WILL'S COMMENTS ON THE PUBLIC CONSULTATION ON THE VERSION 5.0 OF THE VCS PROGRAM

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In early February 2023, Verra launched a public consultation on the VCS Program. The VCS Program is the world's most widely used greenhouse gas (GHG) crediting program. It drives finance towards activities that reduce and remove emissions, improve livelihoods, and protect nature.

This open consultation invited stakeholders to identify big-picture priorities and ideas to enable the VCS Program to deliver climate action at the scale, pace, and integrity needed to support global climate ambitions.

Will Solutions (WILL), a Canadian-certified B Corp organization, has been developing its experience with Voluntary Carbon Markets (VCM) since 2007. First, WILL evaluated and developed a methodology (VM0018) that has been certified since 2012 by the VCS program under its version 3.0, which operates in open source. At this point, WILL became an active stakeholder of the VCS program. Then, in 2012-2013, we set up a first group project, validated by VCS, followed by several iterations of MRV, which successfully led to the sale of verified carbon units. The sales process was distributed, according to our business model, to members who are small emitters of GHGs. This started a virtuous circle of change.

In 2018 and 2019, WILL actively participated in the consultation of the VCS program which became version 4.0 in September 2019. In both documents, we emphasized the importance of broadening the participation of the tens of millions of small emitters around the world by aggregating their small GHG reductions, which will be converted into carbon credits and sold, thereby ensuring financing for current and future projects. We have emphasized the crucial role of buildings as the calculation perimeter of these reduction projects, which groups three sectoral scopes (3, 7, and 13) in a one-stop shop mode to maximize their participation.

Since November 2020, Will Solutions has participated, in **2020** and 2021 to several public consultations of the Taskforce on Scaling Voluntary Carbon Markets (**TSVCM**) and has followed the publications of the Integrity Council for the Voluntary Carbon Market (**ICVCM**) and shares the same values of the latest Carbon Core Principles (CCP) published on March 28th, 2023.

WILL's Comments and Responses to the Public Consultation on the VCS Program Version 5.0

1. **Our vision for the renewed VCS Program is to strengthen its credibility and integrity and to enable increased global climate action to support halving emissions by 2030 and achieving net-zero global emissions by mid-century. To help gauge which topics are most important, please provide a score (between 1-lowest and 5-highest priority) for each of the following based on your recommended overall priorities for the VCS Program renewal:**

   - Accelerate the adoption and integration of new approaches to VCS Program fundaments, (such as additionality, baselines, monitoring, verification, and permanence) to enhance integrity, transparency, and impact. **(2)**

   - Align the VCS Program with carbon market integrity initiatives. **(3)**

   - Expand the VCS Program Scope to include additional activities/sectors. **(3)**

   - Integrate the VCS program with government or jurisdictional programs and policies (including Article 6 of the Paris Agreement) to increase alignment and ambition. **(4)**

   - Adopt new technologies, such as digitization of project documents and methodologies, digital monitoring, reporting, and verification (MRV), and Web 3.0 opportunities. **(4)**

   - Simplify and enhance the usability of the VCS program documents, methodologies, and templates. **(5)**

   - Enhance protections and benefits for indigenous peoples and local communities, natural ecosystems, and sustainable development associated with VCS projects. **(4)**

INTEGRITY

2. **What improvements do you recommend to strengthen the credibility and integrity of the VCS Program or better align with the VCS Principles (Relevance, completeness, consistency, accuracy, transparency, and conservativeness)?**

   No comments.

3. **How could Verra improve the VCS Program approach to additionality, permanence, baseline setting, or avoiding double counting or double claiming of emission reductions and removals?**

   We believe the current approach penalizes multi-sectoral grouped projects regarding double counting avoidance. To improve the current approach and to provide equal access, we suggest that the submission of emission reductions from a period already covered in a previous

Monitoring Report be allowed for new organizations (or new PAI) joining a group project under specific conditions.

One of these conditions should be that the project proponent must demonstrate with supporting evidence for every new PAI, which must then by verified by the VVB, that the emission reductions are not included in previous monitoring reports and therefore, there are no risks of double counting.

4. **What enhancements do you recommend to the VCS requirements and processes related to project consultation and safeguards to protect and benefit indigenous peoples and local communities, avoid environmental harm, and promote sustainable development?**

   No comments.

5. **What guidance or requirements should the VCS Program provide regarding the use of VCUs to support global climate outcomes (e.g., how to use VCUs to raise corporate climate ambition and complement direct actions within their operations and supply chains)?**

   Internal reassessment of reforestation projects requirements as the recent criticism had a generalized negative impact on other types of carbon credits projects (ex: multi-sectoral grouped project, etc.), which we believe to be unfair.

6. **Considering the types of emission reduction and removal (ERR) activities necessary to achieve global net zero emissions, are there any key ERR activities that are not currently addressed in the scope of the VCS Program and available methodologies that Verra should include (please list and explain why)?**

   No suggestions.

7. **Are there any ERR activities or VCS methodologies that should be avoided, reviewed, or phased out in the scope of the VCS Program (please list and explain why)?**

   No comments.

8. **How could the VCS better support emissions reductions or removals beyond government policy requirements and incentives while supporting improvements to government policies and programs over time?**

   No suggestions.

INNOVATION

9. **What emerging technologies and related approaches do you think Verra should explore and potentially integrate into the VCS Program requirements, processes, or methodologies?**

VCS should explore and potentially integrate a tokenization approach with Blockchain technologies to better manage the Verra registry and enable direct connections and increase the transparency and integrity of transactions with other buyer registries.

10. **How can the VCS Program help accelerate the development and deployment of new emissions reduction or removal technologies and practices?**

No suggestions.

11. **How can the VCS Program support and align with improvements in scientific knowledge necessary for achieving global climate ambitions?**

No comments.

USABILITY AND OPERATIONAL EXCELLENCE

12. **How can Verra improve the operations of the VCS program registration and issuance processes (including through capacity building), and enhance interoperability between the VCS and other Verra programs (e.g. the Sustainable Development Verified Impact Standard, the Climate, Community, and Biodiversity Standards, and the Plastic Waste Reduction Standard)?**

The main issue we are facing is the significant increase in processing times for monitoring report reviews and issuance processes, which far exceed the 40-day timeframe announced by Verra for the current processing time for initial review of project documentation, and 20-day timeframe for the review of each round of responses[1].

We believe that Verra must take steps to increase its processing capacity for both registration, verifications, and issuance processes in order to adjust to the growing demand.

The increase in capacity could be achieved through the hiring of additional resources and the optimization of review operations by ensuring, among other things, the continuity of files by assigning them to the same Program Officer or by ensuring that a proper transfer of information is provided.

We also believe that automating some communications would help reduce email exchanges and increase the quality of information, such as an automatic email acknowledgement to the project proponent when application is filed.

13. **What VCS Program updates could better support the efficient and effective design, financing, implementation, reporting, validation, or verification of VCS projects?**

Improve continuity in the validation process with VCS. We fully understand the reason behind the change or rotation of VCS program officers from one monitoring report to another, however,

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[1] https://verra.org/important-reminder-end-of-year-timeline-for-verra-project-reviews/

there seems to be shortcomings regarding the transfer of project information's from one program officer to another, from one monitoring report to another.

It is a recurring frustration to have to repeat at each monitoring report information already provided and explained in detail in previous monitoring reports, or already available in the project document or methodology.

If not already the case, important and specific information about projects should be saved in a directory that can be easily transferred and accessed from one VCS validator to another as to avoid repeating, every monitoring report, but to also increase efficiency and reduce validation and issuance delays for VCS.

14. **How can the VCS Program approach to validation and verification be improved?**

- Invest efforts into growing the list of approved VVB by VCS, and the sectoral scopes they cover to answer the growing demand of project verification mandates. This has been increasing delays for the completion of the verification process.

- Reduce issuance delays by better respecting the 20 days delay announced[2]. Issuance delays by VCS are increasingly long, which creates carbon credits supply challenges. Consequently, return-on-investment and micro-financing are delayed, which then interrupts the implementation and operation of the project to the detriment of small organizations that are actively involved in climate action.

15. **In the VCS Program documents, definitions, and templates, are there any clauses or sections that are difficult to understand or implement? Are there any errors or oversights in specific clauses or sections that need to be addressed? Please enter your specific recommendations in this downloadable Excel sheet and once completed, upload it in the Consultation Form.**

Section 3.1 of the Monitoring Report – Implementation status of the project activity: the description of what is expected in this section should be improved. It is not clear what is meant by implementation status and what information should be provided, especially for grouped projects that address more than one sectoral scope (such as sectoral scope 3, 7, and 13).

Section 2.2 of the Monitoring Report – Local Stakeholder Consultation: It is not clear what this section should contain for a group project. This section is difficult to implement for grouped projects that address more than one sectoral scope (such as sectoral scope 3, 7, and 13).

16. **Do you have feedback on how updates to the VCS Program are developed, consulted on, and communicated?**

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[2] https://verra.org/important-reminder-end-of-year-timeline-for-verra-project-reviews/

- Improvements are needed to communicate any updates to the VCS Program much earlier. Currently changes to the VCS Standard are not communicated early enough leaving a small window for the project proponent to react, adapt, and readjust.

- Reconsider the timing of any updates to the VCS Standard. Have the updates better synchronized with the project annual reporting cycle.

OTHER

17. **Do you have any other general comments or feedback on the VCS Program that are not covered in your responses above?**

    Consider improving or transferring the management (i.e., private entity) of the Verra registry:

    - Executing requests for modifications of important information on the registry takes too long and has had consequences on VCU sales, to the detriment of small organizations that wish to engage in climate action.

    - Considering the Verra registry acts as the 'storefront/display' of our project, over the years, the disorganized addition of documents has made it difficult to navigate our project page, both for the project proponent and other stakeholders, such as carbon credit buyers. This has had a detrimental effect on carbon credit sale and small organizations that wish to engage in climate action.

      - We suggest considering giving limited user access to the Verra registry to modify things such as: document titles, document sections (current sections on project pages of the registry being: VCS Pipeline Documents, VCS Registration Documents, VCS Issuance Documents, VCS Other Documents).

      - We noticed that some documents on our project page of the registry were uploaded more than once which created duplicates, sometimes of versions that should not be there.

18. **Do you have additional feedback on how Verra could better support the growth, integrity, and evolution of the voluntary carbon market and climate action more broadly?**

    Virtual audits should be recognized as being as valid as on-site audits. We are surprised by the recent VCS Program update which makes certain on-site visits mandatory. This seems counter-productive and has potential to damage the credibility of climate action claims since VVB's often must fly to complete an on-site visit, and flying is a large GHG emission source. We do not see the added value of this measure.

    Verra could create a guideline or framework for virtual audits to ensure their transparency, but with current available technology, we believe a virtual audit can be completed as effectively and as transparently as an on-site audit.

With videoconferencing platforms, VVB's can ask the same questions they would ask during on-site visits. In addition, several Apps are available to ease and ensure the validity of virtual audits, such as Apps that allow recording videos with information stamps such as latitude, longitude, date, time, map, and many other information which can then be provided to the VVB for verification.

- For grouped projects, consider the possibility of allowing early reductions up to 5 years before the initial start date of the group project, specifically when a project includes several different reduction solutions and behavioral changes. We have observed in different regulated Cap and Trade schemes, a recognition of up to 6 years of early GHG reductions generated from innovative technologies and/or uncommon emerging practices, to the detriment of small organizations that wish to engage in climate action.

About WILL Solutions

WILL has implemented a first group project in the jurisdiction of Quebec (VCS-929), Canada and has completed 6 rounds of quantification (Monitoring Report) and verification. The first sales of verified carbon credits were made directly to end-buyers, through international brokers (secondary market) and new emerging digital trading platforms. In August 2023, following a streaming financing agreement, WILL submitted a second Sustainable Community project in Ontario (OSC), Canada (VCS-3004) which is expected to be validated in summer 2023.

At this time, millions in $CAD from the carbon revenues generated from the sales of these carbon credits directly have been distributed by WILL to the Sustainable Community participants; SME, municipalities and NPOs. Therefore, we believe that we bring to the Voluntary Carbon Markets (VCM) a solid field experience on the life cycle management of a carbon credit, from the design of a methodology, the qualification and quantification of a GHG reduction, its verification, its serialization, its sale to an end-buyer (for retirement), to the return of the proceeds of the sale to the SC members.

WILL Solutions Inc. (WILL) is a privately held Canadian company, BCorp. certified, with its head office in Beloeil, QC. WILL has a social philosophy based on sharing. It is based on two major axes: democratizing access to carbon credits by pooling local GHG reduction projects carried out by SMEs and NPOs and returning as much money as possible to these partners following the sale of carbon credits by WILL. WILL has been carbon neutral since 2007 and is committed to returning **10% of its net profit** to community projects and initiatives supporting sustainable development.