forest management, forest harvesting, will not be considered reversal, provided that:

a. It is carried out in accordance with current legislation and approved by the competent government authority, if applicable;
b. It does not result in a reduction in vegetation carbon stocks in an amount 20% greater than the net benefit of GHG reduction and/or removal generated by the project in the current unverified Monitoring Period, except for ARR projects, which must apply the calculation of average forest carbon stock as per Section 5.13;
c. It does not result in a reduction in vegetation carbon stocks in an amount that exceeds the projected net benefit *ex-ante* for the first 24 months following the last verified Monitoring Period, except for ARR projects, which must apply the calculation of average forest carbon stock as per Section 5.13;
d. It has been provided for in the PDD, based on a management plan or equivalent, demonstrating that the carbon stock at the end of the Project Area Commitment Period will be equal to or greater than at the Project Start Date, presents replanting and/or natural post-harvest regeneration strategies, and presents an execution schedule;
e. It occurs according to the *ex-ante* schedule established in the PDD. Schedule changes may be made as long as they do not reduce the carbon stock projected for the end of the Commitment Period and do not result in *ex-post* GHG emissions greater than 10% compared to the *ex-ante* for the Monitoring Period.

After the end of the Credit Period, 50% of the UCEs deposited by the project in the AFOLU Collective Reserve Account and not canceled due to reversals since the beginning of the project may be redeemed by the Project Proponent.

If the Credit Period is equal to the Commitment Period, the redemption request must be made by the Project Proponent through the ECORA Platform in a single submission after the issuance and publication of the Project Commitment Period Termination declaration by ECORA, according to the requirements of Section 9.1.

If the Commitment Period is longer than the Credit Period, redemptions may be requested in proportional installments annually during the remaining Commitment Period after the end of the Credit Period. The redemption request must be made by the Project Proponent through the ECORA Platform after addressing the comments and supplementing each Monitoring Report, as per Section 4.3. The last installment may be requested after the issuance and publication of the Project Commitment Period Termination declaration by ECORA, according to the requirements of Section 9.1. The amount of UCEs that can be redeemed per installment annually must be calculated according to Equation 1.

$$UCEs_{Resg,t} = \frac{UCEs_{Dep} - UCEs_{Rev}}{2 \times (t_{PComp} - t_{PCréd})} \quad \text{[Equation 1]}$$

Where:

$UCEs_{Resc,t}$: Quantity of UCEs eligible for redemption per tranche in year t;

$UCEs_{Dep}$: Amount of UCEs deposited by the project since the first verification;

$UCEs_{Rev}$: Amount of UCEs canceled from the Collective AFOLU Reserve Account due to project reversals;

t_{PComp}: Total time of the project's Commitment Period in years;

$t_{PCréd}$: Total time of the project's Credit Period, including all renewals, in years.

Projects that have completed the Credit Period but have undergone reversal events must wait five years from the last unavoidable reversal and 10 years from the last avoidable reversal to make redemption requests. These deadlines must be respected, even if they exceed the Commitment Period, for the purpose of compensating for any project reversal events.

3.10 Data Sharing

Transparency in the quantification of GHG emission reductions or removals is essential for the integrity of UCEs certified by ECORA. In this regard, the documentation and data used in the certification process will be made available to the public on the ECORA Platform, in order to allow independent evaluation of activities linked to certified projects.

The data to be shared includes:

a. Project Description Document (PDD);
b. Monitoring Report (MR);
c. Necessary information that allows third parties to assess the social and environmental impacts of project activities and replicate the calculations of GHG emission reductions or removals. The information includes, but is not limited to:
    I. Spreadsheets used in the calculations of GHG emission reductions or removals, when quantification is not performed on the ECORA Platform;
    II. Geospatial and cartographic data used in the quantification of GHG emission reductions or removals, as specified in the applicable methodology, must be made available in open and interoperable formats, preferably GeoPackage (.gpkg) for vectors and GeoTIFF (.tif) for *rasters*, accompanied by the technical information necessary for independent replication of the calculations and analyses performed;
    III. Emission factors used;
    IV. Scientific literature used.

The Project Proponent and/or Project Designer may request confidentiality of information, provided it is accompanied by technical and/or legal justification, including supporting documentation that substantiates the request. The information used to demonstrate additionality, establish the baseline, and assess environmental, social, and sustainable development impacts is not considered confidential. Eligible cases for confidentiality requests include, but are not limited to:

a. Information protected by confidentiality agreements;
b. Information safeguarded by intellectual property rights;
c. Personal information, the disclosure of which may violate the right to privacy of the individuals involved;
d. Information subject to restrictions established by data protection laws;

e. Commercially sensitive information, the disclosure of which may harm the competitiveness, strategic positioning, or commercial interests of the parties involved.

ECORA is responsible for evaluating and approving or rejecting the data confidentiality request, as requested by the Project Proponent and/or Project Designer.

The confidentiality authorization request must be made by the Project Proponent and/or Project Designer via the ECORA Platform. The approval or rejection of the request will be communicated via the ECORA Platform privately to the Project Proponent and/or Project Designer. The content of the request will be restricted to ECORA, the Project Proponent, the designated Project Designer, and the VVBs involved in the Registration and Verification processes.

3.11 Jurisdictional Interface Requirements

A Jurisdictional Market Approach Program is an initiative at the subnational or national scale, in which the jurisdiction itself assumes the accounting, monitoring, and verification of GHG emission reductions or removals.

The ECORA Carbon Credit Certification Program does not certify Jurisdictional Programs. However, projects located in areas under Jurisdictional Programs may be certified.

If applicable, the Project Designer must report in the PDD that the Project Area is located under a Jurisdictional Program.

When the jurisdiction's regulation does not require the project's compliance with the requirements of the Jurisdictional Program, the Project Proponent must formally communicate the project's non-participation within its boundaries to the competent authority, in accordance with the current legislation of the host country, and to the ECORA Carbon Credit Certification Program.

When the jurisdiction's regulation requires the project's compliance with the requirements of a Jurisdictional Program, but does not involve the automatic issuance of carbon credits in the name of the jurisdiction and allows the accounting of carbon credits in an independent project, the Project Designer must:

a. Comply with the requirements of the Jurisdictional Program;
b. Comply with the requirements of the ECORA Program and its respective methodology(ies), tool(s), and related documents;
c. Specify, in the relevant sections of the PDD, how the project's activities meet the guidelines and requirements of the Jurisdictional Program;
d. Demonstrate, through eligibility, traceability, and applicable checks, that the project's participation in a Jurisdictional Program does not result in double issuance of carbon credits.

When the jurisdiction's regulation requires integration into the Jurisdictional Program involving the automatic issuance of carbon credits by the program itself, projects located in that jurisdiction are not eligible for the ECORA Carbon Credit Certification Program. In case of exceptions due to national or subnational legislation, the Project Designer may justify the non-applicability of this requirement.

4. Certification Process

The ECORA Carbon Credit Certification Program certification process is conducted through the ECORA Platform, which integrates document submission, deadline tracking, and communication between Project Proponents, VVBs, and ECORA itself.

The applicable fees, according to the stages of the certification process, are listed in the ECORA Carbon Credit Certification Program Fees document.

All users must accept the Terms and Conditions of the ECORA Carbon Credit Certification Program regarding the registration and certification stages.

The stages of the ECORA Carbon Credit Certification Program are divided into three categories: Preliminary Stages, Registration Stages, and Monitoring Stages. The Preliminary Stages precede the development of all

projects in the program. The Registration Stages and the Monitoring Stages of the project's initial verification may occur sequentially (

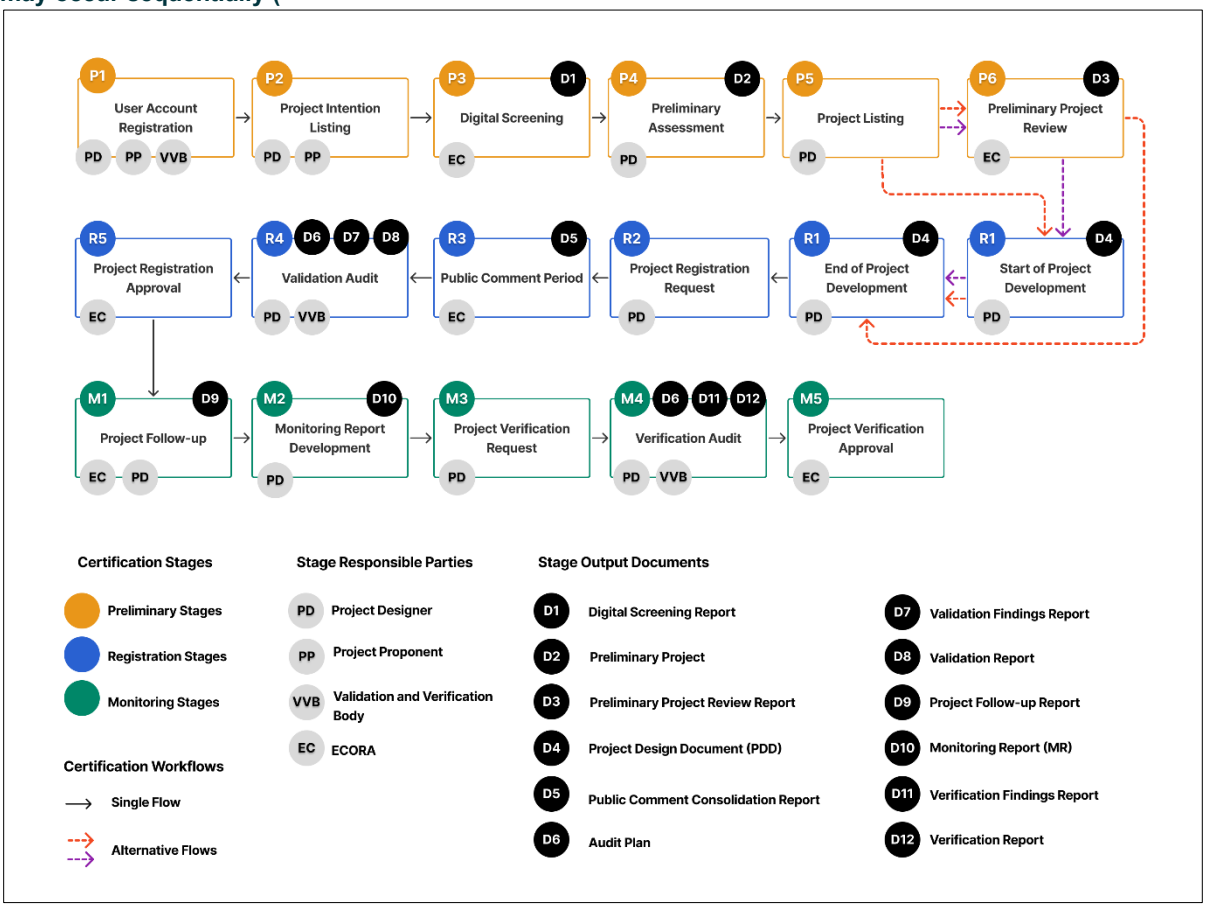

Figure 1) or jointly (

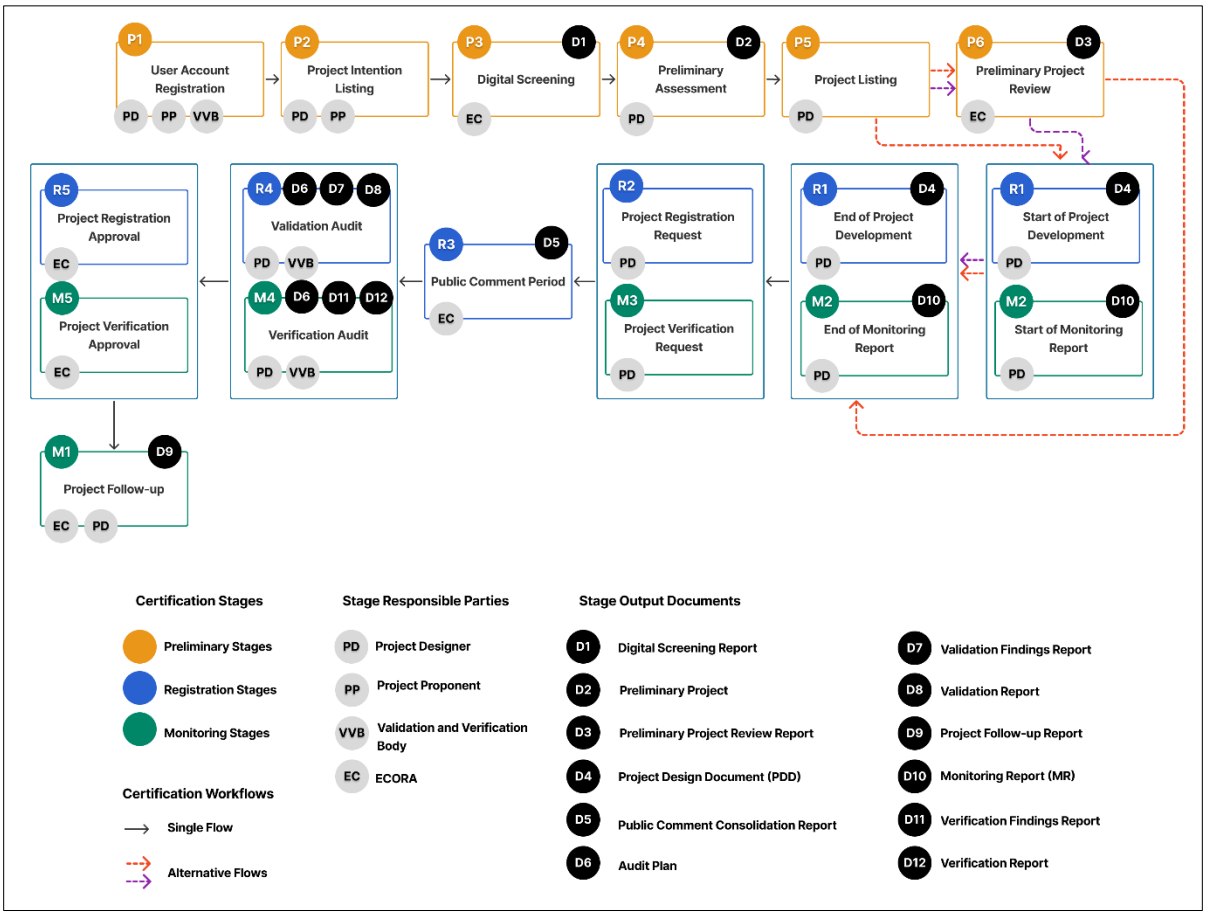

Figure 2). In both cases, after the project registration, the Monitoring Stages are repeated periodically, according to the requirements of Sections 4.2 and 5.16, throughout the entire Credit Period of the project.

The flowchart with the joint Registration and first Verification processes (

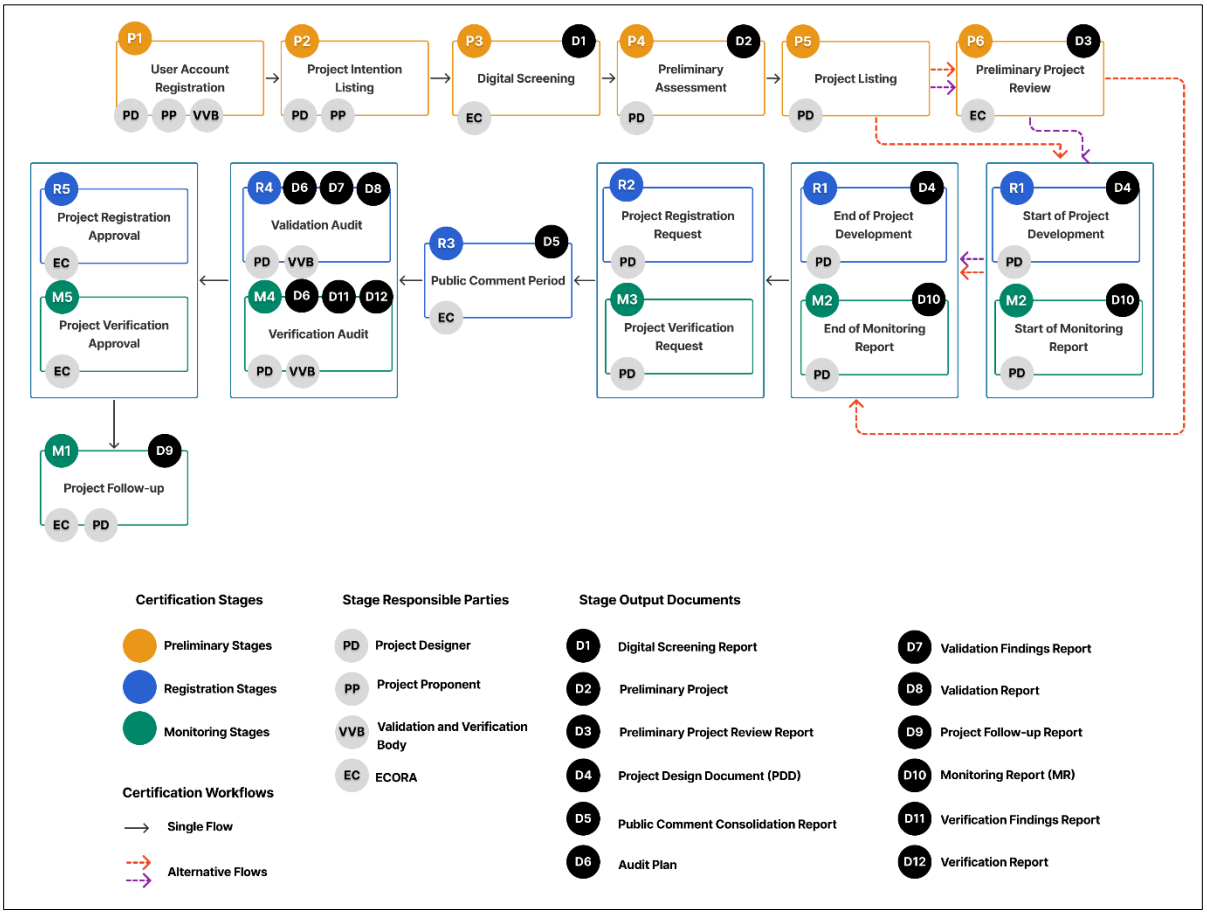

Figure 2) is applicable only when the Project Start Date, as per Section 5.6, is earlier than the Project Registration Request date (R2).

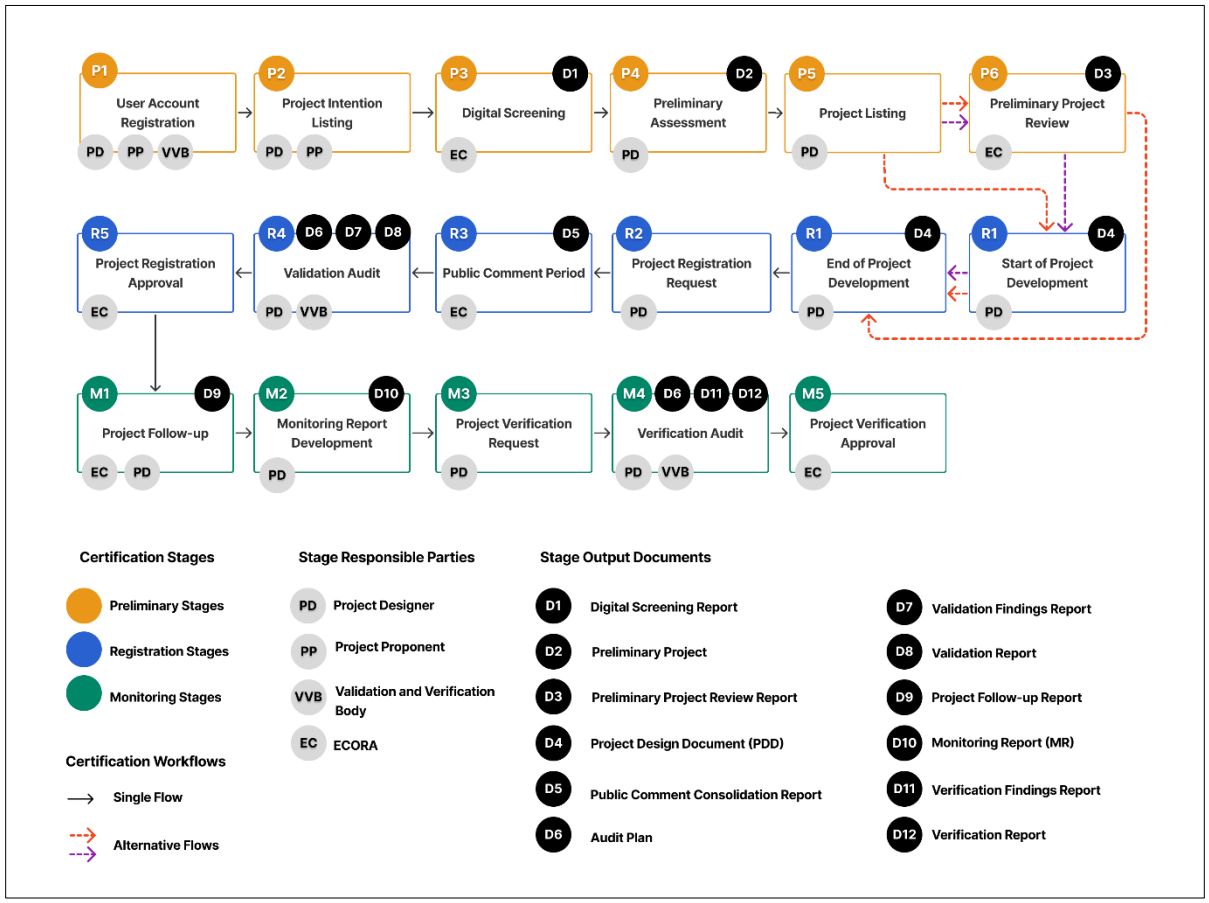

Figure 1. Flowchart of the ECORA Certification Process with sequential Registration and First Verification.

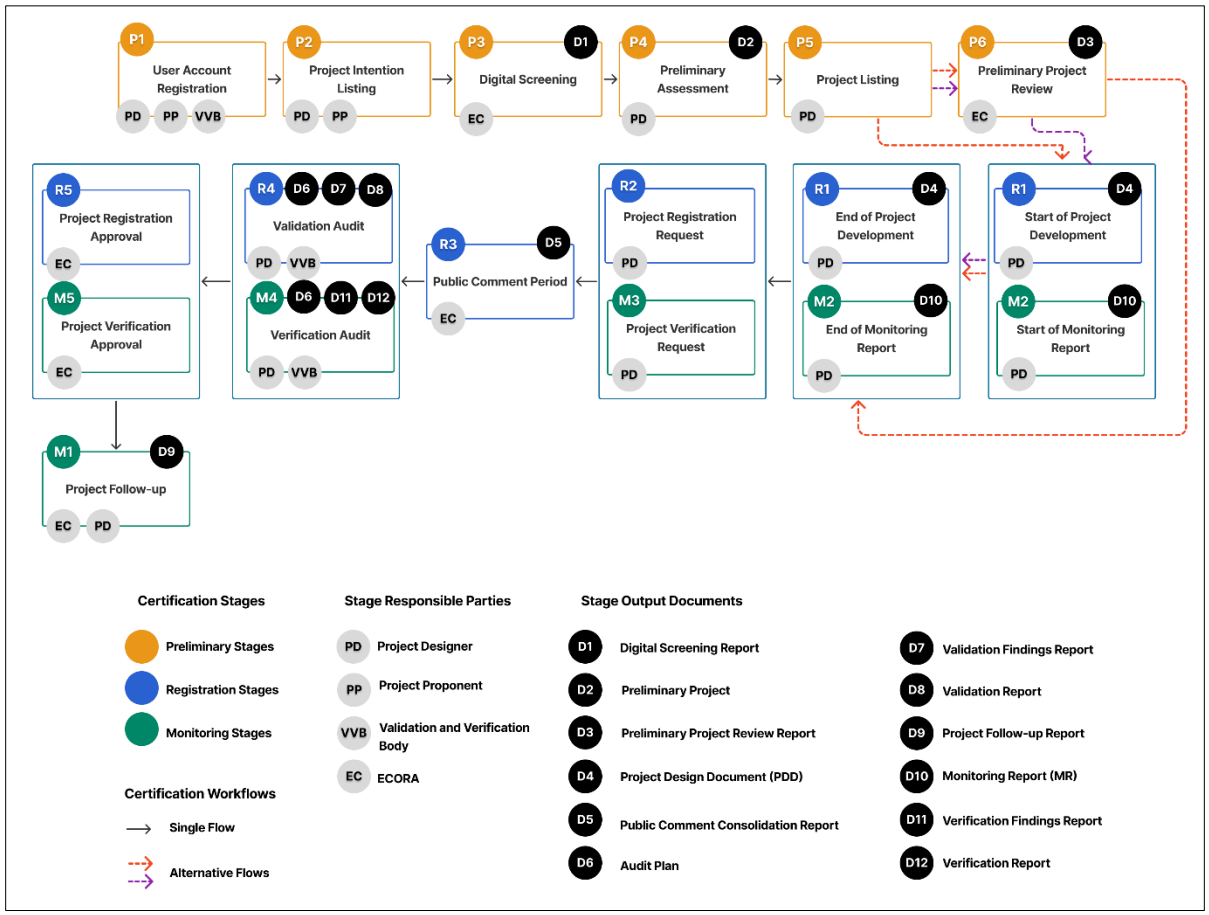

Figure 2. Flowchart of the ECORA Certification Process with joint Registration and First Verification stages.

4.1 Preliminary Stages

User Account Registration (P1)

Responsible Parties: Project Designer, Project Proponent, and VVB.

Action: Submit information for User Account Registration using the ECORA Platform form.

Product/Result: User registered.

User Account Registration on the ECORA Platform is intended for different parties involved in emission reduction or GHG removal projects, including Project Designers, Project Proponents, VVBs, investors, and credit buyers. Each registered user will have an ECORA User Account according to their usage profile.

Interested parties must follow the step-by-step instructions available on the ECORA Platform and submit all required documents.

Project Intention Listing (P2)

Responsible Parties: Project Designer or Project Proponent.

Action: Submit information and files of a geographic area of interest on the ECORA Platform.

Product/Result: Initiation of Digital Screening.

The Project Intention Listing is the stage in which a Project Proponent or Project Designer submits the project's preliminary information on the ECORA Platform, as per the platform's template. A vector file of a geographic area of interest must be submitted, which may be one or more polygons, over which the Project Proponent or Project Designer wishes to assess the potential suitability factors for project types, limitations, risks, and includes a preliminary estimate of the net capacity for emission reductions or GHG removals. After the Project Intention Listing, the Digital Screening stage (P3) will be carried out by the ECORA Platform.

Digital Screening (P3)

Responsible Entity: ECORA Platform.

Action: Automated Digital Screening of the geographic area of interest.

Product/Result: Digital Screening Report (D1).

The Digital Screening stage will be carried out by the ECORA Platform based on the information and vector file provided by the Project Proponent or Project Designer, indicating potential suitability factors for project types, limitations, risks, and a preliminary estimate of the net capacity for emission reductions or GHG removals.

The ECORA Platform will issue a Digital Screening Report, which must be used by the Project Designer as input for the Preliminary Assessment stage (P4).

The Digital Screening does not represent a formal approval, nor a guarantee of the number of UCEs to be generated, as the project must still go through the other preliminary and Registration stages of the ECORA Carbon Credit Certification Program.

Preliminary Assessment (P4)

Responsible Party: Project Designer.

Action: Analyze the potential for compliance with the ECORA Carbon Credit Certification Program.

Product/Result: Preliminary Project (D2).

The purpose of the Preliminary Assessment is to determine whether a proposed project has the potential for compliance with the ECORA Carbon Credit Certification Program, assisting the Project Proponent in deciding whether to proceed to the Development and Registration stages.

The Preliminary Assessment of a proposed project must be carried out by a Project Designer designated by the Project Proponent, and must report in the Preliminary Project its compliance with the criteria below, as set out in the ECORA Carbon Credit Certification Program:

a) Project eligibility, as per Section 3.3 and requirements of the applicable Tools and Methodologies;

b) Assessment of double counting and double registration risks;

c) Definition of project boundaries, CPs, and Project Activities;

d) Project Start Date and Credit Period;

e) Carbon ownership and rights;

f) Analysis of possible overlaps and other land tenure risks;

g) Preliminary estimate of the net capacity for emission reductions or GHG removals of the proposed projects.

If the Project Start Date and the start date of the Credit Period are planned and later than the Project Registration Request date (R2), these items may be estimated and updated in the Monitoring Stages of the first verification. Otherwise, the Preliminary Project must indicate the actual dates.

If certain evidence or documents are not available during the Preliminary Assessment, the Project Designer must justify their absence and present the required documentation during the Validation Audit, should the Project Proponent decide to proceed to the next stage.

The Preliminary Project is a document with preliminary sections of the PDD that cover the topics of the Preliminary Assessment, and its preparation must follow the template provided on the ECORA Platform.

Project Listing (P5)

Responsible: Project Designer or Project Proponent.

Action: Submit Preliminary Project and supporting documents.

Product/Result: Project registration with identification number on the ECORA Platform.

Project Listing is the stage at which the proposed project, after the Preliminary Assessment (P4), is considered as a project for emission reductions or GHG removals. Each project undergoing certification has a dedicated project page on the ECORA Platform, which becomes public after registration is approved, with an assigned identification number.

Project Listing must be requested by the Project Proponent or Project Designer on the ECORA Platform by submitting the following documents:

a. Evidence of ownership and additional certificates. For projects in Brazil, the Guidelines Document of the Applicable Regulatory Framework for Projects must be followed;
b. Vector file of the Project Area;
c. Preliminary Project.

Upon submitting the documentation, the project receives the *status* of “Registered” and ECORA begins the evaluation of the Preliminary Project. The Project Proponent and Project Designer may choose to wait for

the issuance of the Preliminary Project Evaluation Report to begin the development of the PDD or to start right after the Project Listing.

All documents submitted as part of the project certification process are publicly accessible after registration, except for those for which a confidentiality request has been made by the Project Proponent and/or Project Designer and has been approved by ECORA (as described in Section 3.10).

Preliminary Project Review (P6)

Responsible Party: ECORA.

Action: Preliminary Project Review and make notes to be addressed for the Project Registration Request stage (R2).

Product/Result: Preliminary Project Review Report (D3).

ECORA will evaluate the Preliminary Project and issue the Preliminary Project Review Report, which may include requests for correction of non-conformities or for submission of additional information that must be provided by the Project Designer at the time of the Project Registration Request (R2).

Upon the completion of the Preliminary Project evaluation by ECORA, the project will be eligible to finalize development of the PDD and the Project Proponent or Project Designer may request the project's registration. During the Validation Audit, the VVB must assess whether the responses and additional documentation provided by the Project Designer in response to the Preliminary Project Evaluation meet the requirements of the ECORA Carbon Credit Certification Program.

4.2 Registration Stages

Project Development (R1)

Responsible Party: Project Designer.

Action: Develop and describe the project.

Product/Result: Project Description Document – PDD (D4).

The PDD must be prepared by the Project Designer according to the requirements and model of the ECORA Carbon Credit Certification Program.

The ECORA Platform will provide tools to automate the preparation of PDD components, including physical, biotic, and social characterizations, definitions of Baseline Scenarios, quantification of emission reductions and/or GHG removals, assessments of additionality and Non-Permanence Risk, among others. The technical development via the ECORA Platform must be adopted by all Project Designers, according to the adequacy rules established in ECORA communications regarding the launch of the functionalities.

Project Registration Request (R2)

Responsible Party: Project Designer.

Action: Submit the project and supporting documents for registration.

Product/Result: Start of Public Comment Period (R3).

The Project Designer will have a period of 12 months after the issuance of the Preliminary Project Evaluation Report to submit the Project Registration Request. If the deadline is not met, the status of the project will be changed to “Inactive” and it will be ineligible for Project Registration Request. After the status of the project is considered “Inactive”, the Project Proponent must make a new Project Listing Request (P5) as per Section 4.1 and go through the Preliminary Project Review (P6) process again to submit the Project Registration Request.

The project registration must be requested by the Project Designer on the ECORA Platform by submitting the following documents:

a) Online Registration Request Form;

b) PDD according to the model provided by the ECORA Carbon Credit Certification Program. When the digital PDD development functionality is available on the ECORA Platform, the use of the digital tool will be mandatory and it will not be necessary to submit a file for the document;

c) Calculation spreadsheets, prepared according to the requirements of the applicable methodology. When the calculation functionality for the applied methodology is available on the ECORA Platform, the use of the digital tool is mandatory and it is not necessary to submit spreadsheets;

d) Evidence of ownership and additional certificates, if there have been changes since the project registration. For projects in Brazil, the Guidelines Document of the Applicable Regulatory Framework for Projects must be followed;

e) Vector file of the Project Area, if there have been changes since project registration;

f) Evidence of consultation with Stakeholders and FPIC, if applicable;

g) Any annex or supporting document referenced in the project documentation;

h) Documentation required by the additional certification rules requested by the Project Proponent, if applicable;

i) Supplementary documentation, as defined in the ECORA Carbon Credit Certification Program and corresponding methodology(ies).

The Monitoring Steps related to the project's initial verification may occur simultaneously with the Registration Steps, as presented in

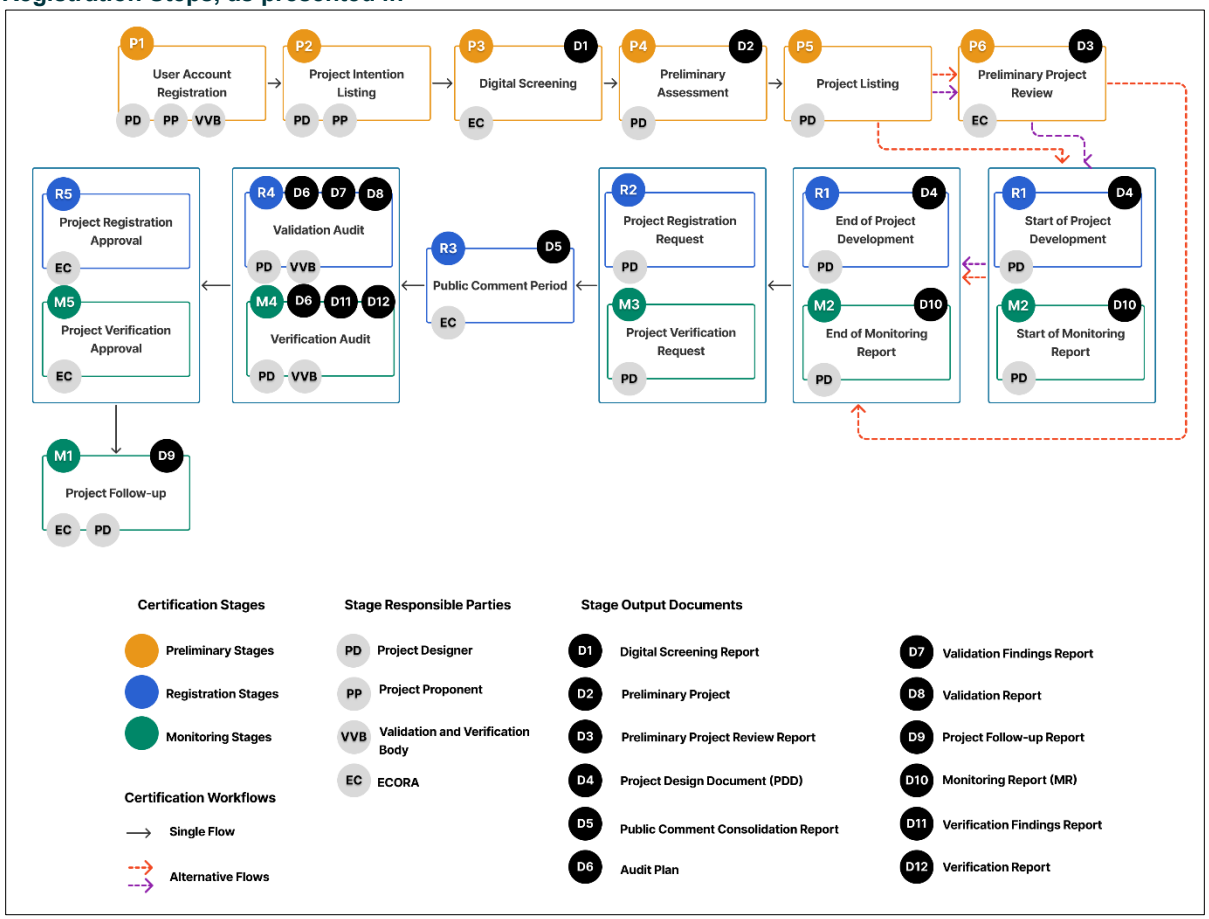

Figure 2. However, verification can only be completed at the time of or after project registration. In these cases, the Project Designer must submit both the PDD and the MR, as well as the calculation spreadsheets and the required supplementary documentation.

ECORA will assess the completeness of the documentation and may request additional documentation. The Project Proponent must respond to all requests made.

If the responses are not considered satisfactory, ECORA will issue new requests, repeating the process until the documentation is in compliance with the applicable requirements.

Public Comment Period (R3)

Responsible Party: ECORA.

Action: Make the project publicly accessible and receive comments from Stakeholders.

Product/Result: Public Comment Consolidation Report (D5).

After the submission of the Project Registration Request documentation and the completeness review of the documentation sent by ECORA, the project must go through a 30- day public comment period on the ECORA Platform.

All Stakeholders can submit comments directly on the project's page on the ECORA Platform.

ECORA will compile all received comments into a Project Public Comment Consolidation Document and share it with the Project Proponent, Project Designer, and the VVB.

The Project Proponent must respond to each comment received and the Project Designer must make all necessary modifications to the PDD and other relevant documents. The responses to comments received during the public comment period must be submitted for VVB evaluation during the Validation Audit.

Validation Audit (R4)

Responsible Parties: VVB and Project Designer.

Action: Assessment by the VVB of the project's compliance with the requirements of the ECORA Carbon Credit Certification Program.

Product/Result: Audit Plan (D6), Validation Findings Report (D7), and Validation Report (D8).

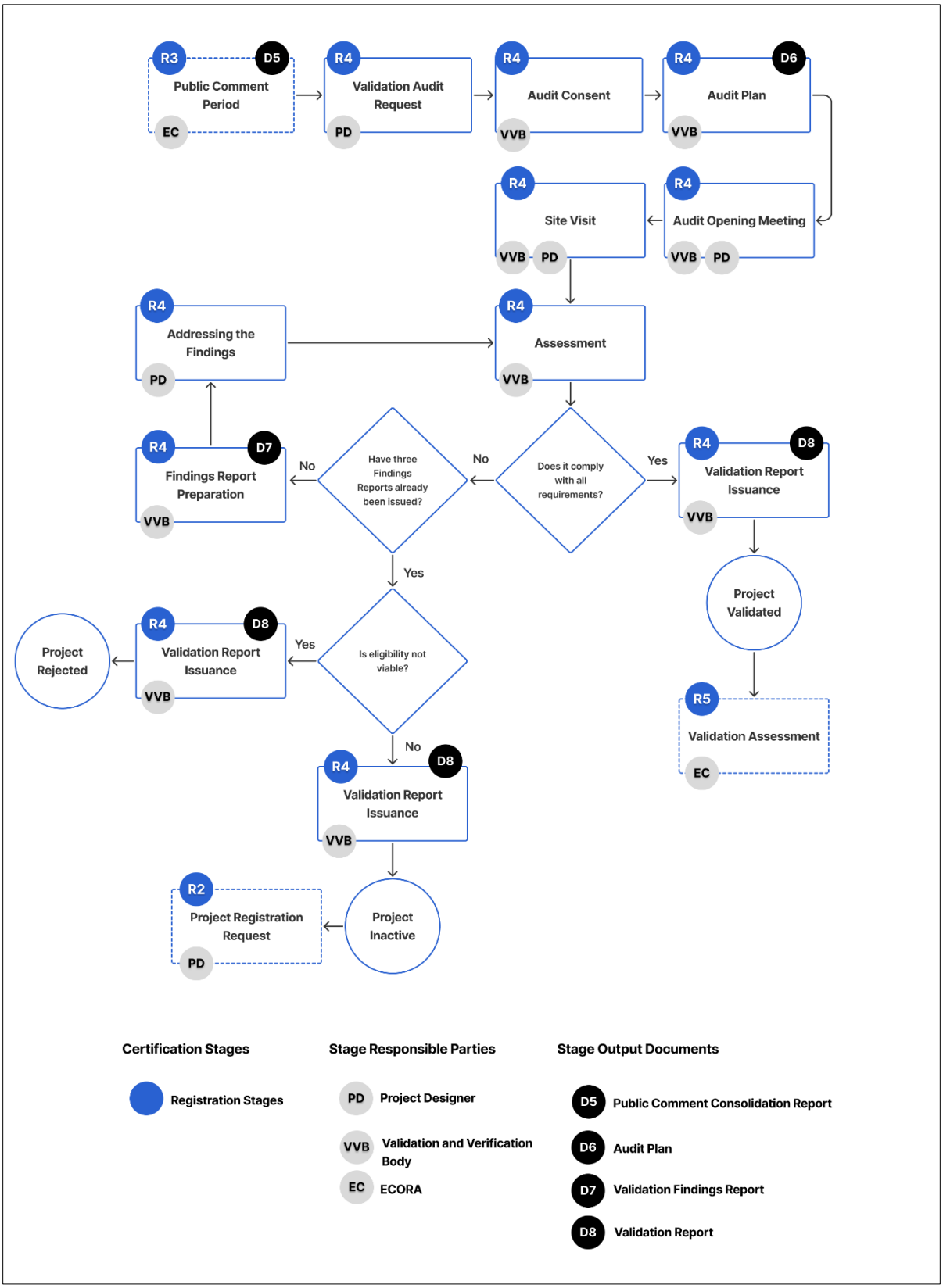

Figure 3. Flowchart of the Validation Audit Stage (R4).

Projects certified by ECORA must undergo an independent Validation Audit, conducted by a VVB accredited by the ECORA Carbon Credit Certification Program, according to the requirements established in Section 7.

The Project Proponent must hire, at their discretion, one of the VVB's authorized by the ECORA Carbon Credit Certification Program, as described in Section 7, who will conduct the project's Validation Audit.

The Project Designer must request the Validation Audit directly through the ECORA Platform after the conclusion of the Public Comment Period (R3), specifying the contracted VVB and the scheduled period for the site visit.The contracted VVB must confirm their agreement to conduct the audit via the ECORA Platform to initiate the Validation Audit.

After agreement, the VVB has access to all project documentation available on the ECORA Platform and must develop the Audit Plan, as per Section 7.5. The Audit Plan is made available to the Project Designer and Project Proponent to provide comments and may be amended by the VVB until the date of the audit opening meeting.

The execution of the Validation Audit must meet the requirements of Section 7.5.

Functionalities will be made available on the ECORA Platform for automating the checking of PDD components, such as physical, biotic, and social characterizations, definitions of Baseline Scenarios, quantification of emission reductions and/or GHG removals, assessments of additionality and Non-Permanence Risk, among others. The VVBs must adopt the functionalities in Validation Audits according to the adequacy rules established in ECORA communications regarding the launch of the functionalities.

After evaluating all the documentation provided and conducting a site visit, the VVBs must conclude the Validation Audit by issuing the Validation Report (as per Section 7.11) if the project meets all the requirements of the ECORA Carbon Credit Certification Program, or issue a Findings Report containing requests for corrections, requests for clarifications, requests for additional documentation, and requests for future adjustments. Requests for future adjustments must be limited to non-material improvements and cannot cover critical requirements of eligibility, safeguards, additionality, baseline, net results of emission reductions or GHG removals, prevention of double counting, or any elements that condition the registration decision.

If a Findings Report has been issued, the Project Designer must address all findings, except for requests for future adjustments, which must be fulfilled by the next project verification event. If the Project Designer's responses do not fully address the findings, the VVB must issue a new Findings Report with the appropriate requests. The VVB will issue a maximum of three Findings Reports during the Validation Audit. After all findings have been addressed by the Project Designer or if the requests in the third issued Findings Report are not met, the VVB must conclude the Validation Audit by issuing the Validation Report (as per Section 7.11). Interactions between the Project Designer and VVB for issuing Findings Reports and responses must take place through the ECORA Platform.

Once the Validation Audit is completed, the VVB must submit the Validation Report, the final version of the PDD, the calculation spreadsheets, and any other relevant documentation directly on the ECORA Platform.

The Validation Report must present the conclusion through a Validation Statement as per Section 7.11, classifying the project as Validated, Inactive, or Rejected.

a. Validated Projects are those that have met the criteria for registration in the ECORA Carbon Credit Certification Program and will be eligible to proceed to the Project Registration Approval stage (R5);
b. Inactive Projects are those that have not met the criteria for registration in the ECORA Carbon Credit Certification Program and will be ineligible for the Project Registration Approval stage (R5). The Project Designer must submit a new Project Registration Request (R2) and go through the Public Comment Period (R3) and Validation Audit (R4) stages again to continue the process. If the request is not made within six months, the project will be considered Rejected;
c. Rejected Projects are those that have characteristics that make them ineligible for the ECORA Carbon Credit Certification Program and will have their registration in the ECORA Program canceled and cannot be the subject of new requests.

The maximum period for completing the Validation Audit is two years from the Project Listing date (P5) and 18 months after the Project Registration Request (R2). If the deadline is not met, the project's status will be changed to “Inactive” and it will be ineligible for Project Registration Request (R2). After the project's *status* is considered “Inactive”, the Project Designer must submit a new Project Listing request (P5) as per Section 4.1 and go through the Preliminary Project Review process (P6) again to make the Project Registration Request (R2).

Project Registration Approval (R5)

Responsible Party: ECORA.

Action: Evaluate the Validation Audit process for project registration.

Product/Result: Project registration.

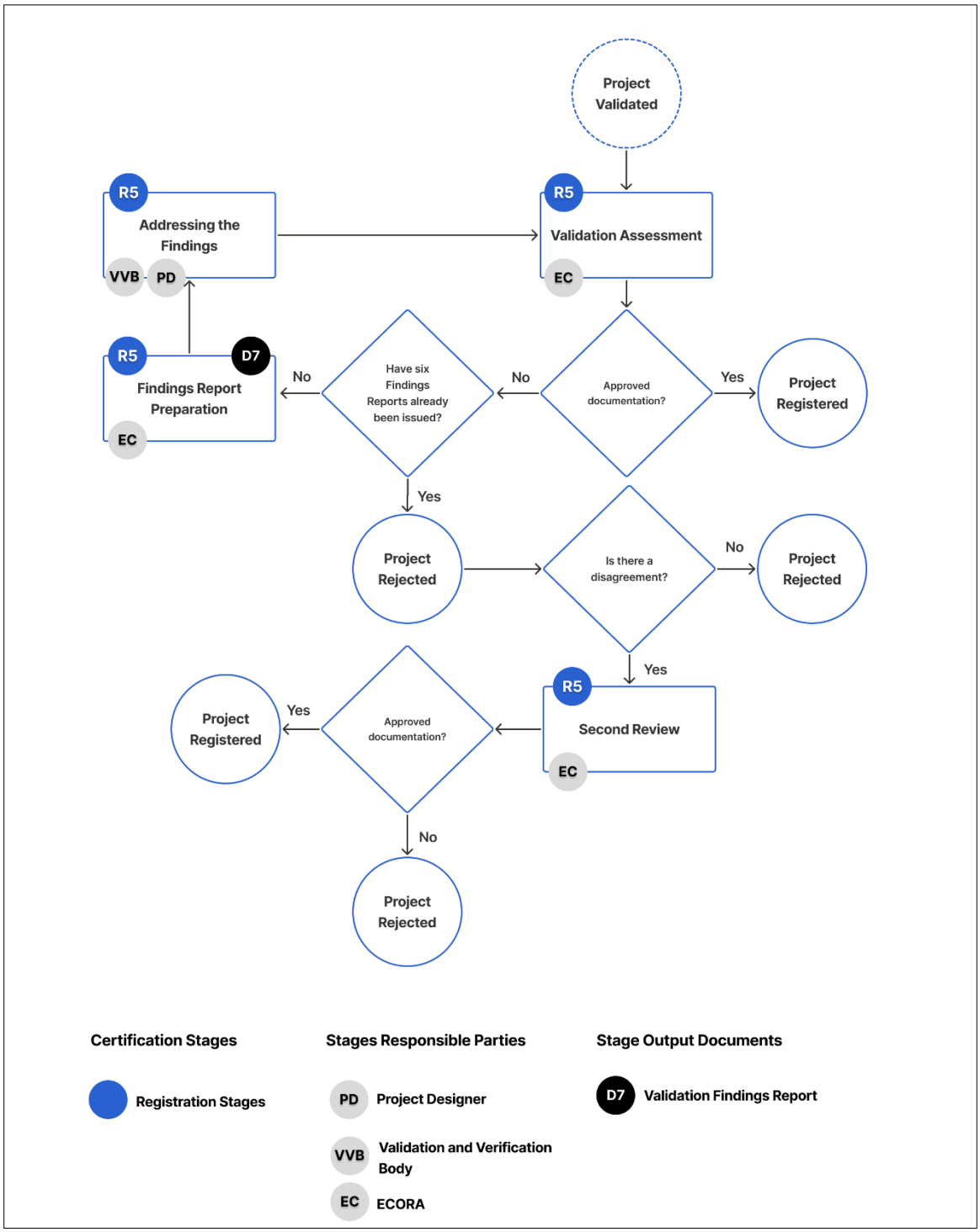

Figure 4. Flowchart of the Project Registration Approval Stage (R5).

After positive validation granted by the VVB, ECORA will evaluate the documents and the Validation Report. After evaluation of all documentation provided, if applicable, ECORA will issue a Findings Report containing requests for corrections, requests for clarifications, requests for additional documentation, and requests for future adjustments.

The VVB must address all findings, providing the required documents or clarifications within 60 calendar days, consulting and requesting corrections and additional documentation from the Project Designer when necessary.

ECORA will evaluate the responses and if the VVB does not fully address the findings, ECORA will issue a new Findings Report with the appropriate requests, repeating the process until all findings are addressed.

In case of documentation approval:

a. The proposed project will have its *status* changed to “Registered”;
b. The Validation Report and the updated PDD are published on the ECORA Platform.

If the project is not approved after six rounds of findings or the VVB does not answer one of the rounds of findings within 60 calendar days, ECORA will change the project's status to “Rejected” and provide the justification for the rejection.

In the event of disagreement regarding the decision issued by ECORA on adjustments of any nature to the elements of the submitted project, or in case of registration rejection, the Project Designer may submit a formal request for clarification and reconsideration.

This request must be substantiated, contain relevant documentation, and be submitted within the deadline established by the ECORA Carbon Credit Certification Program, and timed from the notification of the decision. The Project Designer must clearly and objectively identify queries, any noted omissions, technical divergences, or needs for reassessment, and present clearly any evidence, justifications, and additional information considered relevant.

Once the request is received, ECORA will initiate an internal second review procedure, to be conducted by a team different from the one responsible for the initial evaluation, promoting impartiality and technical rigor. ECORA may, at its sole discretion and at the expense of the Project Proponent, determine:

a. The full or partial review of the Validation Report;
b. The obtaining of additional opinions from internal or external experts;
c. The request for additional information from the Project Designer or, when necessary, from the VVB; and
d. The issuance of a revised decision that may uphold, amend, or complement the original decision.

The decision rendered at the end of this procedure will constitute ECORA's final deliberation, and must be duly justified, issued transparently, and communicated to the Project Proponent and Project Designer through the ECORA Platform. The use of the internal review mechanism does not suspend or alter the responsibilities of the Project Proponent and Project Designer for the information provided, nor does it modify any costs assumed within the scope of the project. Likewise, it does not alter the VVB's obligations regarding the accuracy, completeness, and integrity of its Report.

4.3 Monitoring, Reporting, and Verification Stages

Project Follow-up (M1)

Responsible: ECORA and Project Designer.

Action: Monitor risks and permanence of project benefits throughout the Commitment Period.

Product/Result: Project Follow-up Report (D9).

Project Follow-up will take place through the annual issuance of Monitoring Reports. The Follow-up Report is not part of the verification or UCE issuance process and, therefore, its evaluation by an independent third party is not required by the certification process. Its objective is to monitor the permanence of project benefits and anticipate risks, as per Section 5.16.

The Monitoring Report will be automatically issued by the ECORA Platform and made available to the Project Proponent and Project Designer, indicating alerts and presenting findings, and if applicable, requesting clarifications and/or actions related to risks and permanence of project benefits.

If the Credit Period and the Commitment Period of the project differ, the Monitoring Report automatically issued by the ECORA Platform must be supplemented by the Project Designer with monitoring data on the permanence of the benefits generated by the project. This supplementation shall be completed using a digital tool on the ECORA Platform, following the prescribed template. A grace period of up to 60 days is granted for addressing findings and supplementing the Monitoring Report, if applicable, after which the project is prevented from issuing new UCEs until all pending issues are resolved. After 180 days from the issuance of the Monitoring Report, without resolution of the pending issues, a project cancellation process will be initiated, according to the requirements of the Section 9.2

The accuracy of the information provided in the responses to findings and supplementation of the Monitoring Report is the sole responsibility of the Project Proponent and Project Designer. The provision of false or inconsistent information to meet the requirements of the Monitoring Reports will trigger a project cancellation process in accordance with Section 9.2

Monitoring Report Development (M2)

Responsible Party: Project Designer.

Action: Report the project results for a Monitoring Period.

Product/Result: Monitoring Report – MR (D10).

For each Monitoring Period, the Project Proponent must consolidate the results of the monitoring plan into an MR, which must be prepared by the Project Designer according to the requirements of the ECORA Carbon Credit Certification Program and the template provided by the ECORA Carbon Credit Certification Program.

Functionalities will be made available on the ECORA Platform to automate the preparation of MR components, such as changes in carbon stocks, quantification of emission reductions and/or GHG removals, assessments of additionality and Non-Permanence Risk, among others. This standardized approach must be adopted by all Project Proponents, according to the adequacy rules established in ECORA communications regarding the release of the functionalities.

Project Verification Request (M3)

Responsible Party: Project Designer.

Action: Submit the MR and supporting documents for verification.

Product/Result: Start of Verification Audit.

Project verification must be requested by the Project Designer, according to the frequency described in Section 5.16, on the ECORA Platform by submitting the following documents:

a) Online Verification Request Form;

b) MR, according to the template provided by the ECORA Carbon Credit Certification Program. When the digital MR development functionality is available on the ECORA Platform, the use of the digital tool will be mandatory;

c) Calculation spreadsheets, prepared according to the requirements of the applicable methodology. When the calculation tool for the applied methodology is available on the ECORA Platform, its use will be mandatory and it will not be necessary to send spreadsheets;

d) Any attachment or supporting document referenced in the MR;

e) Supplementary documentation, as defined in the ECORA Carbon Credit Certification Program and the corresponding methodology(ies).

The Monitoring Steps related to the project's initial verification may occur simultaneously with the Registration Steps, as presented in

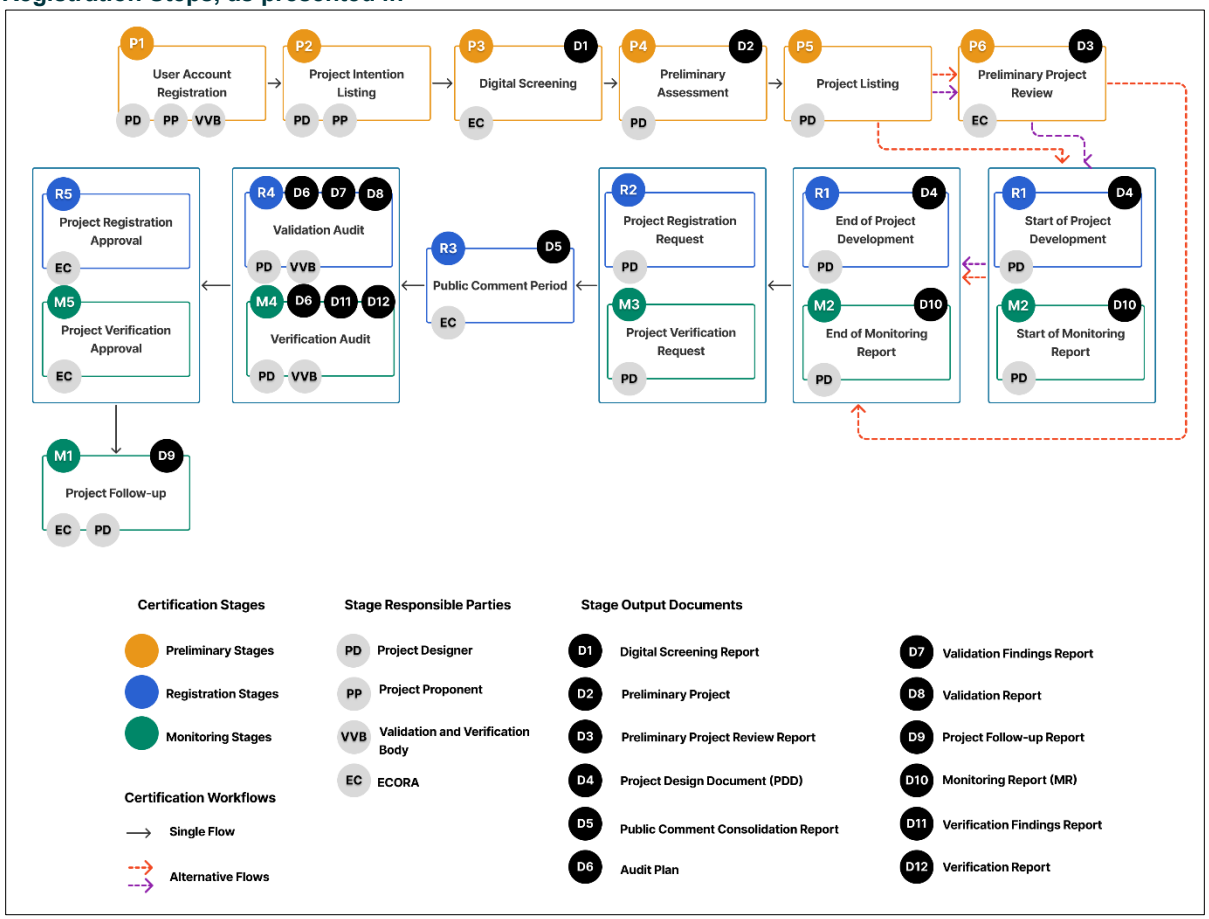

Figure 2. However, verification can only be completed at the time of or after project registration. In such cases, the Project Designer must present both the PDD and the MR, as well as submit the calculation spreadsheets and the supplementary documentation required by the verification process.

Project Verification Requests for new Monitoring Periods, subsequent to the first verification process, can only be made after the previous verification process has passed the Project Verification Approval (M5) stage.

ECORA will assess the completeness of the submitted materials and, if any pending issues or insufficiencies are identified, may request additional information from the Project Proponent, who must respond within 30 days. If the responses provided are not considered satisfactory, ECORA will issue new requests, repeating the process until all documentation complies with the applicable requirements.

Once the completeness of the documentation is confirmed, the project will be eligible to request the Verification Audit.

Verification Audit (M4)

Responsible Party: VVB and Project Designer.

Action: Assessment of the project's monitoring compliance with the requirements of the ECORA Carbon Credit Certification Program by the VVB.

Product/Result: Audit Plan (D6), Verification Findings Report (D11), and Verification Report (D12).

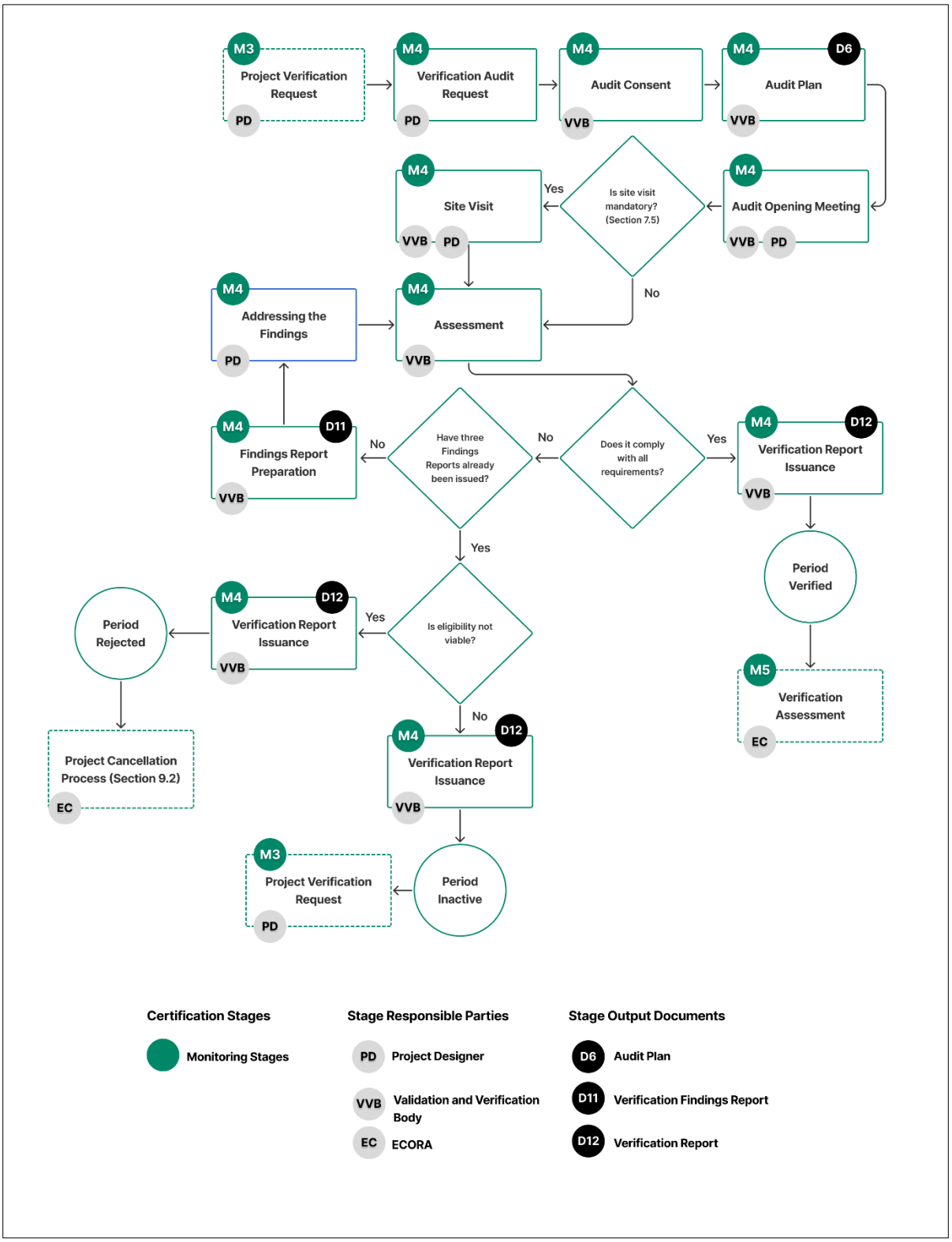

Figure 5. Flowchart of the Verification Audit Stage (M4).

The verification of project results must be carried out for each Monitoring Period, conducted by an independent VVB accredited by the ECORA Carbon Credit Certification Program, according to the requirements established in Section 7.

The Project Designer must hire, at their discretion, one of the VVBs authorized by the ECORA Carbon Credit Certification Program, as described in Section 7, who will conduct the project's Verification Audit.

The Project Designer must request the Verification Audit directly on the ECORA Platform, indicating the contracted VVB and the period of the site visit. The contracted VVB must confirm their agreement to carry out the audit via the ECORA Platform to initiate the Verification Audit.

After agreement, the VVB has access to all project documentation available on the ECORA Platform and must develop the Audit Plan, as per Section 7.5. The Audit Plan is made available for the Project Designer and Project Proponent to provide comments and may be amended by the VVB until the date of the audit opening meeting.

The execution of the Verification Audit must meet the requirements of Section 7.5.

Tools will be made available on the ECORA Platform to automate the checking of MR components, such as changes in carbon stocks, quantification of emission reductions and/or GHG removals, assessments of additionality and Non-Permanence Risk, among others. The VVBs must use said tools in the Verification Audits according to the adequacy rules established in ECORA communications regarding the release of the functionalities.

The maximum deadline for completion of the verification is one year, starting from the Project Verification Request.

After evaluating all the documentation provided and the site visit, the VVB must conclude the Verification Audit by issuing the Verification Report (according to Section 7.11) if the project meets all the requirements of the ECORA Carbon Credit Certification Program, or issue a Findings Report containing requests for corrections, requests for clarifications, requests for additional documentation, and requests for future adjustments. Requests for future adjustments must be limited to non-material improvements and cannot cover critical requirements of eligibility, safeguards, additionality, baseline, net results of emission reductions or GHG removals, prevention of double counting, or any elements that could influence the verification decision.

If a Findings Report has been issued, the Project Designer must address all findings, except for requests for future adjustments, which must be addressed in the next project verification audit. If the Project Designer's responses do not fully address the findings, the VVB must issue a new Findings Report with the necessary requests. The VVB will issue a maximum of three Findings Reports during the Verification Audit. After all findings have been addressed by the Project Designer or if the requests in the third Findings Report are not addressed, the VVB must conclude the Verification Audit by issuing the Verification Report (according to Section 7.11).

Once the Verification Audit is completed, the VVB must upload the Verification Report, the final version of the MR, the calculation spreadsheets, and any other relevant documentation directly to the ECORA Platform.

The Verification Report must present the conclusion through a Verification Statement as per Section 7.11, classifying the Monitoring Period as Verified, Rejected, or Inactive.

a. Projects with a Verified Monitoring Period are those that have met the verification criteria of the ECORA Carbon Credit Certification Program and will be eligible to proceed to the Verification Approval stage (M5);

b. Projects with an Inactive Monitoring Period are those that have not met the verification criteria of the ECORA Carbon Credit Certification Program and as such are ineligible for the Verification Approval stage (M5). The Project Designer must submit a new project verification request and go through the Verification Audit stage again;

c. Projects with a Rejected Monitoring Period are those that have characteristics that make them ineligible for the ECORA Carbon Credit Certification Program and will undergo a Project Cancellation process, according to Section 9.2.

Project Verification Approval (M5)

Responsible Party: ECORA.

Action: Evaluate the Verification Audit process for authorization to issue UCEs.

Product/Result: Issuance of UCEs authorized.

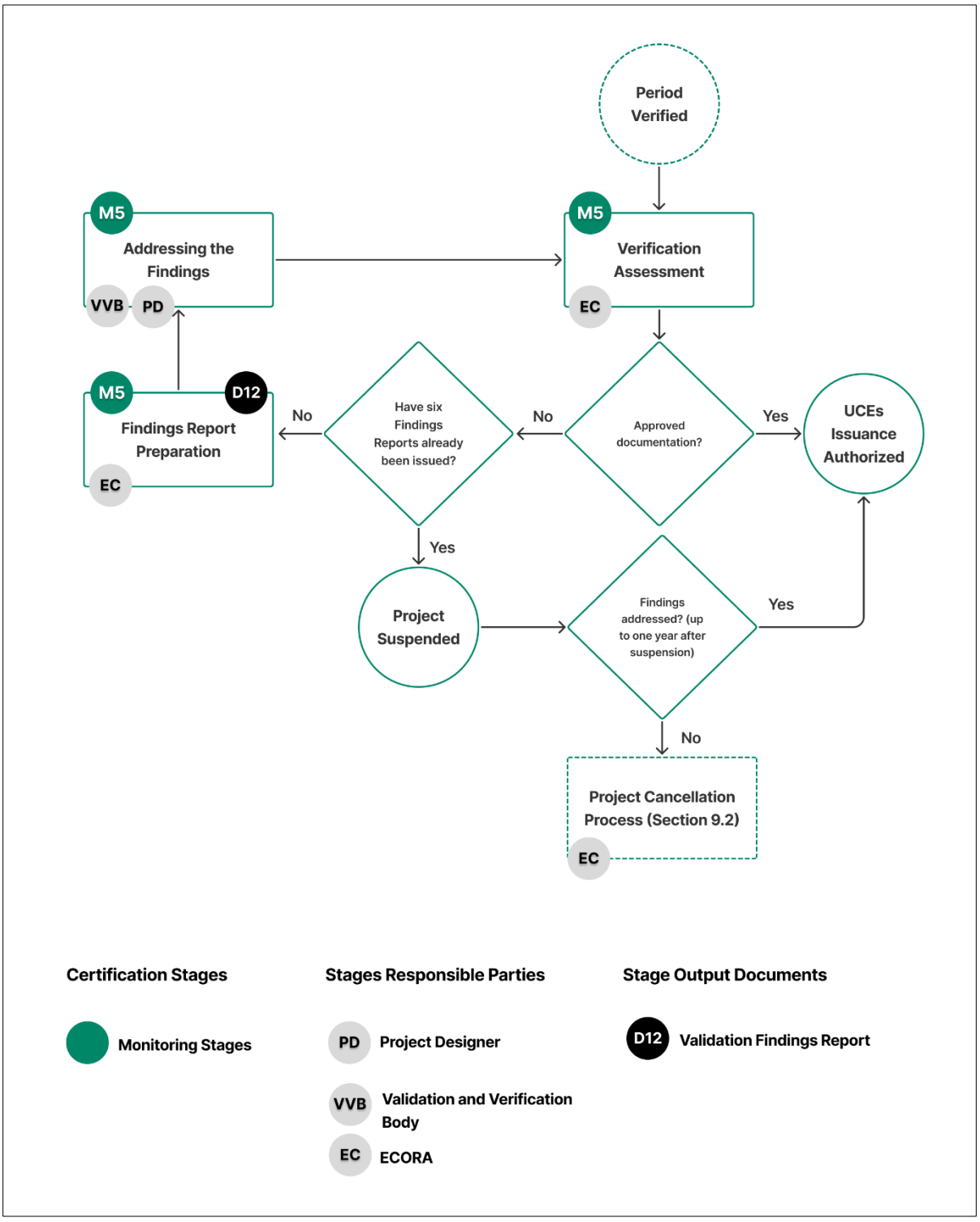

Figure 6. Flowchart of the Project Verification Approval Stage (M5).

Upon completion of the independent Verification Audit, ECORA will evaluate the Monitoring Report documents and the Verification Report. After evaluation of all documentation provided, if applicable, ECORA will issue a Findings Report containing requests for corrections, requests for clarifications, requests for additional documentation, and requests for future adjustments.

The VVB must address all findings, providing the required documents or clarifications within 60 calendar days, consulting and requesting corrections and additional documentation from the Project Designer when necessary.

ECORA will evaluate the responses, and if the VVB does not fully address the findings, ECORA will issue a new Findings Report with the appropriate requests, repeating the process until all findings are addressed.

In case of documentation approval:

a. The Verification Report and the final MR are published on the ECORA Platform;
b. ECORA will authorize the issuance of UCEs corresponding to the Monitoring Period, according to the requirements established in Section 8.

If the requests for correction of non-conformities are not met after six rounds of findings, ECORA will change the project *status* to "Suspended" and will provide the justification for the suspension.

With the project "Suspended," the Project Proponent will not be able to issue UCEs until the remedy requests for non-conformities from the last round are addressed.

If the Project Designer does not address the correction requests for non-conformities within one year after suspension, a project cancellation process will be initiated, according to the requirements of Section 9.2.

4.4 Additional Certification

As specified in Section 3.6, the ECORA Carbon Credit Certification Program allows for additional certifications that demonstrate social and environmental co-benefits beyond the reduction of emissions or GHG removals, defined as co-benefits.

Projects seeking additional certifications must demonstrate their eligibility during the registration process, as per Section 4.2. Once the additional certification is recognized, the project will be eligible to request the additional label on the UCEs issued during verification processes, as per Section 4.3.

The recognition of the additional certification may be carried out after project registration, provided that the project undergoes the entire additional certification registration process. In this case, it is not possible to request the additional label for UCEs already verified from previous periods.

Request for Additional Certification Concurrent with Project Registration

When requested together with the Project Registration Request (R2), the Additional Certification must follow all the procedures described in Sections 4.2 and 4.3, with its requirements added to the scope of the stages of Project Development (R1), Project Registration Request (R2), Public Comment Period (R3), Validation Audit (R4), Project Registration Approval (R5), Project Follow-up (M1), Monitoring Report Development (M2), Project Verification Request (M3), Verification Audit (M4), and Project Verification Approval (M5).

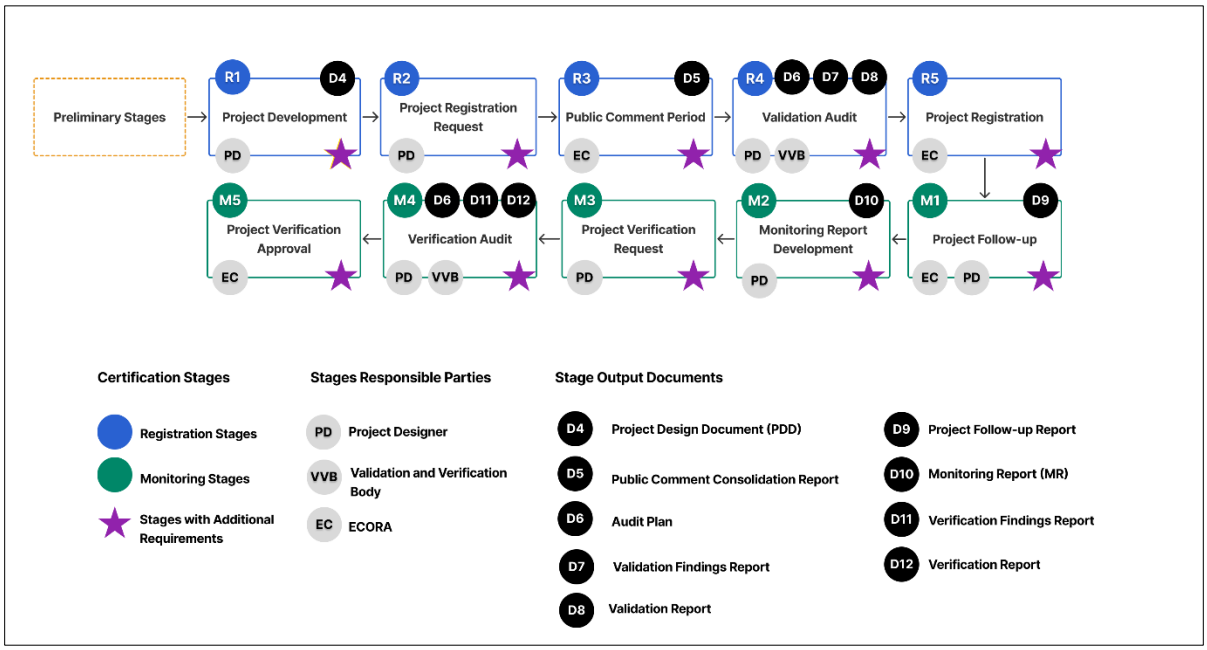

Figure 7. Stages of the ECORA Certification Process with Additional Certification Requirements.

Request for Additional Certification after Project Registration

The recognition of additional certification after project registration must be requested through the ECORA Platform, upon submission of the documentation required by the rules of the requested additional certification. Such a request may occur simultaneously with a project verification request.

The steps for Additional Certification after registration are the same as those for Project Registration according to Section 4.2: Project Development (R1), Project Registration Request (R2), Public Comment Period (R3), Validation Audit (R4), and Project Registration Approval (R5); however, including the specific requirements for the additional certification.
After Additional Certification Approval, the project monitoring stages will have the requirements of the additional certification added to the periodic verification process.

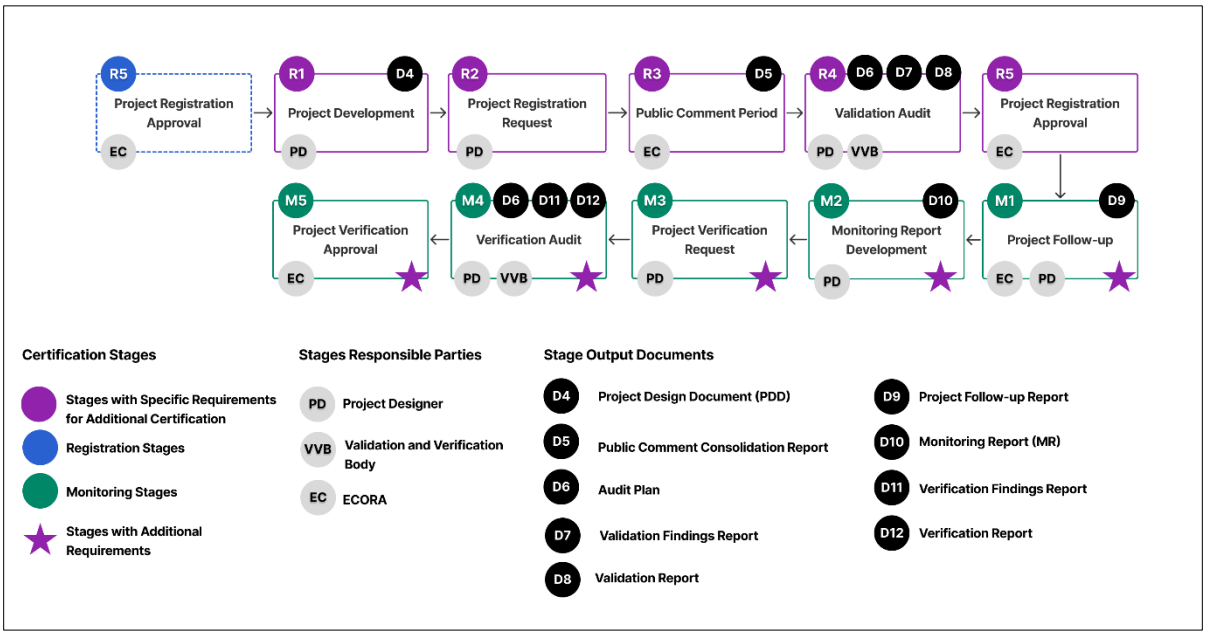

Figure 8. Stages of the Additional Certification Process After Project Registration.

The Validation Report of the Additional Certification must present the conclusion through a Validation Statement according to Section 7.11, classifying the additional certification as Validated or Rejected.

a. Projects with validated additional certification will be eligible to proceed to the Project Additional Certification Approval stage;

b. Projects with rejected additional certification will be ineligible for the Project Additional Certification Registration Approval (R5) stage. The Project Designer may submit a new additional certification registration request, and must go through the Public Comment Period (R3) and Validation Audit (R4) stages again.

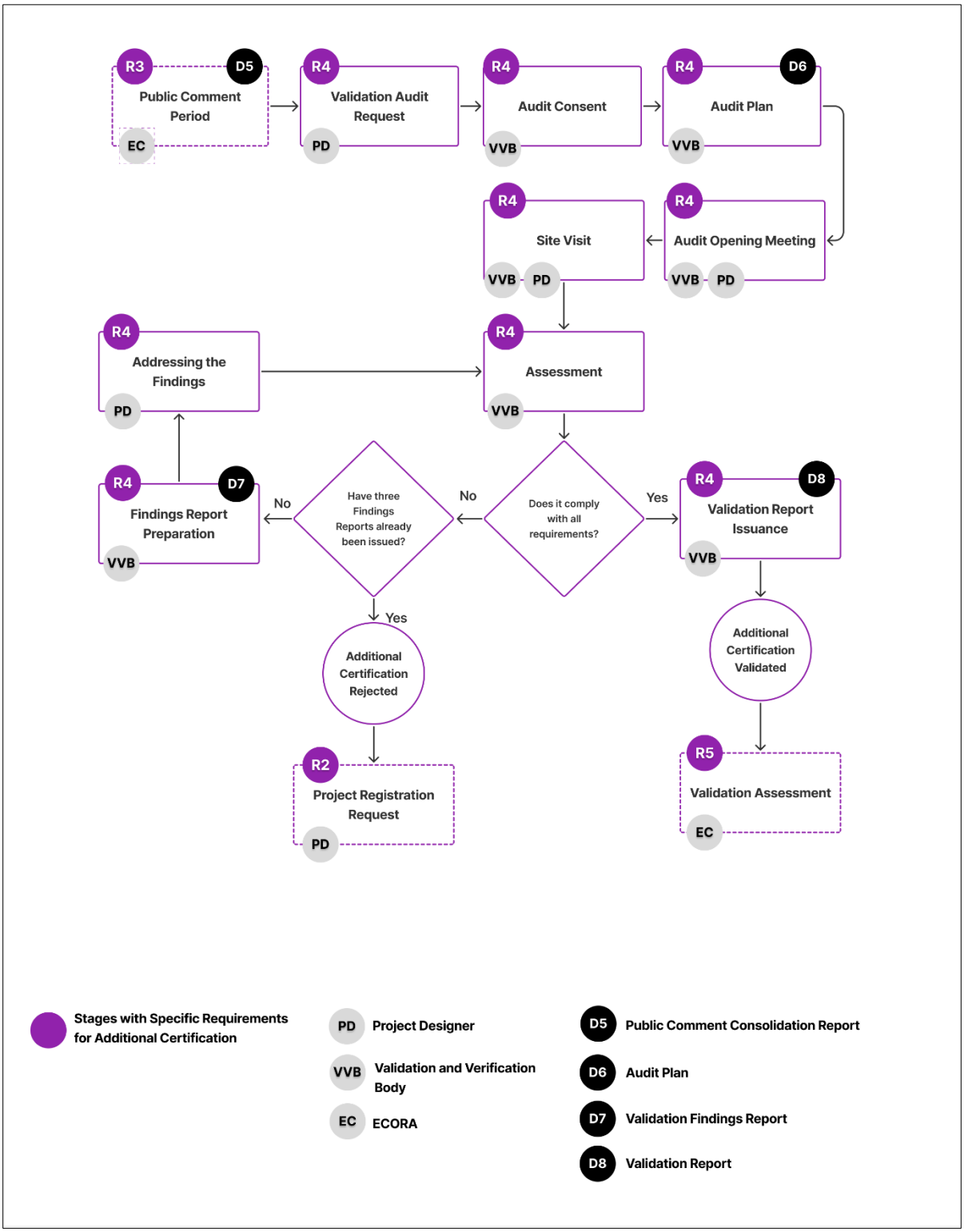

Figure 9. Flowchart of the Validation Audit Stage (R4) for Additional Certification registration.

After positive validation has been granted by the VVB, ECORA will evaluate the documents and the Validation Report. The procedures and deadlines described in the Project Registration Approval stage (R5) of Section 4.2 will be applied.

If the project's additional certification is not approved after six rounds of comments, ECORA will notify the VVB and the Project Designer and provide justification for the rejection.

If the additional certification is approved, the project will be eligible to request verification of new monitoring periods with the claim of the respective seal to the UCEs.

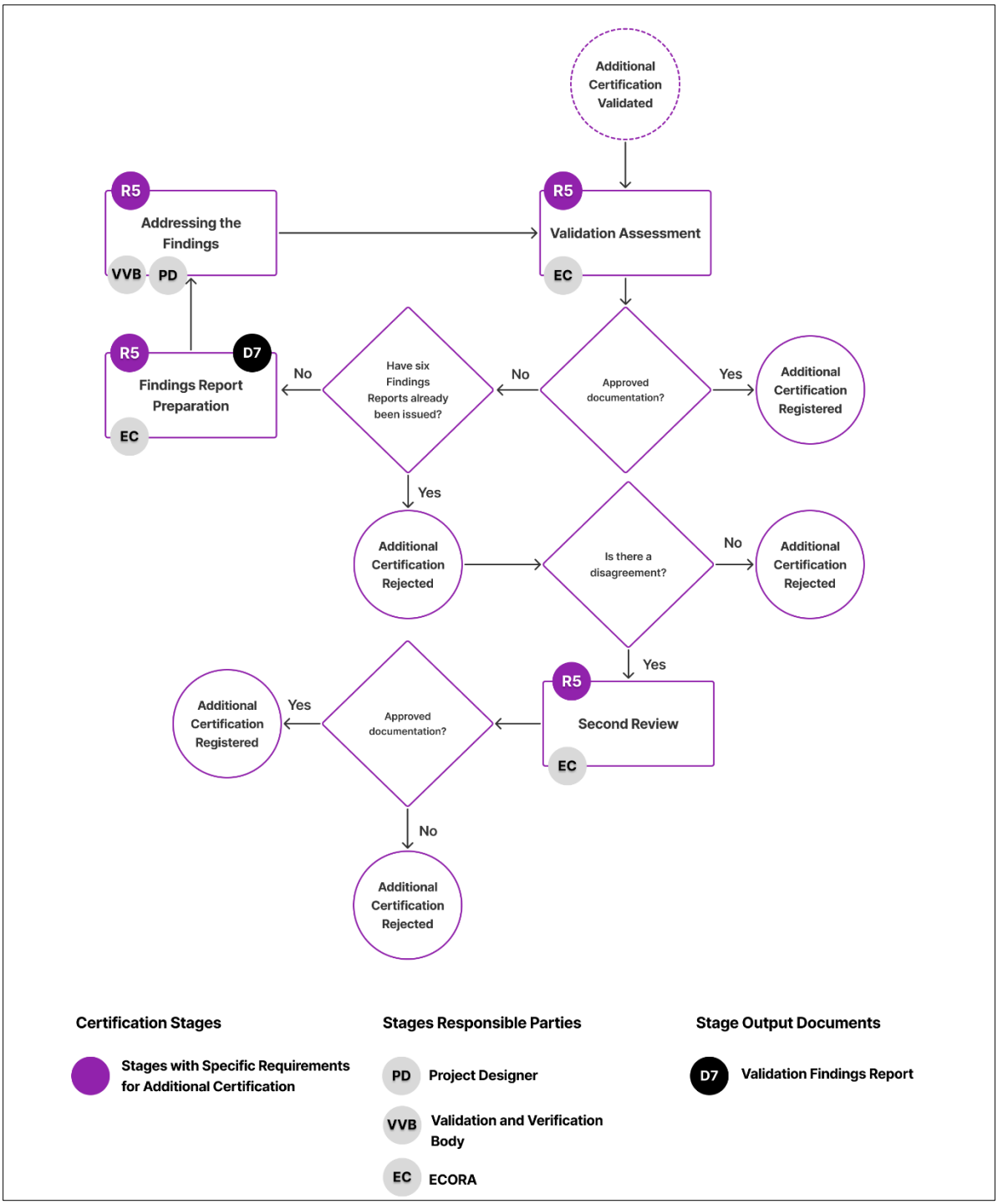

Figure 10. Flowchart of the Registration Approval Stage (R5) for Additional Certification registration.

5. Project Requirements

All projects submitted to the ECORA Carbon Credit Certification Program must clearly and transparently demonstrate compliance with the principles, criteria, and requirements established in this Standard, and in the tools, methodologies, and modules applied to the Project Activity. Compliance with the requirements and the respective evidence must be evaluated by the VVB in the Validation and Verification Audit processes.

The Project Designer must apply a methodology that is recognized as eligible by the ECORA Carbon Credit Certification Program, in a consistent and conservative manner, using the most recent version of the methodology, and where applicable, following the transition period rules.

5.1 Project Location

Projects submitted under the ECORA Carbon Credit Certification Program may be implemented in Brazil and other countries in the Global South, provided they fully meet the eligibility requirements established in this standard and in the applied methodology.

The physical geographic area where the project activities are implemented is defined as the Project Area, according to Section 1, and must be identified in the PDD, with georeferenced maps, location in the subnational political division (for example: country, state, and municipality), and, where applicable, the official designation (such as the registered name of the property or conservation unit) or the traditional designation (such as the name recognized by local communities or traditional peoples).

The description of the Project Area must demonstrate compliance with the territorial eligibility criteria, legal, contractual, or customary land use rights, and applicable legal requirements according to Section 5.3, as well as eligibility criteria established in the applied methodology.

The vector file with the Project Area polygon must be submitted as part of the certification process, according to the requirements of Section 4, in a format compatible with the requirements of the ECORA Platform.

Fixed Project-type projects with one or multiple Project Componets (PC) or Scalable Project-type projects must present each geographically bounded limit with a unique geographic identification and specific geographic coordinates.

For Scalable Project-type projects, each geographic boundary included must meet the applicable sectoral eligibility criteria and be properly documented in the PDD and/or MRs.

5.2 Legal Aspects

Projects must demonstrate compliance with applicable legislation at international, national, and local levels.

The ECORA Carbon Credit Certification Program has auxiliary guidelines for guidance on applicable national legislation according to the project's host country. The Project Designer must verify if such guidance

is available for the project's host country and if so apply it. For projects in Brazil, the Guidelines Document of the Applicable Regulatory Framework for Projects must be followed.

In the absence of specific guidelines applicable to the project's host country, compliance of the project with applicable legislation at international, national, and local levels remains mandatory. The Project Designer may request that ECORA develop corresponding guidelines for the respective country. The request will be evaluated and, if approved, prepared by ECORA and incorporated into the ECORA Carbon Credit Certification Program.

5.3 Project Ownership and Issued UCEs

The Project Designer must demonstrate that the Project Proponent holds the legal ownership of both the project and the UCEs issued under the ECORA Carbon Credit Certification Program.

This must be demonstrated during the project development phase and updated periodically, at each verification, during the project's Credit Period, through verifiable evidence capable of showing that the Project Proponent holds:

a. The legal right to control and operate Project Activities. If the holder of the ownership/possession rights of the property and/or the holders of rights over the UCEs are differ from the Project Proponent, valid and enforceable legal instruments must be presented to demonstrate that these rights cover the entire Project Commitment Period; and
b. The exclusive legal ownership of the UCEs resulting from its emission reductions or GHG removals.

ECORA provides auxiliary guidelines for guidance on national legislation and compliance with legal requirements in its countries of operation, according to Section 5.2.

To prove ownership of the geographic boundaries and the right to operate the project, the Project Designer must comply with the following criteria:

a. The assessment must be based on national and local legal frameworks;
b. It must identify land disputes (if any) or potential use conflicts;
c. It must present valid and irrevocable legal agreements that ensure the right to operate throughout the entire Project Area, without legal or administrative limitations;
d. It must consider the rights of Indigenous Peoples and Local Communities, including vulnerable groups, migratory rights, and the distinction between legal and customary rights, as specified in Section 3.5.

In AFOLU sector projects, the following additional requirements apply:

a. When the Project Proponent directly holds the ownership of the property, which includes the Project Area, a valid property title or equivalent document must be available for inspection;
b. When the ownership of the property, which includes the Project Area, belongs to third parties, the Project Proponent must hold and make available for inspection a legally binding and enforceable agreement with the respective owners, valid for the entire Commitment Period;
c. When the property, which includes the Project Area, does not have a formally established or regularized property title, the Project Proponent must hold and be able to show documentation demonstrating the right to possess the property, respecting the legal and

customary rights of Indigenous Peoples and Local Communities, and/or a legally binding and enforceable agreement with the holders of possession.

UCE rights correspond to the exclusive legal ownership of the UCEs for GHG emission reductions or removals, as well as the right to transfer, trade, or receive associated benefits.

To demonstrate legal ownership of the generated UCEs, the Project Proponent must present legally binding agreements and documents containing, at a minimum:

a. Identification of the signatory parties and their responsibilities;
b. Description of the subject of the agreement and the name of the GHG project;
c. Quantification period for reductions or removals;
d. Rights and obligations of each party involved;
e. Evidence that the signatories have legitimate authority to represent the party, especially in community contexts;
f. Benefit-sharing clauses, providing for fair and equitable compensation;
g. Confirmation that the terms were communicated in a culturally appropriate manner.

In cases where the ownership/possession rights of the property and the rights over the UCEs are distinct, the Project Designer must present valid and enforceable legal instruments, signed with the legitimate holders of each right. Such instruments must clearly establish the assignment or transfer of rights over the UCEs between the parties, ensuring their validity for at least the Project Credit Period.

In projects involving Indigenous Lands or Local Communities, the agreements must be supported by a Free, Prior and Informed Consent (FPIC) process, duly documented, as per Section 5.19.

5.4 Management Capacity

Projects must demonstrate management capacity throughout the entire Project Commitment Period, including evidence of a solid organizational structure, qualified technical team, and effective mechanisms for planning, implementation, and continuous monitoring of the project, through the following requirements.

Organizational Structure and Governance

The project's governance structures must be described in the PDD. All organizations involved in the planning and implementation of the project must be identified, along with a description of their roles and responsibilities.

Any changes in project governance must be reported in subsequent RMs, with updates to institutional roles when applicable.

Technical Qualification

The Project Designer must demonstrate that they have a qualified technical team for the execution of project activities.

The PDD must identify and describe the main technical competencies required for the successful implementation of the project, including, among others, community engagement, biodiversity assessment, and carbon measurement and monitoring.

For each identified technical competency, the Project Designer must prove the involvement of qualified professionals with experience compatible with the activities planned for the project. Proof must be provided through verifiable documentation, including at a minimum, professional Curriculum Vitae that documents their academic background, relevant professional experience, and previous participation in activities related to the roles to be performed in the project.

If their relevant experience is insufficient, the Project Designer must provide one of the following alternatives:

a. technical support from qualified partner organizations;
b. formal recruitment and/or training strategy to address the identified gaps.

Financial and Operational Planning

Consistent financial and operational planning must be presented, with evidence of the feasibility of project execution throughout the Project Commitment Period.

The financial health of the organizations responsible for implementation must be documented and auditable.

Institutional Integrity

The PDD must describe the procedures adopted to prevent the Project Proponent, Project Designer, and other parties involved in the development and implementation of the project from engaging in corrupt practices such as bribery, embezzlement, fraud, favoritism, clientelism, nepotism, or extortion.

It must be demonstrated that the Project Proponent, Project Designer, and other parties involved in the development and implementation of the project adopt institutional policies and practices that promote integrity, transparency, and accountability.

5.5 Project Scalability

The ECORA Carbon Credit Certification Program allows projects to be structured to include a single implementation of a Project Activity or to have multiple Project Components (CP), which can be structured into multiple Project Activities or geographic units/areas. As such, projects may contain:

a. A single CP with a single Project Activity. Areas with the same baseline, additionality, Non-Permanence Risk, Start Date parameters, located in the same intermediate-level subnational jurisdiction (states and provinces) and may be grouped into a single CP, even if not contiguous;

b. More than one CP with the same Project Activity (example: an ARR project with tree planting in 30 riverside communities, where each community represents a CP). For this:

   I. A project with a single Project Activity must be divided into more than one CP when there are significant differences in baseline, additionality, Non-Permanence Risk, or Start Date parameters between the units and/or areas;

   II. A project with a single Project Activity may be divided into more than one CP for governance reasons established by the ProjectDesigner, provided that the division criteria are justified;

   III. Each CP must have a unique identification, with sequential numbering linked to the set of geographic coordinates of the vertices of its polygons when applicable, to allow traceability and avoid double counting. CPs must not have spatial overlap with each other;

   IV. The CP must not overlap with other registered GHG projects or those under validation in other emission reduction or GHG removal programs;

   V. The Project Start Date, Credit Period, and ownership may differ between CPs. For this, the Project Designer must provide evidence of ownership or right of use of the area by the Project Proponent from the start date of the Credit Period of each CP;

   VI. Each CP may only be eligible for UCE generation from its Start Date;

   VII. The Project Proponent and/or Project Designer must conduct prior consultation with Stakeholders related to each CP. When the same Stakeholders are identified for multiple CPs, due to geographic proximity or other factors, the same consultation process may be carried out for these CPs, provided it follows the requirements established in Section 5.19;

   VIII. Each CP must comply with social and environmental safeguards, as per Section 3.5;

   IX. In projects with multiple CPs, the Non-Permanence Risk assessment must be carried out individually for each CP. When the distance between the boundaries of the CPs is no more than 10 kilometers and they are exposed to the same levels of risks defined in the Non-Permanence Risk Tool (Environmental and Climatic; Extractive and Economic Activities; Land Tenure; Project Management; Financial Resources; Social and Political)5.5, the Non-Permanence Risk assessments of the CPs may be combined into a single report.

c. More than one CP with distinct Project Activities (example: An AFOLU project that includes REDD and ARR activities). For this:

   I. Each CP must contain only one Project Activity;

II. Each Project Activity must be specified separately in the project description, following all the criteria and procedures established in the relevant methodology and in Section 5.18;

III. The geographical delimitation of each CP must be clearly defined, indicating the area corresponding to each activity;

IV. Follow requirements III to IX established for projects with more than one CP with the same activity.

Projects must be designed as Fixed Projects or Scalable Projects:

a. Fixed Project: does not provide for expansion after validation, nor the inclusion of new areas, participants, or activities. The fixed project:

   I. May contain more than one CP, multiple activities and operational, technological, or geographical units, as long as they are described in the PDD during the project validation stage;

   II. May undergo a new validation, meeting the requirements established in the Project Registration Request (R2) of Section 4.2 to be converted into a Scalable Project.

b. Scalable Project: may add new CPs throughout the defined Credit Period, after validation of the initially defined activity. For this:

   I. The Project Designer must delimit in the PDD, through georeferenced polygons, the Geographical Boundary of the Scalable Project, which defines the eligible area for inclusion of new CPs, restricted to the same country and biome as the initial CPs;

   II. Each CP must have specific geographical and temporal boundaries, allowing traceability, verification, and individual monitoring of the CP throughout the Project Credit Period;

   III. The Project Designer must follow the capacity limit requirements defined in the applied methodology.

Rules for Inclusion of New CPs in Scalable Projects

For the inclusion of new CPs in scalable projects after project validation and registration, the following requirements must be met:

a. The CP must meet the requirements set out in the ECORA Carbon Credit Certification Program and the applicability conditions established in the methodology applied by the Project;

b. The CP must apply the same activities, technologies, or measures specified in the project PDD;

c. The Baseline Scenario must be defined based on the initial CPs described in the Project at the time of validation;

d. The Project's additionality must be demonstrated based on the initial CPs described in the Project PDD;

e. Each CP subsequently included in the Scalable Project must demonstrate compliance with the additionality requirements, according to the methodology(ies) applied by the Project;

f. The assessment of factors relevant to the baseline or additionality must cover, at a minimum, the entire Geographical Boundary of the Scalable Project, considering regional practices, legislation, current policies, deforestation or degradation history, among others;

g. New CPs must be implemented within the Geographical Boundary defined in the Project PDD;

h. The request for inclusion of CPs must be formalized in the “Project Verification Request (M3)” Stage, as per Section 4.3. The inclusion of CPs does not require new registration, and must be described in the RM and go through the Project Verification process;

i. The start date of each CP must be after the Project Start Date;

j. For each new CP included in the Project, a new Stakeholder Identification and Consultation process must be conducted, as per Section 5.19. This process must be properly described, documented, and evidenced in the MR. Stakeholders included due to the addition of a new CP must undergo the full Stakeholder Consultation process. Stakeholders who have already undergone the Stakeholder Consultation process must be updated, according to the Continuous Engagement and Communication Plan, being informed of at least: area changes, proponent changes, geographical boundaries, and updates that modify the project structure;

k. For projects requiring FPIC, as per Section 5.19, the inclusion of new CPs must be approved in a complementary FPIC process;

l. The Credit Period of each CP must respect the minimum and maximum according to the Project Activity, as per Section 5.7. The Credit Period of new CPs, including renewals, must not exceed the maximum Credit Period allowed for the project. New CPs cannot be included if their individual Credit Periods exceed the maximum Credit Period allowed for the project;

m. Leakages (activity, market, ecological) must be assessed based on the initial CPs and re-evaluated with new inclusions;

n. The Non-Permanence Risk assessment must be carried out per CP. For the Project's *ex-ante* estimates, the average result of the Non-Permanence Risk of the CPs included at the time of Project validation may be used;

o. If the Project Designer wishes to add CPs with Project Activities that were not foreseen in the Scalable Project and/or outside the Geographical Boundary of the Scalable Project, the PDD must be updated with the changes and a new Project Registration Request (R2) must be made, as per Section 4.2.

Rules for Exclusion of CPs

The exclusion of CPs in Fixed or Scalable Projects must comply with the criteria below:

a. The exclusion must occur during the verification process and be documented in the MR, presenting the technical and operational reasons that justify the exclusion;

b. CPs that undergo modifications compromising their eligibility in the ECORA Carbon Credit Certification Program must be excluded and the Project Designer must submit communication to ECORA, as per the requirements of Section 3.3;

c. If the project has issued UCEs resulting from emission reductions or GHG removals from the excluded CP, the following adjustments must be applied:

   I. The total amount of UCEs issued by the CP since the project registration must be considered as net project emissions to be deducted in the subsequent verification process;

   1. If such net emissions result in a reversal event, as defined in Section 1, the reversal procedures described in Section 3.9 must be followed.

d. If the project has issued UCEs resulting from emission reductions or GHG removals from the excluded CP or if the amount of UCEs issued is not material, as defined in Section 1, the deduction will be waived, upon justification.

e. Risk and leakage assessment

I. The Project Designer must reassess the Non-Permanence Risks and leakages (due to displacement of activities, market or ecological effects) resulting from the exclusion of the CP;

II. If necessary, the calculations of the amount of UCEs allocated to the AFOLU Collective Reserve Account must be updated based on the new risks identified.

5.6 Project Start Date

The Project Start Date is the date on which the activities that led to the generation of emission reductions or GHG removals began to be implemented. The activities that may be considered for the Project Start Date must comply with the requirements established in the applied methodology.

The Project Designer must provide evidence of the first significant action that implements Project Activity. This action may include, but is not limited to, the implementation of a management plan and/or an operational plan, the date on which project costs began, the signing of a construction or equipment supply contract, the start of facility construction, signing contracts with landowners and/or site preparation for activities such as tree planting, agricultural management, the start of property surveillance, fire brigade training, among others.

The Project Start Date must be earlier than or equal to the Start Date of the initial Credit Period. No UCEs will be issued prior to the Project Start Date.

The Project Start Date must be established so as to include any material project emissions (for example, emissions related to soil preparation), according to the definition of materiality in Section 5.20.

The Project Designer must request the Project Registration, as per Section 4.2, within the following deadlines:

a. Two years after the Project Start Date for AFOLU projects;
b. One year after the Project Start Date for other projects.

For projects with multiple CPs, the Project Start Date must be the date on which the activities that led to the generation of emission reductions or GHG removals began to be implemented in the first CP.

5.7 Credit Period

The Credit Period is the period over which a project is eligible to have its emission reductions or GHG removals verified for the issuance of UCE. The Credit Periods of the projects must be reviewed periodically, according to the following requirements.

The start date of the Credit Period must be after or equal to the Project Start Date. The start of the project's Credit Period must be the date on which the generation of emission reductions or GHG removals effectively began. The Project Designer must provide evidence that the action or set of actions initiated on the Project Start Date resulted in the start of the generation of emission reductions or GHG removals.

For AFOLU projects, except Agricultural Land Management (ALM), the Credit Period must be at least 20 years, renewable for a maximum total of 100 years.

For ALM Project Activities that involve emission reductions and GHG removals, or ALM Project Activities with only GHG removals, the Credit Period must be at least 20 years, renewable for a maximum total of 100 years.

For ALM Project Activities that involve only GHG emission reductions, the Credit Period must be a maximum of five years. The Project Proponent may renew for up to three additional periods of five years, totaling a maximum of 20 years.

For other sectors (non-AFOLU), the Credit Period must be a maximum of five years. The Project Proponent may renew for up to three additional periods of five years, totaling a maximum of 20 years.

The minimum and maximum duration rules for the Credit Period apply both to projects as a whole and to each CP individually.

The Credit Period, including its renewals, cannot exceed the Commitment Period.

5.8 Commitment Period

The Commitment Period of the project is the period during which the Project Activities and their climate and socio-environmental impacts are maintained and monitored.

The Project Designer must provide additional information and address the comments of the Monitoring Reports as per Section 5.16 throughout the entire Commitment Period of the project, including after the end of the Credit Period.

The Commitment Period for AFOLU projects and other sectors where there is a Project Activity of GHG removals must be at least 40 years, counted from the Project Start Date.

For projects in other sectors where the Project Activity is GHG emission reduction, the project's Commitment Period must be equal to the Credit Period.

The Project Designer must provide auditable evidence to justify the Commitment Period, which includes, but is not limited to, management or monitoring plans for the areas, contracts for the maintenance of carbon stocks, and economic feasibility studies that prove the viability for maintaining the Project Activity.

5.9 Project Scope

The project must establish and describe its scope, which includes the sources of emissions, removals, sinks, and GHG reservoirs that will be considered in the quantification, monitoring, and verification of the project, both in the Baseline Scenario and the project scenario.

The minimum project scope is established in the applied methodology. Sources, sinks, or reservoirs that are potentially immaterial (according to the concept of materiality in Section 5.20) may be excluded with technical justification only in cases where their exclusion is conservative or they are not impacted by the Project Activity.

The project scope must be consistent with the baseline approach, leakage assessment, and territorial eligibility criteria of the methodology used.

5.10 Baseline Scenario

The Baseline is a qualitative and quantitative representation of the emissions, removals, or carbon stocks that would occur in the absence of the project. It serves as a comparative parameter to assess the impact of the project and must reflect the most plausible and conservative scenario, taking into account current policies, common practices, economic feasibility, and relevant barriers.

The development of the baseline must follow the principle of conservativeness. All assumptions, values, data sources, and procedures must be selected and justified in order to avoid overestimation of the emission reductions or net GHG removals attributed to the project.

The Baseline Scenario must be determined both qualitatively and quantitatively, representing the counterfactual to the Project Activity Scenario. In other words, it should reflect the most plausible scenario of GHG emissions and/or removals that would occur in the absence of the Project Activity. Functionalities will be made available on the ECORA Platform for the automation of Baseline Scenarios for projects, according to the applied methodology. The adoption of standardized Baseline Scenarios will be mandatory for all Project Proponents, according to the adequacy rules established in ECORA communications regarding the launch of the functionalities. For project categories whose Baseline Scenarios are not available on the ECORA Platform, the Project Designer must follow the most current version of the applicable methodology to determine the Baseline Scenario.

The determination of the Baseline Scenario must account for all plausible scenarios, such as continuation of the activity, continuation of pre-existing land use, available technologies, common practices, inactivity, legal requirements, public programs, and economic feasibility without UCEs, while avoiding overestimation and aligning with applicable climate objectives.

The justification for the adopted Baseline Scenario must be based on verifiable technical, scientific, regulatory, and socioeconomic evidence. In the justified absence of such information, regional, national, or internationally recognized parameters are accepted. The information sources used must be technically substantiated and widely recognized, including, when applicable, peer-reviewed scientific articles, official government reports, consolidated public databases, and technical documents used by the sector. Sources without adequate technical or scientific support will not be not accepted. Of the identified alternatives, that which can be proven to represent the most likely scenario to occur in the absence of the project and is conservative, and avoids overestimation of emission reductions or removals, must be selected.

Once the Baseline Scenario is determined, the Project Designer must quantify the GHG emissions and/or removals of the Baseline Scenario, justifying the choices of parameters, data, values, equations, and procedures used based on the requirements of the applied methodology.

The baseline must be defined and quantified for the entire Credit Period, allowing for the comparability of emissions or removals between the Scenario with the Project Activity and the Baseline Scenario.

The Project Designer must demonstrate the functional equivalence between the databases, technologies, products, or services used in the definition and quantification of the Baseline Scenario, justifying any significant differences.

Normative, regulatory, and socio-environmental aspects

Current public policies and legal requirements that may contribute to the reduction of GHG emissions or removals must be mandatorily considered in the definition of the baseline, including their geographic scope, sectoral applicability, degree of compliance observed in practice, and any legal or regulatory transition periods.

The consideration of these policies must not hinder the additionality of projects when such policies fall into the E+ or E- categories, as defined by the UNFCCC, or when the policies and measures mention the use of payments for environmental services and/or the use of UCEs as part of the permitted actions to achieve the goals of the proposed policies and measures:

a. E+ policies: policies or measures that confer a comparative advantage to technologies or fuels that are more emission-intensive;
b. E- policies: policies or measures that confer a comparative advantage to technologies or fuels that are less emission-intensive.

Policies and measures classified as E+ should be considered in the baseline only if they are effectively implemented, applied, and enforced in the local or sectoral context. Declarative, inactive, or marginally enforced policies should not be considered as determinants in defining the baseline.

Policies and measures classified as E- may be excluded from the Baseline Scenario provided they mention the use of payments for environmental services and/or the use of credits as part of the permitted actions to achieve the goals of the proposed policies and measures.

When available, standardized baselines or those approved by jurisdictional or national programs should be used, in alignment with sectoral guidelines and the NDCs (Nationally Determined Contributions). The adoption of standardized baselines or those approved by jurisdictional or national programs must be applied under the same socioeconomic and environmental characteristics as the region where the proposed project is implemented.

The Project Designer must consider socio-environmental aspects when defining the Baseline Scenario according to the applied methodology. The adopted approach must be technically justified and transparently documented. The Project Designer must identify and describe the current environmental conditions in the Project Area, including land use, type of vegetation, and the presence of relevant species, such as endangered, invasive, or economically valuable species, and assess the likely impacts to the Baseline Scenario and the Scenario with the Project Activity, according to the requirements set out in the Socio-environmental Safeguards and SDG Tool.

The Baseline Scenario must account for the social, economic, and cultural aspects of local communities, including the history of relevant changes, diversity, and interactions between groups. The Project Designer must identify and characterize relevant elements, indicate measures for their maintenance or improvement, and assess the expected changes in the Baseline Scenario, according to the requirements set out in the Socio-environmental Safeguards and SDG Tool.

Periodic Update

Projects must update to the latest version of the methodology, when applicable, and reassess the Baseline Scenario at each renewal of the Credit Period, according to the criteria established in Section 5.7, unless otherwise specifically provided for in the applicable methodology.

At each reassessment of the Baseline Scenario, the Project Designer must verify the existence of regulatory surplus and demonstrate that the project continues to exceed the current legal requirements and public policies, respecting the regulatory requirements of this section.

At each reassessment of the Baseline Scenario, the Project Designer must update the parameters and data used for quantifying the Baseline Scenario, maintaining the criteria of integrity, additionality, and conservativeness.

The reassessment of the Baseline Scenario must take into account changes in pressure factors and/or in the behavior of agents causing land use changes (when applicable), as well as all parameters used for quantifying the Baseline Scenario.

5.11 Additionality

Project Activities certified by the ECORA Carbon Credit Certification Program must demonstrate that the emission reductions or GHG removals go beyond the Baseline Scenario, that is, they would not occur in the absence of the project.

The implementation and maintenance of the Project Activity must depend, wholly or partially, on the financial incentives arising from the issuance and commercialization of UCEs, demonstrating that such incentives are decisive for the project's viability;

The Project Activity must comply with applicable legislation and must not result from obligations, requirements and/or compulsory legal mechanisms or mandatory environmental compensation instruments. If these requirements are not exceeded, it may only be considered additional if there is verifiable evidence of a lack of systematic enforcement of the obligation, except in high-income countries according to the World Bank;

The Project Activity must not create dependencies that prevent long-term decarbonization and must not create barriers to the adoption of cleaner technologies, in accordance with Article 6.4 of the Paris Agreement;

The Project Activity must not constitute a standard practice, that is, it must not be something that would already occur in the Project Area because it is a widely disseminated activity in the region and/or sector.

The demonstration of compliance with the requirements must be carried out by the Project Designer through the application of the Additionality Demonstration Tool, with the results incorporated into the PDD, at the Project Registration stage and at the Verification stages when there is a renewal of the Credit Period. The application of the Additionality Demonstration Tool may be waived when the ECORA Carbon Credit

Certification Program publishes documentation regarding the standardized approach for the applied methodology. In such cases, the project must meet the requirements defined for eligibility under the standardized additionality approach criteria.

5.12 Leakage

The Project Designer must identify potential sources of leakage that may be attributed to the implementation of the project (through activity displacement, market leakage and/or ecological leakage), according to the applied methodology. If any leakage source is excluded, an auditable justification must be documented in the PDD.

The Project Designer must carry out a leakage risk assessment, as required by the applied methodology, and implement appropriate mitigation measures when necessary.

The analyses for identifying potential sources and leakage risk assessment must consider the uncertainties involved, assumptions used, models applied, selected parameters, data sources, measurement methods, and other relevant factors, adopting a conservative approach and following the requirements of the applied methodology.

When applicable, the Project Designer must monitor leakages and calculate the resulting values that must be deducted from the emission reductions or GHG removals at each verification, according to the procedures defined in the applied methodology.

All leakage assessment and quantification must be clearly and transparently documented in the relevant section of the PDD and MRs.

All material leakage (according to the concept of materiality presented in Section 5.20) must be conservatively quantified and deducted from the project's emission reductions or GHG removals, according to the applied methodology.

The Project Designer must describe, according to the applied methodology, how each identified leakage source will be avoided, minimized, and/or accounted for in the deduction of the project's emission reductions or GHG removals.

According to the requirements of the applied methodology, the Project Designer must identify and delimit leakage management zones in the PDD. These zones are areas outside the geographic boundaries of the project, but influenced by it, where there is a risk of GHG emission leakages. To this end, the Project Designer must:

a. Define the geographic boundaries of leakage zones, based on technical, socioeconomic, and environmental data;
b. Implement measures to prevent or mitigate leakages within these zones;
c. Periodically monitor these areas, recording and reporting any additional GHG emissions or losses of carbon stocks attributable to the project;
d. Update the delimitation and management actions according to monitoring results or changes in local conditions.

When applicable, prevention and mitigation measures should include, but are not limited to, leakage management zones, maintenance of goods and services production within the Project Area, ecological management, agricultural intensification in non-wetland areas, agroforestry, forestry in degraded areas, sustainable tourism, and generation of sustainable livelihoods for local communities.

If the applicable methodology contains different scenarios, options, or default values for leakage, the Project Designer must justify the choices made and describe them in the PDD.

The Project Designer must consider relevant information provided by the Designated National Authority (DNA) of the host country regarding leakage, such as default factors, risk zones, technical guidelines, and public policies, when provided for in the applied methodology.

In the absence of this information, the Project Designer must record its unavailability and justify the adopted approach in a documented manner with auditable evidence. The applied methods, data sources used, and formulas applied for leakage calculations must be documented.

5.13 Quantification of Emission Reductions and GHG Removals

The Project Designer must describe the criteria and procedures adopted to quantify Greenhouse Gas (GHG) emissions and/or removals, based on the general principles defined in the ECORA Carbon Credit Certification Program.

The quantification of Greenhouse Gas (GHG) emissions and/or removals must be carried out according to the applied methodology, and must separately cover:

a. The carbon stock and GHG emissions and/or removals in the Baseline Scenario;
b. The carbon stock and the GHG emissions and/or removals in the Project Activity Scenario;
c. GHG emissions attributed to material leakages;
d. The net GHG emission reductions or removals attributable to the project.

The Project Designer must use the metric ton as the unit of measurement and convert each type of GHG into carbon dioxide equivalent (tCO_2e), using the 100-year Global Warming Potential (GWP) from the IPCC Assessment Report, in its most recent version available at the time of quantification.

The Project Designer must identify all relevant sources, sinks, or carbon reservoirs for the Project Activity Scenario and for the Baseline Scenario, as defined in Section 5.9 and in the applied methodology.

The Designer of the Project must separately quantify the GHG emission reductions or removals for each relevant source, sink, or reservoir in the Project Activity Scenario and in the Baseline Scenario. If aggregated values in tCO_2e are used, the level of aggregation must be justified, appropriate for the intended use, and consistent with the applied methodology.

The Designer of the Project must apply conservative approaches in the quantification of GHG emissions and/or removals, taking into account the uncertainty arising from assumptions, models, parameters, data sources, default factors, measurement methods, and other factors, so that there is no overestimation of the UCE generation results.

The sources of GHG emission and/or removal factors, as well as the activity data used in the quantification, must be justified, appropriate, and, when possible, derived from scientifically based references.

The Project Designer must use appropriate, up-to-date, verifiable data consistent with the applied methodology, reflecting local, regional, or national conditions (preferably in this order), prioritizing scientifically based references with lower uncertainty and resulting in conservative outcomes (lower generation of UCEs).

For AFOLU projects, the Project Designer must assess the risk of reversal of carbon stocks according to the Non-Permanence Risk Tool for AFOLU Projects. The result of the percentage discount given by the use of the Non-Permanence Risk Tool for AFOLU Projects must be applied directly to the project's UCE generation potential, calculated by the net benefit of emission reductions and/or removals, discounted for leakages and uncertainties.

Planned forest harvests, duly described in the PDD, that are not characterized as reversal, as per Section 3.9, must be accounted for as project emissions. Projects with forest harvesting activities planned in the PDD that result in a reduction of carbon stocks above 20% of the maximum stock of the stratum of the Project Area subject to harvesting must calculate the average forest carbon stock, following the applicable methodology.

For strata with forest harvesting where the calculation of average carbon stock was mandatory, the UCE emissions from these strata must be limited to the average forest carbon stock. In Verification Audits, if the average forest carbon stock increases, the Project Proponent may request the issuance of UCEs for the net gain in average forest carbon stock.

All data sources, collection methods, estimates, and justifications used in the quantification must be properly documented in the PDD.

The net GHG emission reductions and/or removals must be quantified during the implementation and operation of the project, based on the adopted methodology, considering the GHG emissions and/or removals from the Project Activity Scenario, Baseline Scenario, leakages, and uncertainties.

5.14 Data and Parameter Quality

The Developer of the Project must establish and apply quality management procedures to manage data and information, including the assessment of uncertainty in data collection, measurement, recording, storage, and verification.

The Developer of the Project must reduce, as much as possible, uncertainties related to the quantification of GHG emission reductions or removals.

5.15 Uncertainty Quantification

The Project Designer must identify, quantify, and adequately address the uncertainties associated with the estimates of GHG emissions and/or removals from the projects. The approach must follow the principles, guidelines, and requirements established by the applied methodologies and the requirements of the

Uncertainty Module, which follow the guidelines established by the Intergovernmental Panel on Climate Change (IPCC), ISO/IEC Guide 98-3:2008 (GUM), and ISO 14064-2.

All relevant sources of uncertainty must be identified, including measurement errors, sampling errors, uncertainties in the parameters used (e.g., emission factors and standard carbon stocks), and uncertainties associated with the models, equations, or assumptions used (e.g., Baseline Scenario, land use dynamics, decomposition rates).

Uncertainties must be quantified individually for each source, reservoir, and material GHG sink (according to the materiality concept in Section 5.20). After individualized quantification, uncertainties must be statistically propagated up to the final estimate of net GHG emission reductions and/or removals.

The quantification and propagation of uncertainties must employ appropriate statistical methods, such as Analytical Error Propagation, Monte Carlo simulations, and Hybrid Approach, according to the guidelines and requirements established in the Uncertainty Module.

To avoid overestimation of net GHG emission reductions and/or removals, the total cumulative project uncertainty, calculated based on the 95% two-tailed confidence interval, must be calculated and applied according to the criteria established in the Uncertainty Module.

When the total cumulative project uncertainty is less than or equal to 15%, no deduction is necessary; however, if it is greater than 15%, a deduction corresponding only to the percentage that exceeds this limit must be applied to the net GHG emission reductions and/or removals, proportionally reducing the ECORA Carbon Units (UCE) to be issued.

$$INC_{Total,t} \leq 15\%, \qquad then: \quad INC_{Ded,t} = 0\%$$

or

$$15\ \% < INC_{Total,t} \leq 30\%, \qquad then: \quad INC_{Ded,t} = INC_{Total,t} - 15\%$$

Where:

$INC_{Total,t}$= Cumulative uncertainty for Project Activities up to year t (%);

$INC_{Ded,t}$ = Uncertainty deduction to be applied in the calculation of UCEs up to year t (%);

If the total cumulative project uncertainty exceeds 30%, the issuance of UCEs will be prohibited until the uncertainty is technically reduced to a value equal to or less than 30%.

The Developer of the Project must specify and present in the PDD the uncertainty calculations adopted (as defined by the methodology and Uncertainty Module) and technically justify the choice of method employed.

The PDD must present the uncertainty estimates applicable to the *ex-ante* scenario, and the MR must present the uncertainty estimates for the *ex-post* scenario.

5.16 Project Monitoring

Monitoring and Verification

The proposed Project Activities must be systematically and continuously monitored to assess the results on GHG sources, sinks, and reservoirs, as well as to determine, according to the applied methodologies, the net results of GHG emission reductions and/or removals, and to verify the socio-environmental risks and impacts throughout the entire Project Credit Period.

The Project Proponent and Project Designer must establish, implement, and maintain a Monitoring Plan described in the PDD, containing:

a. Data and parameters to be monitored for quantification of GHG emission reductions and/or removals, as required by the applied methodology and/or other documents and tools of the ECORA Carbon Credit Certification Program;
b. Frequency, measurement methods, and data sources for each parameter;
c. Description of the equipment used, including accuracy class and calibration information, when applicable;
d. Identification and justification of emission factors, IPCC default values, and/or other scientific reference values used;
e. Parameters for monitoring environmental and social risks and benefits, compliance with socio-environmental safeguards, and engagement of Stakeholders;
f. Roles and responsibilities of the parties involved in the monitoring process for each monitored parameter;
g. Technical justification of the adopted monitoring methodology, based on recognized scientific literature, applicable technical standards, sectoral procedures, or relevant methodological guidelines.

The results of the Monitoring Plan must be consolidated in MRs, according to the model provided by the ECORA Carbon Credit Certification Program, and submitted at each project verification, as per Section 4.3.

The Monitoring Periods must have a minimum duration of one year and a maximum of five years. If the Project Designer does not submit the Verification Request (as per Section 4.3) within six years after the end of the last verified Monitoring Period, the project cancellation process will be initiated, according to the requirements of Section 9.2.

Project Follow-up

Project Monitoring will take place through the annual issuance of Monitoring Reports, as established in Section 4.3. The scope of the Monitoring Report will cover:

a. Throughout the entire Project Commitment Period: automated geospatial assessment and database analysis of parameters related to the operationalization and permanence of project benefits issued by the ECORA Platform; and
b. During the period between the end of the project's Credit Period and the end of the project's Commitment Period, if they are different, the Monitoring Report automatically issued by the ECORA Platform must be supplemented by the Project Designer with monitoring data on the permanence of the benefits generated by the project. The content of the supplementation by the Project Designer covers requirements set forth in the Non-Permanence Risk Tool for AFOLU Projects and the Socio-Environmental Safeguards and SDG Tool applicable to the period after the implementation of the Project Activity.

5.17 Project Deviation

The ECORA Carbon Credit Certification Program may accept specific deviations in a registered project, provided they are duly justified and do not compromise the conservative approach adopted for the quantification of emission reductions or GHG removals.

Changes to the Project Activity, which are not permitted by the ECORA Carbon Credit Certification Program, nor the inclusion of new CPs, which must follow the requirements established in Section 5.5, are not considered project deviations.

Project deviations will be subject to evaluation during the Verification Audit (M4) stages.

Proposed project deviations must not reduce the environmental integrity of the project, nor negatively affect the credibility of the reported results.

The Project Designer must identify, classify (temporary or permanent), technically justify, and record in the subsequent MR any material deviation (as defined by materiality in Section 5.20) that occurred after the project registration.

Any deviation that impacts the applicability of the methodology, additionality, or the adequacy of the Baseline Scenario must be justified in a revised version of the PDD, containing:

a. When the deviation occurred;
b. Reasons for the deviation;
c. Impacts on methodology, additionality and/or Baseline Scenario.

If there is any change in the Project Proponent, responsible entities, or authorized signatories after registration, the current Project Proponent must formally notify the ECORA Carbon Credit Certification Program.

Project deviations applied to correct material errors that overestimated the net amount of emission reductions or GHG removals in already verified Monitoring Periods must be applied retroactively, and a proportional discount must be applied to the total number of UCEs in the project's next verification. In AFOLU projects, if the discount is greater than the net benefit of GHG reduction and/or removal generated by the project in the current unverified Monitoring Period, even if there is no event that reduces carbon stocks, the occurrence should be treated as an avoidable reversal, according to the procedures described in Section 3.9.

Project deviations applied to correct material errors that underestimated the net amount of emission reductions or GHG removals in already verified Monitoring Periods may be applied retroactively for up to five verified years or from the last baseline revision, whichever is most recent. In this case, the additional UCEs will be issued in the verification process in which the deviation is approved and will be assigned to the batch of the original Monitoring Periods in which the reductions or removals occurred.

Temporary Deviations

Temporary deviations are transitory and specific changes, with limited duration, that do not permanently modify the scope, methods, or fundamental parameters of the registered project and do not cause material deviations (as defined by materiality in Section 5.20) in the project's emission reductions and/or net removals.

Temporary deviations may occur in different aspects of the project provided that, due to exceptional and specific circumstances, it is not possible to follow exactly the procedures approved in the PDD.

Temporary deviations may affect the Monitoring Plan described in the PDD (such as failures in field sensors or loss of measurement data), the methodologies applied (such as the inability to carry out a forest inventory in the planned period), and/or socio-environmental aspects (such as the lack of monitoring of agreed social or environmental indicators). In these cases, the Developer of the Project must justify the deviation in the MR and adopt conservative assumptions to prevent climate benefits from being overestimated.

If temporary deviations occur, the Project Designer must record the temporary deviations in the MR, containing:

a. What was not followed or applied;
b. Which parameters, sources or procedures were impacted; and
c. The time interval in which the temporary deviation occurred that generated the nonconformity.

The Project Designer must adopt one of the following alternative monitoring approaches:

a. Use alternative collection or calculation methods, provided they are technically justifiable and conservative to avoid overestimating emission reductions or net GHG removals; or
b. If it is not feasible to apply a valid technical alternative, the Project Designer must adopt conservative criteria that reduce the emission reductions or net GHG removals provided by the project.

When temporary deviations occur in project activities that result in material negative impacts on socio-environmental indicators (as defined by materiality established in Section 5.20), and such impacts cannot be fully mitigated by immediate corrective actions or through structured dialogue with Stakeholders, the Project Designer must include in the MR:

a. Justification of the causes and circumstances that originated the deviation, including internal and external factors to the project;
b. Preventive and continuous improvement plan, containing concrete measures and defined deadlines to avoid recurrence of the event, demonstrating the integration of lessons learned in project management.

Permanent Deviations

Permanent deviations are structural, operational, or methodological changes that continuously modify the implementation, operation, or monitoring of the project and are not reversible.

When there is a permanent deviation, the Project Designer must present in the subsequent verification process the revised version of the PDD, as well as documents, evidence, justifications, and impacts caused to the proposed project, respecting the requirements of the ECORA Carbon Credit Certification Program, methodology, and applied methodological tools.

If the proposed project is registered and can no longer fully follow the originally approved Monitoring Plan, the revised PDD must contain:

a. The technical description of the cause and extent of the permanent deviation in relation to the registered Monitoring Plan; and
b. A proposal for a justifiable and applicable monitoring adjustment for the project; and
c. A justification for the permanent deviation that presents evidence of improved precision and/or accuracy of measurements, if the permanent deviation results in material deviations (as defined by materiality in Section 5.20) of the proposed project's emission reduction and/or net GHG removal results.

When permanent deviations are identified that have socio-environmental impacts, the Project Designer must:

a. Review the application of the Socio-Environmental Safeguards and SDG Tool, so that the nature, magnitude, and extent of the changes reflect compliance with the requirements established in the Socio-Environmental Safeguards and SDG Tool;
b. Update the Monitoring Plan and/or the Socio-Environmental Risk Assessment Plan, as applicable, maintaining consistency with the results of the review.

If the permanent deviation results from changes in the project design, the revised PDD must describe the nature and extent of these changes**,** presenting an assessment of the impacts on:

a. Methodologies, methodological tools, guidelines, and regulatory documents applied to the proposed project;
b. Project emission boundaries and sources and sinks;
c. Compliance of the monitoring plan;
d. Quality and scope of monitored data;
e. Baseline Scenario;
f. Additionality;
g. Compliance with sustainable development requirements and socio-environmental safeguards; and
h. Risk of Non-Permanence.

The Project Designer may request a change to the Project Start Date, provided that the issuance of UCE has not been requested, the change has been approved by the host country (when applicable), and the new Project Start Date does not exceed two years from the date originally presented for the proposed project at the time of validation. The Project Designer must provide the necessary justifications and evidence to prove the new Project Start Date (as required in Section 5.6).

The review of methodologies applied by the proposed project is not mandatory in cases of anticipation or postponement of the Project Start Date by up to one year. The review of methodologies applied by the proposed project is mandatory for anticipation or postponements longer than one year and less than two years.

5.18 Combination of More Than One Methodology

The application of multiple methodologies in the same project may occur when the Project Activities do not present overlapping scopes for quantification of emission reductions and/or net GHG removals.

The Project Designer may integrate different types of Project Activities within the same geographical boundary of a CP, provided that the applied methodologies allow this approach and the activities are compatible with each other. For AFOLU projects, the application of more than one methodology within the same geographical boundary of a CP is not permitted.

The PDD of projects that combine more than one methodology must present:

a. The description of each Project Activity separately, indicating the applied methodology and applicability criteria for each proposed Project Activity;
b. When applicable, the distinct geographical boundaries for each proposed Project Activity represented in georeferenced polygons;
c. Justification for the use of multiple methodologies, demonstrating their compatibility and the absence of overlapping scopes.

The Project Designer must apply methodological criteria (applicability, Baseline Scenario, additionality, leakage, and quantification of emission reductions and/or net GHG removals) separately for each proposed Project Activity, except when the methodologies allow integrated approaches.

The Project Designer may integrate operational aspects such as monitoring, sampling, and data collection, provided there is methodological compatibility and it is foreseen in the applied methodologies.

When the Project Designer uses more than one methodology for the same geographical boundary of the proposed project, the calculation of the Risk of Non-Permanence (according to the Risk of Non-Permanence Tool for AFOLU Projects) must be carried out individually for each methodology used. The total AFOLU Collective Reserve Credit to be deducted for allocation in the AFOLU Collective Reserve Account must be the sum of the individual results applied to each methodology within the same geographical boundary of the proposed project.

5.19 Stakeholder Engagement

The Project Proponent and/or Project Designer must promote the effective engagement of Stakeholders throughout the entire Credit Period of the project. The monitoring of socio-environmental aspects and permanence of project benefits must be carried out through Monitoring Reports during the project's Credit Period and Follow-up Reports, as per Section 5.16, during the period between the end of the Credit Period and the end of the project's Commitment Period, if different.

The Project Proponent and/or Project Designer must develop and implement a procedure for identification, consultation, communication, and engagement of Stakeholders, according to the requirements of the ECORA Carbon Credit Certification Program and the specifications of the methodology used (if applicable).

Stakeholders must be fully and effectively involved, through access to information, informed participation in decision-making, involvement in implementation, and, when applicable, obtaining Free, Prior and Informed Consent (FPIC) and consolidation of a Benefit Sharing agreement.

Identification and Classification of Stakeholders

The identification of Stakeholders consists of surveying individuals, groups and/or institutions that may be affected or have influence over the activities and results of emission reductions and/or GHG removals of the project.

The Project Proponent and/or Project Designer must identify Stakeholders who are directly or indirectly affected by the Project Activity, or who have an interest or potential to directly impact the implementation of the project. The identification must, at a minimum, cover Stakeholders located within 10 kilometers of the perimeter of the geographical boundaries of the Project Area.

The Project Proponent and/or Project Designer must additionally identify Stakeholders located outside the range when there is:

a. Direct or indirect dependence on natural resources impacted by the project;
b. Environmental, social, economic, cultural, or territorial impacts associated with the project's activities;
c. Legal, customary, or traditional rights affected by the project's activities.

The Project Proponent and/or Project Designer must identify legal and customary rights of ownership, access, or use of land, territories, and resources, including in contexts of overlap or conflict.

The Project Proponent and/or Project Designer must classify Stakeholders based on their interests and levels of influence and relationship with the potential impacts of the project, respecting their socio-cultural and economic diversity, considering the following categories:

a. Rights holders and directly affected communities:
    I. Indigenous peoples, local communities, individuals, and vulnerable groups with legal or customary rights of ownership, use, access, or management of land, territories, and resources within or adjacent to the Project Area;
    II. Indigenous peoples, local communities, individuals, and marginalized groups located near the Project Area whose livelihoods are impacted by the Project Activity.
b. Essential institutional actors:
    I. Public agencies or other entities whose approval is mandatory for the development of the project.
c. Project workers:
    I. Internal team, contracted workers or service providers working in the Project Area.
d. Other Stakeholders:
    I. Local organizations, state or municipal public agencies, communities, private companies, and other actors with interest or influence in the project.

The Project Designer must present the procedure used for identification and classification of Stakeholders in the PDD. The proceedure for identifying Stakeholders must, at minimum, include consultation of official databases, remote sensing mapping, contact with locally relevant institutions, and active field search.

The identification and classification of Stakeholders for vegetation conservation projects (for example, REDD+) and native vegetation restoration must occur before the Project Registration Request (R2), as per Section 4.2, and for other Project Activities and conservation and restoration projects of native vegetation that require FPIC, it must occur before the Project Start Date.

If conservation and restoration projects of native vegetation that require FPIC wish to retroactively set the Project Start Date, according to the criteria established in Section 5.6, community consent and approval are required to define the Start Date.

Consultations with Stakeholders

The Project Proponent and/or Project Designer must mandatorily include Stakeholders defined in categories “a”, “b”, and “c” in the Stakeholder consultation process, with the aim of engaging them in the development and implementation of the project, discussing potential social, environmental, and economic impacts, ensuring that Project Activities do not harm them and generate positive impacts.

For Stakeholders classified by the Project Designer as category “d”, consultation with Stakeholders is optional. The Project Designer must justify inclusion or exclusion in the consultation process in the PDD.

Communication and invitations to Stakeholders must be sent at least 30 days in advance of the date of meetings and/or consultation events for Stakeholders in category “a”, except as otherwise provided by a specific consultation protocol, if applicable, and 15 days for the other categories, using appropriate channels such as, but not limited to, emails, messaging apps, community radios, visits to local leaders, and public posters.

The Project Proponent and/or Project Designer must provide Stakeholders with a summary of the project in non-technical, accessible, and culturally appropriate language, containing at least: project objectives, Project Proponent, location and duration, main activities, potential positive and negative impacts, relevant risks, affected rights, proposed benefit-sharing, and grievance channels. For Stakeholders in category “a”, the summary must be made available at least 30 days prior to the date of meetings and/or consultation events, except where otherwise provided by a specific consultation protocol, if applicable.

The participation of Stakeholders in consultations must be carried out by legitimate representatives defined according to local and/or institutional governance.

The Project Proponent and/or Project Designer must conduct Stakeholder consultations in a free, prior, and informed manner, culturally appropriate, respecting local knowledge, the principles of equity and participation, and considering the social safeguards described in Section 3.5.

The meetings and communication materials used during Stakeholder consultations must be conducted in the local language, at an accessible location, on a date and at a time convenient for the Stakeholders.

The first round of Stakeholder consultation for vegetation conservation projects (e.g., REDD+) must take place before the Project Registration Request (R2), as described in Section 4.2. For other Project Activities

and conservation projects requiring FPIC, the first round of Stakeholder consultation must take place before the Project Start Date.

For Scalable Projects, the first round of consultation with Stakeholders must occur considering the initial CPs. With each inclusion of CPs, new processes must be carried out for the identification, classification, and consultation of Stakeholders in the areas and/or activities added to the project.

After the first round, Stakeholder consultations must take place throughout the entire Commitment Period of the project, with frequency defined in the Continuous Engagement and Communication Plan. During the Credit Period, at least one consultation must be held per Monitoring Period.

The Project Designer must declare potential conflicts of interest, both on the part of the Project Proponent and the consulted Stakeholders.

All comments and suggestions received during Stakeholder consultations must be duly considered and responded to during the consultation process or in structured feedback rounds. Responses must be addressed and documented in the PDD and/or MRs.

Evidence of the appropriate handling of comments and suggestions received during Stakeholder consultations must be auditable.

The scope of stakeholder consultations must include:

a. Identification and discussion of risks and potential impacts of the project;
b. Explanation of the validation and verification process, including the independent third-party site visit, as well as an explanation of the roles of the actors involved, such as the Project Proponent, Project Designer , VVB, ECORA Carbon Credit Certification Program;
c. Presentation and approval of the continuous communication, grievance, and conflict resolution mechanisms proposed by the Project Designer .

When there are local communities holding legal or customary rights as impacted Stakeholders, the Project Proponent and/or Project Designer must carry out a procedure to obtain Free, Prior, and Informed Consent (FPIC) and a Benefit-Sharing Agreement, in addition to the consultations.

Consultation processes involving Stakeholders in category “a” or related to projects whose Project Area is subject to land conflict must be conducted with the involvement of specialists knowledgeable about the local context.

Stakeholder consultation activities must continue throughout the entire Credit Period of the project, with periodic meetings agreed upon with the Stakeholders, as part of the continuous communication process.

The Stakeholder consultation process must be funded by the Project Proponent and/or Project Designer, and such costs must not be borne by the identified local communities and/or Stakeholders.

Information about Stakeholder consultations must be consolidated in the PDD or MR (in the case of the inclusion of new CPs, as per the requirements of Section 5.5), containing, at minimum, information about participants, consultation approaches used, contributions received, and responses and actions taken by the Project Proponent and/or Project Designer.

The Stakeholder consultation process, documentation of meeting minutes and agreements reached, photographic records, and other forms of evidence must be auditable.

Free, Prior and Informed Consent (FPIC)

The Project Proponent and/or Project Designer must obtain Free, Prior, and Informed Consent (FPIC), conducted in accordance with internationally recognized legal frameworks, national legislation, and relevant customary norms, from Stakeholders classified as category “a”.

Free, Prior, and Informed Consent is defined as:

a. Consent: means that there must be the possibility of refusal and that the parties involved have understood the process;
b. Free: without coercion, manipulation, threat, or bribery;
c. Prior: granted with sufficient advance notice before the start of activities and respecting the timelines of the communities' decision-making processes;
d. Informed: provision of information that covers, at a minimum:
    I. The objectives of the proposed project, its scope, scale, main activities, and estimated duration;
    II. The location of the areas that will be affected;
    III. Assessment of likely economic, social, cultural, and environmental impacts, including potential risks and fair and equitable benefit-sharing;
    IV. Clear description of how property rights will be affected by the project;
    V. The people involved in the implementation of the project (including indigenous peoples, private sector, research institutions, public officials, etc.).

The Project Designer must demonstrate that all rights holders and Stakeholders in category “a” participated in the FPIC granting procedure or were duly represented according to local governance and in a culturally appropriate manner. The FPIC acquisition process must include free, prior, and informed consultation, respect the self-determination of the groups involved, and be conducted by legitimate representatives of the Stakeholders.

The Project Designer must demonstrate, through documentary evidence, the recognition and respect for property rights identified with Stakeholders holding legal or customary rights, as well as describe the measures taken to address any impacts on such rights.

The Project Proponent and/or Project Designer must obtain FPIC, when applicable, before the Project Start Date (as per the requirements of Section 5.6), through a transparent, participatory, accessible process conducted in culturally appropriate language and formats.

The Project Proponent and/or Project Designer must obtain the necessary authorizations from the appropriate state, local, and indigenous/community authorities to conduct and obtain FPIC for the proposed project.

The PDD must include a description and mapping of legal and customary rights in the Project Area, including possible overlaps and conflicts to be discussed with the Stakeholders.

The Project Proponent and/or Project Designer must identify existing or unresolved conflicts or disputes over land, territory, and resource rights at the time of implementation of the proposed project (characterized by the Project Start Date). If applicable, the necessary and taken measures to address existing or unresolved conflicts or disputes must be described.

The implementation of the Project Activity must not aggravate disputes or interfere with their resolution. If there are ongoing or unresolved disputes related to property, use, or resource rights, the Project Proponent and/or Project Designer must not carry out Project Activities that could aggravate the conflict or negatively influence the outcome of the dispute (considering the perspective of Stakeholders negatively impacted by the Project Activity).

The Project Proponent and/or Project Designer must demonstrate that the terms of the consultation protocol or plan, if any, of the consulted Stakeholder were followed.

The Project Proponent and/or Project Designer must document that adequate compensation or restitution has been provided to any Stakeholders whose lands have been or will be affected by the proposed project.

The Project Proponent and/or Project Designer must determine the risks and benefits of the project, together with the Stakeholders, when the project directly or indirectly affects indigenous peoples, local communities, or traditional groups with legal or customary rights.

When applicable, the Project Proponent and the Project Designer must sign a benefit-sharing agreement with the Stakeholders.

The Project Proponent and/or Project Designer must update the Free, Prior, and Informed Consent when significant changes in the project may affect the rights of the Stakeholders and/or when updates occur in the benefit-sharing agreement.

Benefit-Sharing

Project activities involving legal or customary rights of ownership, use, or access to resources must include a formal benefit-sharing agreement between the Project Proponent, Project Designer, and the impacted groups.

The allocation of the minimum percentages of UCEs to be designated as a form of benefit sharing in indigenous lands, “quilombola” territories, and other traditionally occupied areas must be consistent with the applicable national and subnational rules and regulations. When there is a conflict between regulations, the framework that offers greater protection to the participants of the benefit-sharing mechanism shall prevail.

Benefit sharing can be carried out through the division of generated UCEs, direct financial benefits from the project, and/or by implementing socio-environmental programs and activities. The socio-environmental programs and activities implemented by the Project Proponent, for the purpose of proving benefit sharing, must be previously agreed upon with the Stakeholders, respecting local governance.

Proof of financial transactions carried out for benefit sharing and expenses allocated to socio-environmental programs and activities must be auditable and made available at each Verification Audit.

Salaries of project workers, measures aimed at mitigating risks related to safeguards, and infrastructure necessary for the implementation of the Project Activity should not be considered as part of the project's benefit sharing.

For the drafting and signing of the benefit-sharing agreement, the Project Proponent and Project Designer must follow the following requirements:

a. The discussion of the terms of the agreement must be part of the FPIC procedure;
b. The language used in the agreement must be appropriate to the local context. The information must be shared in a form, manner, and language understandable to the Stakeholders participating in the agreement;
c. The agreement must be consistent with applicable national laws and regulations, as well as with international human rights laws and standards;
d. When relevant, the agreement must be approved by Indigenous Peoples, Local Communities, and legitimate holders of customary rights, taking into account the financial information provided by the Project Proponent and/or Project Designer;
e. The agreement must respect the governance and independence of the Stakeholders in its definition;
f. The agreement must contain a clear plan of how the resource will be distributed among the Stakeholders, as well as the form of sharing, whether through socio-environmental programs and activities previously agreed with the Stakeholders or by direct transfer of financial resources;
g. It must provide the Stakeholders participating in the agreement with projected information about the project's finances at the validation stage, and current information at each verification;
h. It must provide financial information as aggregate values of revenues and costs, with documentary evidence;
i. The agreement must establish the governance for approval of financial information, socio-environmental programs and activities, and resource transfers with the direct participation of the Stakeholders.

The parties involved must voluntarily agree to the established terms and conditions, recorded contractually.

Grievance Channel

The Project Proponent and/or Project Designer must ensure that Stakeholders directly or indirectly affected by the project have access to a transparent and accessible channel to register complaints, concerns, or suggestions related to the project.

The grievance channel must be agreed upon with the Stakeholders during the consultation process and publicized with informational materials produced in accessible and culturally appropriate language.

The grievance channel must be available through different means (in-person, electronic, telephone, or another means traditionally used by the community). The effectiveness of the communication means used for the grievance channel must be evidenced by the Project Designer in an auditable manner.

The Project Proponent and/or Project Designer must provide means to maintain confidentiality, ensuring anonymity for users if desired, without retaliation or harm to the Stakeholder using the grievance channel.

For projects in Brazil, the processing of personal data within the scope of the grievance channel must comply with the General Data Protection Law (LGPD) - Law No. 13.709/2018, as set forth in the document Guidelines of the Applicable Regulatory Framework for Projects, including at a minimum clear rules for retention, access control, anonymization when applicable, and specific safeguards for sensitive complaints, ensuring auditability of the process without undue exposure of personal data.

The submissions received, as well as the responses and any reparations, must be duly answered, recorded, and made available by the Project Designer in the MRs, respecting the confidentiality of the Stakeholders.

The submissions must receive a response from the Project Designer within a timeframe previously determined in a participatory manner with the Stakeholders at the beginning of the project, during the Stakeholder consultation process.

Dispute and Conflict Resolution

The Project Designer must establish a procedure to address disputes and conflicts that may arise during the project's Credit Period, promoting the protection of the rights of local communities and other Stakeholders.

The method of dispute and conflict resolution must respect the traditional conflict resolution methods used by local communities and other Stakeholders.

The method for dispute and conflict resolution must be widely publicized by the Project Proponent and/or Project Designer during the Stakeholder consultation process, with Stakeholder participation in its initial design.

The steps for dispute and conflict resolution must be documented by the Project Proponent and/or Project Designer and, when applicable, the results made public for transparency purposes.

The Project Proponent and/or Project Designer must implement a formal dispute and conflict resolution procedure structured in three progressive stages, as described below:

a. Amicable Negotiation: The Project Proponent and/or Project Designer must seek to resolve disputes and conflicts through direct and amicable dialogue with the complainant party. The response must be presented in a culturally appropriate manner and duly documented;
b. Third-Party Mediation: If direct negotiation is not successful, the conflict must be referred to mediation by a neutral party accepted by both parties, preferably with knowledge of the local reality and traditional customs. In Brazil, independent third parties will be considered as the Mediation and Conciliation Chambers accredited by the competent judicial bodies of each State;

c. Arbitration or Legal Action: If mediation also does not result in a resolution, the complainant party may:

   I. Resort to arbitration, as provided for in local legislation, or

   II. Appeal to the competent courts of the applicable jurisdiction, without prejudice to the possibility of appealing to supranational instances, if legally provided for.

Management of Engagement and Continuous Communication with Stakeholders

The Project Proponent and/or Project Designer must develop and implement a Stakeholder Engagement and Continuous Communication Plan. The plan must include measures to promote Stakeholder engagement throughout the project's Credit Period and to maintain monitoring of socio-environmental benefits throughout the Commitment Period.

The Stakeholder Engagement and Continuous Communication Plan must be prepared before project validation and reviewed at each Monitoring Period, taking into account the identified Stakeholders, their needs, and preferred communication channels.

The Project Proponent and/or Project Designer must define specific communication methods appropriate to the sociocultural and linguistic profile of each Stakeholder, with an emphasis on accessibility and inclusion.

The Project Proponent and/or Project Designer must maintain permanent communication channels, which may include in-person meetings, community radios, messaging apps, information boards, and other culturally appropriate means.

The Project Proponent and/or Project Designer must determine the frequency of consultations, contacts, and review of agreements with the Stakeholders.

The Project Proponent and/or Project Designer must conduct at least one consultation with Stakeholders classified in categories “a”, “b”, and “c” per Monitoring Period throughout the project's Credit Period.

The relevant project documents (PDD, MRs) must be publicly disclosed in local or regional languages, through accessible means. The method of disclosure of these documents, as well as their accessibility by Stakeholders, must be auditable.

Continuous communication channels must enable Stakeholders to raise concerns about potential risks and negative impacts at any time during the implementation and maintenance of the proposed project.

5.20 Project Materiality

Materiality is the concept according to which errors, omissions, or distortions, whether isolated or combined, that may influence decisions regarding registration, verification, issuance of carbon credits, replacement of carbon credits due to reversals, or project compliance must be identified, assessed, and addressed.

Absolute values greater than 5% are considered material. Errors, omissions, and misstatements will only be allowed when they are below this value or in accordance with a specific rule of this standard.

6. Program Methodologies

6.1 Development of Methodologies

Within the scope of the ECORA Carbon Credit Certification Program, new methodologies must be developed in accordance with the following criteria:

a. Focused on the reduction of emissions and/or removals of GHGs;
b. Coherence with local, national, and international climate policies and strategies;
c. Meeting the needs of Stakeholders and the objectives defined in the scope;
d. Clear definition of scope and objectives, including geographic and/or sectoral boundaries;
e. Establishment of objective eligibility criteria;
f. Compliance with the socio-environmental safeguards specified in Section 3.5;
g. Scientific basis and use of reliable data;
h. Inclusion of procedures for data collection, management, and accuracy review;
i. Comparability with other methodologies and initiatives;
j. Adoption of assumptions and values that avoid overestimation of emission reductions and GHG removals;
k. Incorporation of mechanisms for uncertainty management;
l. Inclusion of a plan for monitoring and verification of results;
m. Promotion of transparency and traceability of information;
n. Adaptability to data availability and technical capacities;
o. Applicability to different contexts without compromising technical robustness.

The steps for developing new methodologies are:

a. Identification of the need for a methodology by ECORA or requested by third parties through a concept note justifying the development of the methodology;
b. Assessment of the relevance and appropriateness of the proposed methodology by ECORA;
c. Preparation of the preliminary version of the methodology by ECORA's technical team or contracted consultancy;
d. Evaluation of the preliminary version by independent experts with recognized knowledge in the subject;
e. Review of the preliminary version of the methodology by ECORA's technical team or contracted consultancy;
f. Public consultation with a 30-day period for receiving contributions from Stakeholders;
g. Recording and publication of comments received by ECORA;
h. Evaluation of contributions and final technical review by ECORA's technical team or contracted consultancy;
i. Publication of the methodology by ECORA.

Methodologies may reference or incorporate modules. Modules may be approved together with the methodology or independently. Standardized modules must be used as support for the accounting of emissions and/or removals of GHGs, for the purpose of methodological consistency among different projects.

6.2 Update of Existing Methodologies

The methodologies and modules approved by the ECORA Carbon Credit Certification Program will be reviewed when necessary. Revisions may be motivated by relevant scientific or technological advances, by changes in regulations, market standards, or accreditation scheme requirements, such as ICROA and CORSIA, or by regulatory requirements, such as those provided for in the SBCE, according to Art. 25 of Law No. 15.042/2024.

The review process may be initiated based on requests from users, VVBs, or the scientific community.

The review process may occur when inconsistencies, ambiguities, or the need to improve the clarity and applicability of the methodologies are identified.

When a UCE certification methodology is revised or replaced, the ECORA Carbon Credit Certification Program establishes guidelines for an orderly transition.

The transition includes the definition of a grace period, during which existing projects may continue using the previous version of the methodology. This period allows for adaptation proportional to the impact of the changes introduced, with the aim of providing predictability and continuity for the Project Proponent and Project Designer and varies individually according to the proposed methodological changes.

The definition of the grace period for using a version of a methodology that will be discontinued or replaced must be communicated by the ECORA Carbon Credit Certification Program at the time of the announcement of the update of the current methodology.

The methodologies of the ECORA Carbon Credit Certification Program may be deactivated or completely removed from the system, for example if they are no longer needed, become obsolete, or come to represent environmental, social, or integrity risks. In such cases, the ECORA Carbon Credit Certification Program individually assesses the situation of each affected project, and may authorize its continuation until the end of the originally approved Credit Period or require migration to a more up-to-date methodology.

When a new version is published, the ECORA Carbon Credit Certification Program must adopt the full certification process, including a minimum Public Consultation period of 30 days for comments from the general public.

When a module is changed, all methodologies that incorporate it must automatically be updated to reflect this change. The ECORA Carbon Credit Certification Program must document version changes, publishing the information in its official registry and on the institutional website.

6.3 Requests for Methodological Deviations

The methodological deviation is a specific modification in the application of an approved methodology, necessary to adapt its use to the particularities of a specific proposed project that were not originally foreseen. These deviations must maintain the technical integrity of the methodology.

Methodological deviations are specific to each project and may occur when alternative methods demonstrate greater efficiency for the project, maintaining or increasing the level of accuracy or presenting more conservative results than those of the original approach.

Methodological deviations must not compromise the degree of conservativeness in the quantification of emission reductions or GHG removals, except when they result in greater accuracy in the results.

When a Project Proponent and/or Project Designer wishes to request a non-material deviation (as defined by the materiality in Section 5.20) in the application of an approved methodology, due to particularities of the proposed project, the Project Proponent and/or Project Designer may request the deviation directly from the VVB. The VVB must assess whether the deviation is acceptable, based on the rules of the ECORA Carbon Credit Certification Program and the concept of materiality.

For material deviations, the Project Proponent and/or Project Designer must complete the methodological deviation request form, available on the communication platform of the ECORA Carbon Credit Certification Program. The document must clearly indicate the sections and concepts to which the deviation applies, as well as present the impacts that the approval or rejection of the deviation may have on the project results.

If an approved methodology presents a lack of clarity or ambiguity in its procedures, the Project Proponent and/or Project Designer may request clarification from the ECORA Carbon Credit Certification Program through its official service channel.

7. Requirements for Validation and Verification Bodies (VVBs)

7.1 Scope

VVBs must meet the requirements established in this standard to obtain authorization and operate within the scope of the ECORA Carbon Credit Certification Program. The requirements for VVBs are cover the following aspects: the necessary procedure for an VVB and its individual auditors to become eligible to carry out validation and verification activities; and the procedure for maintaining this eligibility over time, promoting continued compliance with the criteria of the ECORA Carbon Credit Certification Program.

VVBs, as independent technical entities, are responsible for assessing the adequacy of projects against the requirements of the ECORA Carbon Credit Certification Program based on the evidence collected during the audit processes.

ECORA acts as the managing entity of the certification system, being responsible for supervising, reviewing, and approving the processes conducted by the VVBs, so that all stages of the process comply with the principles and requirements of the standard and with the objectives of the program.

In addition, ECORA acts as a facilitator of the relationship between the VVB and the Project Designer, providing fluid communication, alignment of expectations, and resolution of any issues throughout the certification process.

7.2 Eligibility of VVB

Entities that are legally established and demonstrate technical capacity, independence, impartiality, and compliance with the requirements established in this standard are eligible for the authorization process as VVBs under the ECORA Carbon Credit Certification Program. In addition to meeting the criteria detailed in this section, it is essential that organizations comply with the current legislation in the countries where they operate and are aligned with the principles and guidelines established by international integrity initiatives.

VVBs must have valid accreditation issued by an entity recognized by the ECORA Carbon Credit Certification Program, have received formal authorization from ECORA, have signed the corresponding institutional contract, and paid the annual participation fee.

The accreditation must have been issued by a signatory member of the International Accreditation Forum (IAF), based on ISO 14065 and/or other relevant ISO standards, such as ISO 14034, ISO 17020, and ISO 17029. Accreditations issued by governmental or intergovernmental regulatory bodies, such as UNFCCC-CDM/A6.4 (*status* DOE), are also accepted. The ECORA Carbon Credit Certification Program may, over time, recognize new accreditations, which will be duly disclosed.

VVBs must promptly inform ECORA of any inconsistency between the requirements established by the accrediting entity and the criteria defined by the ECORA Carbon Credit Certification Program. In such cases, ECORA will provide specific guidance on the corrective measures to be adopted.

Authorized VVBs must keep their accreditation information and the list of affiliated auditors up to date. Failure to renew accreditation within the deadline, or conducting audits with unauthorized professionals, will result in the immediate suspension of the VVBs authorization.

If a VVB loses, changes, or does not renew its accreditation, it must immediately notify ECORA and submit a report on all projects with active or pending contracts. Based on this information, ECORA will assess the situation and define the necessary actions for the continuity of the validation and verification processes.

The VVB must not enter into new service contracts until a formal decision is issued regarding the renewal of its authorization with the ECORA Carbon Credit Certification Program.

7.3 Team of VVB Auditors

The team linked to a VVB involved in a Validation or Verification Audit must be composed, at a minimum, of:

a. A lead auditor;
b. A validator/verifier auditor;
c. A local expert, if the auditors do not have contextual knowledge about the local context of the audited project;
d. A professional translator, in case the auditors and/or local specialist are not fluent in the language or dialect spoken by Stakeholders impacted by the project.

Auditors affiliated with authorized VVBs and who conduct audits under the ECORA Carbon Credit Certification Program must demonstrate experience and technical competence in conducting processes related to Greenhouse Gas accounting, according to the following requirements:

a. Lead auditor: higher education, having conducted at least 10 audits in certification programs for emission reduction and/or GHG removal projects, and completion of the mandatory ECORA Carbon Credit Certification Program trainings;
b. Validator/verifier auditor: higher education in an area related to the sector/scope of the project, having conducted at least three audits in certification programs for emission reduction and/or GHG removal projects, and completion of the mandatory ECORA Carbon Credit Certification Program trainings.

The team must include at least one professional specifically qualified in the sector/scope applicable to the project. This professional may serve as lead auditor or validator/verifier auditor, provided they meet the requirements established for the role performed.

Auditors must demonstrate mastery of the rules, methodologies, and requirements applicable to the ECORA Carbon Credit Certification Program, and completion of the training offered by ECORA is mandatory, with the aim of presenting the normative and operational documents of the ECORA Carbon Credit Certification Program.

Professionals may be directly affiliated with the VVB or contracted externally, provided there is a formal contractual relationship between the parties. The VVB must be responsible for the quality and integrity of the work performed in the case of externally contracted professionals.

VVBs may be based in any country, provided they demonstrate technical qualification and contextual knowledge of the local context of the audited projects. For this, they must include local professionals, auditors, or local specialists—contracted or affiliated—for the Validation and Verification Audit processes, with proven experience in the socio-environmental, regulatory, and operational aspects of the region.

During the site visit, the audit team must include at least one professional fluent in the language or dialect spoken by the Stakeholders impacted by the project. If the auditors and/or local specialist do not meet this requirement, the audit must include a professional translator fluent in the respective language or dialect.

VVBs must maintain a communication channel accessible to Stakeholders, allowing for the receipt, analysis, and resolution of complaints, with the proper adoption of corrective measures when necessary.

The VVB must establish, document, implement, and maintain a procedure for conducting the technical review of the final drafts of the opinion and the validation or verification/certification report prepared by the audit team.

Prior to the issuance of the final opinion and validation or verification/certification report, the VVB must ensure that the designated technical review team conducts the technical review of the final draft of the opinion and the report.

The technical review must be carried out by one or more professionals designated for this function and not members of the team responsible for the audit.

7.4 VVB Authorization Process

Authorization is granted by ECORA to registered VVBs, regardless of whether the entire organization or only specific units perform validation and/or verification activities. The authorization is granted jointly for both functions (validation and verification) and may cover multiple types of projects and methodologies. Likewise, any suspensions or revocations of authorization will be applied jointly.

If other areas of the organization perform functions that may affect the independence, objectivity, or impartiality of validation and verification activities, these areas will be evaluated by ECORA in order to verify compliance with the principles of operational integrity.

VVBs may carry out validation and verification activities only within the sectoral scope for which they have been formally authorized.

The authorization granted to a VVB is valid for five years or until the expiration of the accreditation granted by the competent authority, whichever comes first. To allow its continuity, it is necessary to request renewal by submitting updated documentation and paying the corresponding fee. If necessary, ECORA may reassess the authorization of an VVB at any time.

The VBB authorization process begins with the submission of the application, accompanied by the required documentation and payment of the annual accreditation fee.

The VVB must complete the registration form available on the ECORA digital platform. On this same platform, the VVB must submit the following documents:

a. Valid accreditation certificates;
b. Proof of the organization's legal status;
c. Internal policies for prevention and management of conflicts of interest;
d. Organizational chart with responsibilities and roles of the organization's members, including minimum academic qualification requirements. The professional experience of the auditors must also be presented, in order to meet the requirements of the audit team;
e. Statement of commitment to ECORA principles;
f. Statement of absence of conflicts of interest with ECORA;
g. Statement of absence of legal proceedings for misconduct, fraud, or other activities that could negatively affect the organization's performance or reputation.

ECORA will verify the completeness of the documentation, carry out the document analysis, and formalize the final decision.

ECORA may request additional documents at any time from authorized VVBs and/or those in the authorization process.

ECORA must analyze accreditation requests and may authorize the VVB for all methodologies and sectoral scopes, or only for certain methodologies and sectoral scopes, as requested by the VVB.

ECORA may reject a VVB's authorization request, providing a formal justification.

Information about authorized VVBs will be made publicly available in a list on the ECORA Carbon Credit Certification Program website, containing:

a. Sectors and methodologies in which the VVB operates;
b. Contact information;
c. List of auditors;
d. *Authorization status*, which can be classified as:
    I. Authorized: valid authorization;
    II. Inactive: authorization not renewed and without suspension;
    III. Suspended: existence of unresolved inconsistencies.

The VVB must formally submit a request to ECORA when there is a need to update the list of auditors, providing complete information on new members for evaluation, as well as the removal of professionals who no longer work with the VVB.

ECORA may modify, suspend, or revoke the authorization of a VVB with appropriate justification, including situations involving the VVB's participation in other certification programs. In such cases, the VVB may provide clarifications before the final decision.

During the suspension period or after the revocation of a VVB's authorization with the ECORA Carbon Credit Certification Program:

a. The VVB will be prohibited from performing its functions in any projects linked to the ECORA Carbon Credit Certification Program;
b. An action plan must be established for the proper completion of pending audits;

c. The VVB must notify all Interested Parties, as well as the responsible accreditation body, within a maximum period of 30 days.

The voluntary revocation of a VVB may be carried out at any time, without prejudice to projects that are in the process of validation and/or verification. To this end, the VVB must formalize the request through the ECORA digital platform and its authorization status must be changed by the system to "Inactive".

7.5 Project Validation and Verification Process

Projects submitted to the ECORA Carbon Credit Certification Program must undergo a Validation Audit, conducted by an independent VVB, to assess their compliance with the ECORA Standard, adopted methodology, and relevant methodological tools.

After the validation process, the project is registered and becomes eligible to submit to ECORA the emission reductions and/or net GHG removals it wishes to claim as UCEs.

Periodically, emission reductions and/or net GHG removals must be submitted to a Verification Audit, also conducted by a VVB, to demonstrate that the emission reductions and/or GHG removals occurred as planned.

Emission reductions and/or net GHG removals may be verified in Monitoring Periods of at least one year and at most five years, in accordance with the requirements established in the applicable methodology, maintaining data quality and completeness requirements. The deadline for the verification request (described in Section 4.3) is six years after the end of the last verified Monitoring Period, as per Section 5.16. The first Verification Audit may take place concurrently with the Validation Audit.

The ECORA Carbon Credit Certification Program maintains and provides a list of authorized VVBs, categorized by methodology and sectoral scope, according to qualification criteria, technical competence, and compliance with ISO 14064-3 and ISO 14065 standards. The Project Proponent must select and directly contract a VVB from this list.

The ECORA Carbon Credit Certification Program provides information on the scope of authorization, track record, relevant experience, and any applicable restrictions for each VVB. Once the VVB is contracted, the Project Proponent and Project Designer must allow the VVB access to the project's technical information and coordinate the organization of site visits and other steps necessary for the Validation and/or Verification process.

Both the Validation Audit and the Verification Audit must be conducted in accordance with ISO 14064-3 and ISO 14065 standards, including technical assessment, traceability, and methodological consistency throughout the certification process.

VVBs must follow the requirements established in the Audit Protocols of the ECORA Carbon Credit Certification Program applicable to the project type.

The VVB must prepare the Audit Plan describing the planned activities and respective schedules before starting a Validation or Verification Audit, following the model provided by the ECORA Carbon Credit Certification Program. This plan may be adjusted up to the date of the audit opening meeting, as necessary,

and must be communicated to the Project Proponent and Project Designer. At a minimum, the plan must include the scope and objectives of the activity, date of the audit opening meeting, identification of the responsible team and their roles, client contact point, activity schedule, verification criteria, materiality parameters, Interested Parties to be interviewed, and areas to be visited. The Audit Plan must be included by the VVB in the Validation or Verification Report, as per Section 7.11.

For AFOLU projects, the VVB must carry out at least one site visit to the Project Area and other areas/Interested Parties impacted by the project during the Validation Audit and all Verification Audits.

For projects in other sectors, the VVB must carry out at least one site visit to the Project Area and other areas/interested parties impacted by the project during the Validation Audit and in Verification Audits that fall under at least one of the following situations:

a. First Verification Audit of the project;
b. Baseline update and/or Credit Period;
c. Inclusion of new CPs in the case of Scalable Projects;
d. When required by additional certification;
e. When identified as necessary by the VVB.

In the case of projects with multiple CPs, during the Validation Audit and the first Verification Audit, the VVB must visit all CPs. The VVB may use sampling when the number of CPs makes it unfeasible to visit all CPs, following the sampling requirements described in the Audit Protocol.

ECORA may request additional visits when deemed appropriate. To this end, it must inform the VVB, the Project Proponent, and the Project Designer of the reasons and objectives for the additional visits, in order to make the process objective.

At the end of the process, the VVB must prepare a Validation or Verification Report, as described in Section 7.11. Based on this report, ECORA will proceed to analyze the documents submitted for Validation and Verification, and may accept them, request corrections or clarifications from the Project Proponent, Project Designer, or the VVB, or even reject them, as the case may be.

Once ECORA approves the Validation Report, the project will be officially listed as Registered in the ECORA Carbon Credit Certification Program. Similarly, after the acceptance of a Verification Report, the corresponding removals will be considered verified and, therefore, eligible for the issuance of Credits.

7.6 Auditor Training Process

ECORA offers a training program that covers aspects of the Validation and Verification process. The content covers aspects of the ECORA Carbon Credit Certification Program, methodologies, audit protocols, among other topics.

Auditors linked to authorized VVBs must complete the mandatory training within the deadlines established in the training calendar of the ECORA Carbon Credit Certification Program. Auditors who do not complete the mandatory training within the deadline will be prevented from conducting Validation and Verification Audits under the ECORA Carbon Credit Certification Program.

7.7 Conflict of Interest

The impartial performance of VVBs is fundamental to the credibility and integrity of the Validation and Verification Audit processes. Therefore, VVBs must adhere to the requirements:

a. Restriction of activity: organizations involved in the development and/or financing of a project cannot act as VVB for the purposes of validation and/or verification of the same project;

b. Commitment to impartiality: the VVB must maintain a statement that proves its commitment to impartiality and details the procedures adopted to prevent and manage conflicts of interest;

c. Subcontractors: the VVB must obtain and verify a formal statement from subcontractors confirming the absence of conflict of interest, keeping these documents available for ECORA, and presenting them upon request;

d. Periodic conflict of interest analysis: The VVB must carry out a conflict of interest analysis at least once a year and when significant changes occur, such as changes in organizational structure, legal status, mergers, or acquisitions;

e. Documentary evidence: the VVB must keep updated records that prove the existence of policies and mechanisms aimed at preventing, identifying, and resolving conflicts of interest.

7.8 Materiality in Validation and Verification Audits

The application of the concept of materiality supports increased transparency and robustness of the validation and verification processes. To this end, the following materiality requirements must be observed for audit processes:

a. Quantitative limit: the materiality threshold, considering omissions, errors, and misstatements, is 5% for all projects. The Verification opinion is only accepted if the difference between the emission reductions and/or net GHG removals declared by the Project Proponent and those estimated by the VVB is less than the defined limit.

b. Qualitative materiality: relevant qualitative issues that may compromise the reliability of the reported information must be identified and recorded. Among these, the following stand out: control weaknesses that impact the verifier's confidence in the data presented; delayed equipment calibration; inadequate management of documented information; difficulty in obtaining requested data; and non-compliance with standards or regulations related, even indirectly, to GHG emissions, removals, or storage;

c. Evidence record: the VVB must keep documentation that proves the materiality analysis carried out, including technical justifications and records of decisions made during the Validation and Verification processes.

7.9 Turnover of VVBs

The Validation Audit and the first Verification Audit of a project may be carried out by the same VVB. However, the two subsequent verifications must be conducted by a different VVB. This requirement applies regardless of whether the Validation Audit and the Verification Audit occur simultaneously or at different times.

A VVB must not conduct one or more Verification Audits covering a period longer than five consecutive years for the same project. The resumption of Verification Audits by this VVB will only be allowed after at least one Verification Audit has been conducted by another entity.

When the final verification of a Credit Period and the Validation Audit for renewal of the Credit Period are carried out by the same VVB, the next Verification Audit must be conducted by a different VVB.

Exceptions to the VVB rotation rule may be approved by ECORA when justified in cases of proven shortage of available accredited VVBs.

7.10 Technical Monitoring and Transparency in the Performance of VVBs

ECORA is responsible for authorizing VVBs to operate in its certification processes. On ECORA's Carbon Credit Certification Program website, authorized VVBs are published, with information about their sectoral scope, accreditation period, and status. The status may be:

a. Active;
b. Inactive;
c. Suspended.

ECORA may suspend the authorization of a VVB when persistent inconsistencies in accreditation, technical failures, or deviations in the Validation or Verification Audit processes are identified and have not been corrected according to ECORA Carbon Credit Certification Program guidelines.

If an VVB is suspended, the VVB and ECORA must agree on an action plan to close all pending audits and reviews during the suspension or revocation period.

VVBs may be suspended in cases such as: unreported changes in audit teams without prior approval from ECORA; loss of accreditation required in Section 7.2; negligence in preparing Validation or Verification Reports, or in applying audit techniques; reasonable indications of non-compliance with the Audit Protocol; or in the face of substantiated allegations of fraud or intentionally misleading statements.

ECORA advocates a continuous technical monitoring approach, aimed at strengthening the capacities of VVBs and improving the quality of the services provided. This monitoring includes the systematic review of submitted reports, monitoring of the first projects conducted by newly authorized VVBs, and the provision of technical comments throughout each stage of the audit process.

ECORA may conduct an annual evaluation of the performance of VVBs, based on evidence collected throughout the year, and may include corrective training when necessary.

ECORA may implement anonymous evaluation mechanisms of the VVBs by Project Designers and other Stakeholders.

The VVBs must maintain documented procedures to identify and address non-conformities, which may arise from internal audits, failures in submissions of Validation or Verification Reports, deviations from their own procedures, or from received comments. ECORA may request documentation for evaluation at any time,

The VVBs must monitor the performance of their technical teams, maintaining procedures to demonstrate technical competence and the continuous updating of their teams regarding revisions of the ECORA Standard and applicable technological innovations. ECORA may request documentation for evaluation at any time.

ECORA may communicate to the competent accreditation body any relevant or recurring concerns related to the performance of the VVBs.

7.11 Validation or Verification Report

The VVB must act in accordance with the principles of the applicable ISO standards, and the Validation and Verification processes must be conducted consistently and based on evidence (as described in the Audit Protocol).

When there are no outstanding issues after the Validation and/or Verification Audits, the VVB must issue a statement in the form of a Validation or Verification Report, following the template provided by the ECORA Carbon Credit Certification Program, containing at minimum the following information:

a. Report issuance date;
b. Project name, Monitoring Period, and quantification of emission reductions and/or GHG removals;
c. Criteria used for preparation and evaluation, including documentary framework, applied methodology, and additional certification, if applicable;
d. Nature of the data and information underlying the quantification of emission reductions and/or GHG removals (projected and/or historical);
e. Audit plan, as per Section 7.5 and details of its execution;
f. VVB's conclusion, accompanied by the justification for its opinion;
g. The conclusion of a Validation Audit (R4) must be classified as: Validated Project, Rejected Project, or Inactive Project, as per Section 4.2;
h. The conclusion of a Validation Audit (R4) for additional certification after project registration must be classified as: Additional Certification Validated, Additional Certification Rejected, as per Section 4.4;
i. The conclusion of a Verification Audit (M4) must be classified as: Verified Monitoring Period, Rejected Monitoring Period, or Inactive Monitoring Period, as per Section 4.3;
j. For validations of estimates of future GHG reductions or removals, clarification that actual results may differ from forecasts due to possible changes in the adopted assumptions;
k. Statement that the Validation or Verification Audit was conducted in accordance with ISO 14064-3, specifying the version applied;
l. For AFOLU projects, identification of the version of the Non-Permanence Risk Report and Mitigation Plan and the market leakage assessment documentation used as the basis for the opinion;
m. Volume of emission reductions or net GHG removals verified in the Monitoring Period. For AFOLU projects, the verification opinion must also include the Non-Permanence Risk classification, leakage emissions, and the amount of reductions or removals eligible for UCE issuance;
n. When the Public Comment Period (R3) stage is part of the Audit, presentation, as an appendix, of the Final Project Public Comment Consolidation Document, containing the Project Designer 's responses and the VVB's opinion.

The Validation or Verification Reports submitted by the VVB may be reviewed by ECORA, which may request adjustments when necessary.

8. Issued UCEs

8.1 Registration and Traceability of UCEs

Each ECORA Carbon Unit (UCE) is issued with attributes and a unique and permanent serial code, which follows its entire life cycle — from issuance to transfer, cancellation, or retirement. These attributes include information such as:

a. project origin;
b. type of emission reduction or GHG removal;
c. country;
d. sector;
e. vintage;
f. issuance date;
g. Monitoring Period, and;
h. UCE status (active, suspended, retired, or cancelled).

The registry system tracks the ownership and usage history of each UCE, preventing duplications and ensuring that each metric ton of CO_2e compensated is unique. This information is public, freely accessible, in a structured and machine-readable format, allowing verification of the origin and use of each UCE.

The registry discloses links with other systems, enabling transfers between programs and national and international interoperability. In addition, it offers public access to consolidated information on the issuance and deactivation of UCEs, including serial number, project reference, status and cancellation date, responsible entity, and declared purpose of use.

Each registered element is identified, at a minimum, by date, time, and responsible user, and logically linked to the other project records, creating a complete, chronological, and verifiable trail.

8.2 Issuance Process

After approval of the verification of each monitoring period, as per Section 4.3, the UCEs are issued and deposited in the Project Proponent's account, linked to a vintage of verified emission reductions or GHG removals.

ECORA will automatically deposit the corresponding credits in the AFOLU Collective Reserve Account at the time of issuance of UCEs from projects classified under the AFOLU sectoral scope.

8.3 Transfer Rules and Ownership History

The transfer of UCEs can be made by the Project Proponent to the buyer's ECORA User Account, resulting in the transfer of ownership of one or more issued UCEs. For each UCE, all transfers will be recorded in the UCE's data history and made publicly available.

The transfer of the project's UCEs is subject to the following rules:

a. The Project Proponent may only transfer UCEs that have been issued;

b. The Project Proponent may only transfer UCEs that they possess; and

c. The Project Proponent may only transfer UCEs to buyers who have an active ECORA User Account.

Buyer transfers are subject to the following rules:

a. Buyers may only transfer UCEs that they own; and

b. Buyers may only transfer UCEs to another organization that has an ECORA User Account.

8.4 Retirement Rules

Retirement ends the ownership status of a UCE, so that once it is used in an accounting activity, the metric ton of CO_2e represented by that retired UCE cannot be used again. The UCE retirement process is carried out through the ECORA digital platform and must adhere to the following rules:

a. Only the account holder can retire UCEs that are under their ownership and within their ECORA User Account;

b. A UCE can be retired only once;

c. The account holder must indicate the reason for the UCE's retirement, which will be publicly disclosed;

d. The organization in whose name the UCE is retired (beneficiary) will be publicly identified;

e. The claim of environmental benefits of a UCE, for example, for the purpose of GHG emissions offsetting, can only be made by the organization for which the UCE was retired;

f. Only the beneficiary of a retired UCE can claim the environmental benefits associated with that UCE;

g. Any number of UCEs can be retired at any time, as long as it does not exceed the number available in the account holder's account.

ECORA will issue retirement certificates after the completion of the UCE retirement process on the digital platform. Each certificate will identify the retired UCEs and indicate the respective emission reductions or net GHG removals from which they originated.

When retirement involves multiple UCEs in the same process, all will be included in the same certificate. The holder of the ECORA User Account may request multiple UCE retirement processes, in batches, up to the total volume limit of UCEs available in their account.

9. Project Closure

9.1 End of the Project Commitment Period

The project's Commitment Period is the period during which the project's climate and socio-environmental impacts and benefits are maintained and monitored, as per Section 5.8.

The criteria for ending the project's Commitment Period are:

a. Compliance with the criteria established in Section 5.8;

b. Completion of the Project Verification Approval stage (M5), as per Section 4.3, of the Monitoring Period that includes the end date of the Credit Period;

c. If the end of the Credit Period is different from the Commitment Period, the Project Designer must provide the completion and compliance with any remarks from the Monitoring Report (M1), as per Section 4.3, regarding the last year of the Commitment Period.

9.2 Project Cancellation

The cancellation of projects under the ECORA Carbon Credit Certification Program is the definitive interruption of the verification, issuance, retirement, and other UCE transaction processes before the end of the project's Commitment Period, in the event of serious and/or unresolved non-conformities with the requirements established in the documentation of the ECORA Carbon Credit Certification Program.

Project cancellation may occur, but is not limited to, the following situations:

a. Provision of false or inconsistent information or documentation for compliance with program requirements in the development and monitoring of the project;

b. Violation of the safeguard guidelines present in Section 3.5 and in the Socio-environmental Safeguards and SDG Tool document;

a. Violation of legal and land tenure requirements provided for in the legislation of the host country;

b. Violation of requirements set forth in the “Guidelines of the Regulatory Framework Applicable to Projects” document of the ECORA Carbon Credit Certification Program, when available for the host country;

c. Violation or non-compliance with the non-permanence risk requirements set forth in Section 3.9 and in the Permanence Risk Analysis Tool for AFOLU Projects document;

d. Interruption or suspension of project activities without technical justification and without prior communication to ECORA;

e. Inconsistencies in Monitoring data, which include but are not limited to:

   I. Fraud and/or omission of data for the calculation of GHG reduction or removal;

   II. Lack of records that allow traceability of monitored data;

   III. Presentation of inconsistent data or statements between verifications;

f. Failure to comply with corrective actions and/or queries requested by ECORA and/or the VVB within the deadlines established by the ECORA Carbon Credit Certification Program;

g. Loss of eligibility or failure to communicate modifications that may alter the project's eligibility within the deadline, as set forth in Section 3.3;

h. Non-permanence risk higher than the acceptable level defined in the Non-permanence Risk Tool for AFOLU Projects;

i. Failure to meet the deadlines related to the Monitoring Report, as per Section 4.3;

j. Failure to request project verification within the deadline, as set forth in Section 5.16;

k. Rejection of the Monitoring Period by the VVB or suspension of the project by ECORA in the verification process, as set forth in Section 4.3.

The project cancellation process will include the following steps:

a. Identification of non-conformity by ECORA and change of the project's status to “Suspended”, resulting in the temporary interruption of verification, issuance, retirement, and other UCE transactions until regularization;

b. Formal communication by ECORA to the Project Proponent and/or Project Designer regarding the identification of non-conformity, with a request for justification and/or corrective action, with a defined response deadline, depending on the magnitude of the irregularity found;

c. Submission of a response by the Project Proponent and/or Project Designer to ECORA containing justification and/or evidence of corrective action;

d. Evaluation and issuance of a preliminary opinion by ECORA;

e. Submission of an additional response by the Project Proponent and/or Project Designer to ECORA, if applicable;

f. Evaluation, issuance, and publication of an opinion by ECORA, establishing the status as “Cancelled” or “Registered”;

g. Verification, issuance, retirement, and other UCE transaction processes for cancelled projects will be definitively interrupted.

ECORA must assess the compliance of UCEs already issued, as well as UCEs issued and subsequently retired, originating from projects that have been suspended or cancelled, according to the requirements established below:

a. UCEs already issued from suspended projects will be temporarily blocked and their status will be changed to “Suspended”;

b. UCEs already issued from cancelled projects will be cancelled and their status will be changed to “Cancelled”;

c. UCEs already issued from projects that change their status from “Suspended” to “Registered” will undergo evaluation and will be:

I. Reactivated, if it is found that there was no issuance of UCE from non-conformity and their status will be changed to “Active”;

II. Partially cancelled, if it is possible to identify the period in which the UCEs were issued from non-conformity and their status will be changed to “Cancelled”;

III. Totally cancelled, if all UCEs were issued from non-conformity or if it is not possible to identify a specific period in which the non-conformity occurred, and their status will be changed to “Cancelled”.

The Project Proponent responsible for projects that had UCEs with status changed to “Cancelled” must replace the equivalent quantity of cancelled UCEs through acquisition and cancellation of UCEs from the ECORA Carbon Credit Certification Program, or carbon credits from an equivalent mechanism defined by ECORA. The Project Proponent may have their account suspended on the ECORA digital platform until the compensation of cancelled UCEs is resolved.

10. Revision History

Version	Date	Comments
1.0	XX/XX/XXXX	Initial issuance