

PROJECT REVIEW REPORT

This project review report includes findings raised during Verra's review of the project specified below. The VVB must address the findings before the project request can be considered for approval by Verra. The project review report will be made publicly available on the Verra Registry. Confidential information may be provided in separate attachments.

Project ID	3634
Project Name	Agoro Carbon USA Cropland Program
Review Type	Registration
Program(s)	VCS
Project Proponent	Agoro Carbon Alliance
Methodology	VM0042 Methodology for Improved Agricultural Land Management, v2.0
VVB	TÜV SÜD America Inc. - Ruby Canyon
Assessment Criteria	VCS Standard v4.6 and VM0042 v2.0
Date of First Issue	07 March 2025
Date of Second Issue	16 October 2025
Date of Third Issue	05 November 2025
Review Conclusion	Approved
Date of Final Issue	21 November 2025

FINDINGS

#	Finding Description	VVB Response	Status
1	Insufficient explanation and assessment of project design		
	<u>Issue</u> 1. Lack of clarity of the geographic area defined for the project. Section 3.1 of the VR lists the states where initial project activity instances (PAIs) take place, and that areas without PAIs are excluded. However, the PD refers to the project area as the continental USA (see background). 2. Insufficient specificity of eligibility criteria 9 and 11 listed in Section 1.4.1 of the PD. Specifically, more specificity (or cross-reference) is needed to that the newly included PAIs will have the same baseline scenario and same rationale to demonstrate additionality as the initial PAIs (demonstrated in Sections 3.4 and 3.5 of the PD), considering that the project is located across Continental United States. <u>Action Required</u> 1. The VVB must ensure that Section 1.4 of the project description is updated to a. Clarify the geographic area in the context of how the eligibility criteria is applied to future PAIs, and is consistent with the VVB's assessment. b. Provide sufficient specificity and linkage in the eligibility criteria so that new PAIs will have the same baseline scenario and characteristics with respect to additionality as the first PAIs as per demonstrated in Sections 3.4 and 3.5 of the PD.	<u>Round 1</u> <u>VVB Response</u> 1. Section 1.4 of the PD has been updated. a. The Project Proponents have updated the defined geographic areas to be the geographic boundaries of the US states in which initial project instances exist. b. The baseline scenario is the continuation of pre-project agricultural practices. The specifics of the pre-project agricultural practices are determined at the field level, which is appropriate for this project. The description of the baseline scenario (continuation of pre-project agricultural activities) at the project scale is appropriate and has precedence in other recently validated VM0042 projects. The Project Proponents have included a table in the updated PD which details the specifics of the baseline conditions for each geographic area. This table includes quantitative ranges for the baseline activities in each geographic region that will be used to determine the eligibility of potential new project activity instances. Based on the data and documentation provided, the validation team agrees that the barriers to project implementation are the same across the project and are not specific to each geographic area. The validation team reviewed evidence provided by the Project Proponents and conducted an independent review of relevant literature and concluded that this is a reasonable and conservative assumption. There is precedence for describing barriers to project implementation across the entire project area in other, recently validated VM0042 projects. Any new PAIs must meet the additionality criteria specified	Closed

	2. In Section 3.1 of the VR, the VVB must update the assessment of the updates made to align with Sections 3.6.10 to 3.6.17 of the VCS Standard, v4.6. <u>Program Rule(s)</u> VCS Standard, v4.6, Sections 3.6.10 to 3.6.17 <u>Background</u> The VVB states that “The baseline scenario is ‘business-as-usual’ cropping practices, which vary based on region and practice change.” The VVB states that Geographic areas with no initial project activity instances have not been included in the project. However, this contradicts with section 1.13 of the PD which states that the project area is the continental united states.	in the PD. The updated PD provides sufficient specificity and linkage in the eligibility criteria so that new PAIs will have the same baseline scenario and characteristics with respect to additionality as the first PAIs. <u>Verra Response</u> Section 1.13 was updated to clarify the geographic area of the project. Areas without initial project activity instances have not been included. Additionally, Section 1.4.1 was revised to clarify that new PAIs will follow the same baseline scenario and additionality characteristics as the initial PAIs. This finding is now closed and no further action is required.	
--	---	--	--

2	Insufficient demonstration and assessment of project ownership		
	<u>Issue</u> 1. It is unclear whether the PP has control of at least 80% of the first instance of the project activity. <u>Action Required</u> 1. The VVB must ensure that Section 1.8 of the PD is updated to demonstrate that a. Demonstrate that the PP has control of 80% of the first instance of project activity. Otherwise, Section 3.11.4(3) of the VCS Standard, v4.6 must be followed. 2. The VVB must further assess the issue of project ownership in Section 3.1 the VR, considering issues listed above. <u>Program Rule(s)</u> VCS Standard, v4.6, Section 3.7 and 3.11.4	Round 1 <u>VVB Response</u> The Project Proponents have control of 100% of the first instances of the project activity. TÜV SÜD reviewed six executed contracts between the Project Proponents and project participants and found them to be sufficient. Based on discussions had with project participants during the site visit and the Project Proponents during the validation process, TÜV SÜD considers it very unlikely that the Project Proponents do not control at least 80% of the first instance of the project activity. Section 3.1 of the VR has been updated with the above information. <u>Verra Response</u> Section 3.1 of the VR has been updated to include an assessment of how the project meets the requirements outlined in Section 3.11.4(3) of the VCS Standard, v4.6. This finding is now closed, and no further action is required.	Closed

3	Insufficient demonstration of the project start date		
	<u>Issue</u> The project description has not sufficiently demonstrated the project start date. It is unclear which activities that lead to the generation of reductions or removals were implemented.	Round 1	Closed
	<u>Action Required</u> 1. The VVB must ensure that the Section 1.9 of the project description is updated to justify the project start date against the definition in Section 3.8 of the VCS Standard, v4.6, specifically on: a. The type of activities that each of the instances did to determine that the date becomes the project start date. b. Demonstration that the project start date is the day when agricultural activities have changed.	<u>VVB Response</u> The project start date is 20 March 2021. This date is the earliest date where a farmer implemented a practice activity (no till) that resulted in the generation of removals.	
	<u>Program Rule(s)</u> VCS Standard, v4.6, Section 3.8 VCS Program Definitions, v4.4	<u>Verra Response</u> Sections 1.9 and 3.8 have been updated to describe which activity was implemented that lead to the generation of emission reductions or removals. This finding is now closed, and no further action is required.	
4	Insufficient demonstration of project activity		
	<u>Issue</u> 1. Section 1.12 of PD does not include: a. Information on whether activity in the project scenario will be maintained at the same level throughout the project crediting period or reduced from year to year,	Round 1	Closed
		<u>VVB Response</u> 1. TÜV SÜD confirms that section 1.12 of the PD has been updated to a. Describe how the improved ALM project activities will be implemented in the project areas throughout the crediting period. b. How the various organizations and other entities are	

	b. How various organizations, communities and other entities are involved. c. What project activities are implemented by the initial project activity instances. <u>Action Required</u> - The VVB must ensure that Section 1.11 of the PD is updated to: - Describe how all the improved ALM project activities will be implemented in the project areas throughout the crediting period. - How the various organizations, and other entities are involved. - Clarify which project activities are implemented by the initial project activity instances. - The VVB must assess the updated information and provide an assessment of the description of project activities in the updated VR. <u>Program Rule(s)</u> VCS Standard 4.6, Section 3.2.4 VCS Project Description Template, v4.3, Section 1.12	involved. c. Clarify which project activities are implemented by the initial project activity instances. Table 1-1 details the specific practices which are already implemented in each state. 2. An assessment of the description of the project activities has been included in section 3.1 of the updated VR.	
		<u>Verra Response</u> Section 1.12 of the PD has been updated to include sufficient description of project activities. This finding is now closed, and no further action is required.	

5 Insufficient detail in KML file			
	<u>Issue</u> The KML file provided only includes the boundaries of each state in the continental USA and not instances in the project. <u>Action Required</u>	Round 1	Closed
		<u>VVB Response</u> TÜV SÜD confirms that the Project Proponents have provided a .kml file that includes the geodetic coordinates of each initial instance. This .kml file was provided to the validation team	

	1. The VVB is requested to provide an updated KML file that includes geodetic coordinates of each initial instances or refine the polygon to delineate smallest administrative division of land of the project area. <u>Program Rule(s)</u> VCS Standard, v4.6, Section 3.11.1(3)	during the validation process and was extensively reviewed, as described in the VR. <u>Verra Response</u> An updated KML file that includes geodetic coordinates of each initial instance and refine the polygon to delineate smallest administrative division of land of the project area was provided. This finding is now closed, and no further action is required.	
--	---	---	--

6	Inconsistent SDG indicator contribution		
	<u>Issue</u> Row 7 of the table in Section 1.18 of the PD has an indicator to increase water-use efficiency. However, the estimated project contribution and assessment does not mention water-use parameters, only SOC stock measurements. Further, this is inconsistent with the VVB's assessment in the VR. <u>Action Required</u> 1. The VVB is requested to ensure Section 1.18, Row 7 of the table is updated to ensure consistency between the SDG indicator and project's contribution and assessment. 2. The VVB must update the assessment in Section 3.1 of the VR as needed. <u>Program Rule(s)</u> VCS Project Description Template, v4.2, Section 1.18	Round 1 <u>VVB Response</u> TÜV SÜD confirms that reference to this SDG has been removed from the PD and VR. <u>Verra Response</u> Section 1.18, Row 7 of the table was updated to ensure consistency between the SDG indicator and project's contribution and assessment. This finding is now closed and no further action is required.	Closed

7	Insufficient demonstration and assessment of no-net harm and AFOLU-specific safeguards		
	<u>Issue</u> 1. Section 2.1.1 of the PD describes that the project proponent does not own the land. However, the project activity is carried out by farmers who own or	Round 1 <u>VVB Response</u> 1. Sections 2.1 and 2.2 of the PD contain sufficient information with respect to no-net harm and AFOLU safeguards.	Closed

	lease the land. Given some project areas are located in Native American Reserves, description of legal or customary tenure is needed. - The following elements of stakeholder engagement and consultation are missing in Section 2.1.2 of the PD: - Process or methods used to document the outcomes of the stakeholder consultation - No description of (or justification for the lack of) any project design changes made in response to stakeholder comments received during consultation. - It is unclear how the results of the stakeholder consultation are representative of the entire project area, given that the project will be implemented across the continental USA. - Insufficient description of the risks to local stakeholder resources due to project implementation in Section 2.2 of PD. <u>Action Required</u> - The VVB must ensure that Sections 2.1 and 2.2 of the PD is updated to include all information regarding no-net harm and AFOLU Safeguards listed in the issues above. - The VVB must provide assessments of the abovementioned matters in Sections 3.2.2 and 3.2.5 of the validation report. <u>Program Rule(s)</u> VCS Standard, v4.6, Sections 3.18 and 3.19	Specifically, in instances where the project activity will take place on land within a Native American Reserve, the grower must attest that they have the consent of the relevant tribal authority to implement the practice changes and receive payment from Agoro. It is important to note that the customary rights associated with Native American reservations are reservation specific and nuanced. The simple fact that a property might exist within the boundaries of a Native American reservation does not necessarily mean that the landowner or lessee is subject to regulation by the Tribe or the jurisdiction of the tribal courts for matters related to the property and the use thereof. See Evans v. Shoshone-Bannock Land Use Policy Commission as an example. The validation team concludes that the stipulations of the Carbon Agreement Contract and the requirement that growers act in compliance with all appropriate laws and regulations meet the requirements of the protocol as they pertain to customary tenure. - The relevant sections of the PD have been updated. Based on the documentation reviewed, as well as conversations had during the site visit, the validation team finds it extremely unlikely that the Project Proponents did not follow the stakeholder engagement/consultation requirements of the VCS Standard. - The Project Proponents confirmed via interview that stakeholder consultation activities occurred in all relevant geographic areas. - Based on the data and documentation reviewed, as well as discussions had during the site visit, the validation team confirms that the Project Proponents have included all relevant risks to local stakeholder resources. As described elsewhere in this document and the VR, the land included in the project is not used for subsistence farming, nor are the crops produced used to support the nutritional needs of any	
--	---	--	--

		local population. The VR has been updated where applicable. Please note that section 3.2.5 does not exist in the VR. <u>Verra Response</u> Sections 2.1 and 2.2 of the PD were updated to include the required information regarding no-net harm and AFOLU Safeguards listed in the issues above. This finding is now closed and no further action is required.	
--	--	---	--

8	Insufficient demonstration of how the project adheres to the applicability conditions of the methodology		
	<u>Issue</u> - Section 3.2 of the PD has not demonstrated how the project currently adheres to applicability conditions (2), given that the project has started. - Inconsistent information reported on land use type between applicability condition (3) and Section 4.1. Section 4.1 mentions grazing cycle as basis to develop baseline scenario, however participating farms are categorized as cropland and not grazing land. <u>Action Required</u> - The VVB must ensure that Section 3.2 of the PD is updated to - Demonstrate (e.g., via existing or planned quantitative information) how the initial project activity instances adhere to the applicability condition (2) of the methodology. - Ensure consistent demonstration of land use type between condition (3) and Section 4.1 of PD. - The VVB must assess all of the abovementioned applicability conditions in Section 3.3.2 of the	Round 1 <u>VVB Response</u> - Applicability condition 2 states that “Projects introduce or implement quantitative adjustments (e.g., decrease in fertilizer application rate) that exceed 5% of the pre-existing value, calculated as the average value over the historical look-back period, developed for the baseline schedule of activities.” Based on the evidence reviewed by the validation team, it is likely that the project will meet the requirements of this applicability condition. However, as the validation team has not reviewed project data, as this is beyond the scope of the validation, it is not possible to determine this with absolute certainty. The relevance of the project having already started is not clear. Validation after project commencement has precedence in this and numerous other Verra protocols. - Grazing is not relevant to this project and TÜV SÜD confirms that references to grazing and grazing land have been removed from the PD. The validation team confirms that the project does not involve the conversion of cropland or grassland to any other land use type. This was determined during review of data and documentation provided as well as conversations had during the site visit.	Closed

	validation report. <u>Program Rule(s)</u> VM0042, v2.0, Section 4 VCS Project Description Template v4.2, Section 3.2.	<u>Verra Response</u> Section 3.2 of the PD was updated to demonstrate how the initial project activity instances adhere to the applicability condition (2) of the methodology and to ensure consistent demonstration of land use type between condition (3) and Section 4.1 of PD. This finding is now closed and no further action is required.	
--	--	--	--

9	Unclear selected approach for model input categories		
	<u>Issue</u> 1. Unclear what are the required model inputs related to agricultural management practices and how they will be monitored and recorded for each project year. <u>Action Required</u> 1. The VVB must ensure that Sections 4.1 and 4.2 of the PD are updated to demonstrate the model inputs and clarify the choice of approach for each of the model input categories, a demonstration of how those inputs meet with the methodology guidance set out in Table 6 of VM0042, v2.0. 2. The VVB must ensure that to be consistent with Sections 4.1 and 4.2 of the PD, Sections 5.2 is updated to include any other parameter tables for all model input variables (un-defined in the methodology). 3. The VVB must provide an assessment of the selected approaches in the VR. <u>Program Rule(s)</u> VM0042, v2.0, Sections 8.2 and 8.3	<u>Round 1</u> <u>VVB Response</u> 1. The Project Proponents have updated section 4.1 and 4.2 of the PD to demonstrate the model inputs and clarify the choice of approach for each of the model input categories and how they meet the methodology guidance described in table 6 of VM0042, v2.0. 2. The validation team has updated section 3.3.8 of the VR with a description and assessment of the variables described in sections 4.1 and 4.2 (There is no section 5.2 of the VR or PD). 3. See item 2 above. <u>Verra Response</u> Section 4.6 (formerly Section 5.2) of the updated PD includes the required model input related to agricultural management practices and how they will be monitored and recorded for each project year. This finding is now closed, and no further action is required.	Closed

10	Insufficient justification identifying the relevant GHG sources, sinks and reservoirs for the project		
	<u>Issue</u>	<u>Round 1</u>	Closed

	1. The exclusion of emissions from fossil fuels in the project and baseline scenario on a de minimis basis is not clearly justified as per the CDM Tool for testing the significance of GHG emissions in A/R CDM project activities. 2. No monitoring provisions are included in Section 5.3 of the PD to ensure that the project sources continue to be <i>de minimis</i> throughout the crediting period. <u>Action Required</u> 1. The VVB must ensure that Sections 3.3, 4.1 and 4.2 of the PD are updated to demonstrate that the f GHG emission sources are deemed <i>de minimis</i> following the guidance of the CDM Tool for testing significance of GHG emissions in A/R CDM project activities, as required by the methodology, calculations must be demonstrated. If the pool/GHG emission source is not de minimis, it must be included in the project boundary. 2. The VVB must ensure Section 5.3 of the PD is updated to include monitoring provisions to ensure project sources continue to be <i>de minimis</i> throughout the crediting period. 3. The VVB must assess the calculations and demonstration on Section 3.3.3 of the validation report. <u>Program Rule(s)</u> VM0042, v2.0, Section 5	<u>VVB Response</u> 1. The Project Proponents have described their approach to quantify emissions from fossil fuels and justify excluding this source as de-minimis. TÜV SÜD reviewed the approach used by the Project Proponents and concludes it is appropriate and robust. Additionally, based on discussions had during the site visit and review of data and documentation provided, the validation team concludes that it is very unlikely that emissions related to fossil fuel use will increase under the project scenario. The project activities implemented by this project will likely decrease fossil fuel emissions. This is well described and cited in numerous peer-reviewed articles. For example, no-till and reduced till can require fewer passes with a tractor and subsequently lower fossil fuel use. 2. TÜV SÜD confirms that the Project Proponents have included monitoring provisions in Section 5.3 of the PD to ensure that emissions from fossil fuels remain de minimis. The Project Proponents will continue to calculate fossil fuel use as described on page 48 of the PD (section 3.3) throughout the project crediting period. 3. Section 3.3.3 of the VR has been expanded to include more detail on the assessment of the calculation used by the Project Proponents to determine that emissions related to fossil fuel use are de minimis. <u>Verra Response</u> Section 4.6 of the updated PD now includes monitoring provisions for fossil fuel usage. This finding is now closed and no further action is required.	
--	---	---	--

11	Inappropriate baseline scenario demonstration		
	<u>Issue</u> 1. In Section 3.4 of the PD:	<u>Round 1</u> <u>VVB Response</u>	Closed

	a. There is no demonstration that each geographic area has a single baseline scenario. b. No justification of how the baseline scenario is representative of the current and future instances, considering the project area encompass the continental USA. c. There is no detail on the baseline qualitative and quantitative data sources used to establish the baseline scenario for each sample unit per Table 4 of VM0042. d. Given Issue (d), there is no justification of historical data against the hierarchy of preferred data sources to establish baseline scenario according to Box 1. <u>Action Required</u> 1. The VVB must ensure Section 3.4 of the PD is updated to: a. Provide a single baseline for each geographic area. If a single baseline scenario cannot be determined for a project activity over the entirety of a geographic area, the geographic area must be redefined or divided such that a single baseline scenario can be determined for the revised geographic area. Also, i. Provide accurate and clear description of all agricultural management practices in the baseline scenario for each geographical area. ii. Clarify which baseline scenario management practices will continue under the project scenario.	1. a. The validation team confirms that the PD has been updated to describe a single baseline scenario for each geographic area. i. An accurate and clear description of all agricultural management practices in the baseline scenario for each geographical area has been added to section 3.4 of the PD. ii. The baseline scenario is pre-project agricultural practices. For example, farmers may transition from conventional tillage to no-till. In this example, no till is the practice change and conventional tillage (pre-project agricultural practices) is the baseline scenario. No baseline management practices will continue under the project scenario. iii. The geographic areas and associated arguments have been updated. b. The Project Proponents have included a schedule of activities as an appendix to the PD. This schedule of activities contains detailed information about the qualitative and quantitative specifics of the pre-project agricultural process. If a potential new project activity instance does not fall within the ranges presented in the schedule of activities, they cannot be included in the project. c. The baseline qualitative and quantitative data for each sample unit has been sourced according to Box 1 of the protocol and are based on the actual specifics of the initial project activity instances included in the project at validation. 2. Section 3.3.4 of the VR has been updated. <u>Verra Response</u> Section 3.4 and Appendix 2 were updated to provide sufficient information to demonstrate the baseline scenario. This finding is now closed, and no further action is required.	
--	---	--	--

	iii. Ensure consistent application of geographic area for eligibility criteria and additionality demonstration if geographic area in Sections 1.5 and 3.5 of the PD is redefined. See also Findings 1 and 10. b. Clearly demonstrate how the defined baseline scenario and lookback period inputs to establish the baseline scenario is applicable to future instances per Section 3.6.10; 3.6.11 and 3.6.13 of the <i>VCS Standard, v4.6</i>. c. Provide the baseline qualitative and quantitative data for each sample unit per Table 4 of VM0042 and provide a clear demonstration of the sources of data against the hierarchy of information in Box 1 2. The VVB must assess all of the abovementioned matters in Section 3.3.4 of the validation report. Furthermore, the VVB must a. Explain how they have reached a reasonable level of assurance that the baseline scenario is appropriate for all project area. <u>Program Rule(s)</u> VM0042 v2.0, Section 6 VCS Standard, v4.6, Section 3.6.10, 3.6.11, 3.6.13 VCS Project Description Template, v4.3, Section 3.4 <u>Background</u> Action item 1(a): Section 3.6.10 of the <i>VCS Standard, v4.5</i> states that geographic areas with no initial project activity instances shall not be included in the project unless it can be demonstrated that the same or conservative		
--	--	--	--

	baseline scenario is applicable to such an area with initial instances. Action item 1(b): - Action item 1 (b): the geographic area defined by the project must be consistent with the geographic area for which the model was calibrated. - Example on how to apply Table 4 of VM0042 appropriately: Qualitative -: Application of synthetic fertilizer (yes) Quantitative - application of 600kg/ha/year. - Please note that the baseline scenario for each activity must be described. This means that the baseline scenario the applied practices must be demonstrated individually.		
--	---	--	--

12 Inappropriate demonstration and assessment of additionality			
Issue		Round 1	Closed
		VVB Response	
- Common practice demonstration is not justified for the entire geographic area: - Common practice additionality was demonstrated at a state level, which means that multiple common practice additionality is applicable in the geographic area (i.e., continental USA). - Further, Section 5.2 of the PD only states the common practice for 16 states, and it is not states (or combination of states) in the geographic area. - Insufficient demonstration of common practice: - The PD has not provided a common practice analysis for each project activity, proposed		- The Project Proponents have redefined the geographic areas of the project to be the political boundaries of the states in which there are existing project instance activities. The common practice eligibility is determined at the geographic area level (i.e., for each state). This is consistent with the initial version of the PD but is now clearly defined in the updated version. - The geographic area used to determine common practice is the political boundaries of the states in which project activity instances exist. As described in the original PD, the Project Proponents are using the CAR SEP additionality tool to determine practice change adoption rate. The CAR SEP additionality tool presents the	

	based on the initial project activity instances by the project. b. The project description has not sufficiently demonstrated how the values provided at the table presented at section 3.5.2 of the PD was calculated. Further, the document “Common practice assessment_PDD_Cropland USA_final draft.xlsx” was not provided. c. No justification of evidence used per requirements of Step 3 of VM0042, Section 7. <u>Action Required</u> 1. The VVB must ensure that Section 3.5 of the PD is updated to: a. Redefine or divide the geographic area (e.g., state level) so that one common practice, and thus the additionality demonstration, can be applied to the entire geographic area(s). i. If the geographic area is redefined, ensure the geographic area is applied consistently for eligibility criteria and baseline scenario demonstration in Sections 1.5 and 3.4 of the PD. See also Findings 1 and 9. b. Demonstrate the common practice analysis sufficiently in the PD by i. Demonstrate the adoption rate of each activity adopted by the initial project activity instances, which should be aligned with that described in Section 1.12 of the PD (see Finding 4). ii. Providing the document “Common	adoption rate (described as “uptake rate” in the tool) for each county in each state. There can be substantial variability in the uptake rate of a practice change between counties in each state. The Project Proponents are aggregating these data to the state level. The VCS Standard states that the project must demonstrate that the same additionality and baseline conditions are applicable across the geographic areas. If the baseline or additionality cannot be consistent across a geographic area, the geographic area must be further stratified by similar conditions. The Project Proponents are advocating that it is logistically infeasible to delineate the project geographic boundaries based on counties. Other common practice criteria, such as barrier analysis, do not show sufficient spatial heterogeneity to justify a separate analysis for each geographic area separately. This is supported by peer-reviewed literature and there is precedence in other recently validated VM0042 projects. Based on the data and documentation provided, the validation team agrees that the barriers to project implementation across the project are homogenous and are not specific to each geographic area. The validation team reviewed evidence provided by the Project Proponents and conducted an independent review of relevant literature and concluded that this is a reasonable and conservative assumption. The validation team confirms that Section 1.5 has been updated to include sufficient granularity and specificity related to common practice, the baseline scenario, and the updated geographic areas. Section 3.4 of the PD has also been sufficiently updated. b. i. The adoption rate analysis was already conducted at the state level, so no substantial updates or revisions were necessary, except to exclude states where no initial	
--	--	---	--

	practice assessment_PDD_Cropland USA_final draft.xlsx”. iii. Justify the evidence sources used against the requirements under Step 3, Section 7 of VM0042, v2.0. 2. The VVB must conduct the appropriate additionality assessment in Section 3.3.5 of the VR, including: a. Appropriateness of the updated barrier analysis. b. Appropriateness of the common practice analysis. <u>Program Rule(s)</u> VM0042, v2.0, Section 7 VCS Standard, v4.6, Sections 3.6.11 and 3.6.14 <u>Background</u> On Issue 1, Section 3.6.11 states that additionality is demonstrated based on the initial project activity instances (PAIs). Further, Section 3.6.10 states geographic areas with no initial PAIs must not be included in the project area unless they share the same additionality demonstration. On Issue 2, Section 3.6.14 states that if additionality of initial PAIs cannot be demonstrated for the whole geographic area, the area must be redefined or divided.	project activity instances have been developed. ii. The Project Proponents have asserted that this document will be provided upon submission. iii. As already described in section 3.3.5 of the VR, the evidence sources used by the Project Proponents meet the requirements of Step 3, Section 7 of VM0042. 2. Section 3.3.5 of the VR has been updated to provide an assessment of the updated barrier analysis and common practice analysis. <u>Verra Response</u> Section 3.5 of the PD was updated to include information on the common practice calculation, and the spreadsheet <i>Common practice assessment_PDD_Croplan.xlsx</i> was provided. The common practice calculation includes states that are not listed in the baseline scenario or project geographical areas, therefore the additionality demonstration for California, Iowa, Kansas, North Dakota, needs to be presented again with latest data when these areas are added to the project via a PD deviation. This finding is now closed and no further action is required.	
--	--	---	--

13	Insufficient demonstration and assessment of no project leakage		
	<u>Issue</u> Section 4.3 of the PD does not address potential leakage from diversion of biomass residues. <u>Action Required</u>	Round 1 <u>VVB Response</u> The Project Proponents have explicitly explained in the PD that leakage due to diversion of biomass residue is not applicable to the project. The Project Proponents will review receipts provided	Closed

	The VVB must ensure Section 4.3 of the PD is updated to address the potential leakage from diversion of biomass residues used for energy applications in the baseline scenario or demonstrate how this does not apply to the project. <u>Program Rule(s)</u> VM0042 v2.0, Section 8.4	by farmers related to the purchase of any biomass residue to ensure that it does not originate from a source that was used for bioenergy applications in the baseline scenario. Additionally, none of the project activities described in the PD are related to the application of biomass residue. The specific project activities implemented in this project are reduced tillage/improving current tillage practices, zero-till/no-till, cover cropping, and improvement of nitrogen management. Based on discussions had during the site visit and review of the data and documentation provided, TÜV SÜD concludes that there is very low risk that the leakage related to the diversion of biomass residues used for bioenergy applications in the baseline scenario will occur as a result of the implementation of the project activities. <u>Verra Response</u> Section 4.3 of the PD was updated to demonstrate how leakage from diversion of biomass residues used for energy applications does not apply to the project. This finding is now closed and no further action is required.	
--	---	---	--

14	Insufficient justification and assessment of non-permanence risk scores		
	<u>Issue</u> 1. The NPRR contains scores that are not properly justified: a. Project Longevity: - It is unclear whether project longevity is 40 years. Trough the PD the project proponent states that the contract between PP and the farmer has a term of 10 years and can be terminated at any time. Further, the VVB does not describe what documents they checked to assure a 40-year longevity. b. Stakeholder Engagement: - It is unclear why the project has considered that	Round 1 <u>VVB Response</u> 1. - a)Project longevity: The Project Proponents have committed to managing and monitoring this project for the entire project longevity, as evidenced by their adaptive management plan. Obviously, the requirement of the protocol is a minimum project longevity of 40 years. While the contracts between Agoro Carbon and farmers are only 10 years, they are automatically renewable, decreasing the likelihood that a farmer will leave the project. According to the Project Proponents, it is not possible to convince farmers to engage in any 40-year contract.	Closed

	there are no local population reliant on the project area, considering that there are farmers living in the project area. c. Natural Risk: - The historical significance and likelihood are not justified and supported by evidence. <u>Action Required</u> - The VVB must ensure that the NPRR is updated. The project proponent must include adequate justification and evidence to support each risk score to address the issues raised above. - The VVB must assess the updates in the VR. The VVB must describe the steps taken to assess the non-permanence risk rating determined by the project proponent and provide an independent assessment of each of the parameters, by assessing document records, surveys/interviews, data or procedures, direct observations etc. The VVB must provide a conclusion on whether the risk score is suitable for the specific project circumstances. <u>Program Rule(s)</u> VCS Standard v4.6, Sections 3.2.10, 3.23.6(2) AFOLU Non-Permanence Risk Tool, v4.0	b)Stakeholder engagement: Although farmers are present within the project area, this does not imply that local populations are reliant on the project itself or the resources it encompasses. As described throughout the PD and VR, the project takes place on private, commercial agricultural land. The land included in the project is not used for subsistence farming, nor are the crops produced used to support the nutritional needs of any local population. During discussions had during the site visit and during review of data and documentation provided, it was clear that many of these farmers are large scale and their crops may or may not be sold locally. Based on this information, the Project Proponents have correctly concluded that there is no local population reliant on the project area. c)Natural risk: The Project Proponents have provided evidence to support and justify the historical significance and likelihood of natural risks to the project. The validation team has updated the relevant sections of the VR. <u>Verra Response</u> The NPRR was updated to include evidence that the project has management, financial, and monitoring plans covering its entire longevity. It was also revised to reflect the presence of local populations reliant on the project area, and to provide evidence substantiating the historical significance and likelihood of natural risks to the project. However, this finding cannot be closed. <u>Issue</u> The project has made changes to the NPRR in sections that were not required during the first round. Therefore, it is unclear. The likelihood of extreme weather and pest and disease outbreaks has not been applied in accordance with the evidence provided. (see background) <u>Action required</u>	
--	--	---	--

		1. The VVB must ensure that the NPRR is updated to reflect the correct historical likelihood. 2. The VVB must assess the updates in the VR. The VVB must describe the steps taken to assess the non-permanence risk rating determined by the project proponent and provide an independent assessment of each of the parameters, by assessing document records, surveys/interviews, data or procedures, direct observations etc. The VVB must provide a conclusion on whether the risk score is suitable for the specific project circumstances. <u>Program Rule(s)</u> VCS Standard v4.6, Sections 3.2.10, 3.23.6(2) AFOLU Non-Permanence Risk Tool, v4.0 <u>Background</u> Issue 2: For <i>extreme weather</i>, the evidence provided indicates a likelihood of occurrence of 4 out of 10 years, whereas the project has selected once every 100 years in the NPRR tool. For <i>pests and diseases</i>, the evidence indicates a likelihood of occurrence of once every 25–50 years, while the project has also selected once every 100 years in the NPRR tool. Round 2 <u>VVB Response</u> Please note that a project may make changes to project documentation not required by Verra in the first round of findings. This is not prohibited by any Verra documentation and the review of a project at this stage can reveal additional errors and/or inconsistencies not identified by the Verra review process. These issues must be communicated and sufficiently addressed to ensure accuracy, conservativeness, and compliance with Verra program docs.	
--	--	---	--

		The NPRR cited in this finding is related to the verification of this project. The Project Proponents have updated the NPRR as part of the verification process. Any evidence to support the choices made in the NPRR associated with project verification has not been reviewed by the validation team as this is outside of the scope of the project validation. The version of the NPRR related to the project validation was reviewed extensively by TÜV SÜD, as described in section 3.4 of the VerR and has not been updated. The version of the NPRR reviewed by TÜV SÜD during the validation indicates a historical occurrence of extreme weather conditions more than once every 10 years. This aligns with the supporting evidence reviewed by the validation team during project validation. The NPRR reviewed by the validation team indicates a historical occurrence of pest and disease outbreaks of once every 25-100 years. This aligns with the supporting evidence reviewed by the validation team during project validation <u>Verra Response</u> Verra acknowledges that projects may update documentation during the validation process and that such updates are permissible. However, the VVB's responsibility remains to ensure that the information and evidence assessed in the Validation Report (VR) and Project Description are consistent and aligned with the most current version of the NPRR. The evidence, rationale, and risk scores between the NPRR and the VVB's assessments must remain coherent. Furthermore, as the project remains in the validation stage, the NPRR evidence and information must correspond to this stage of the project cycle. Therefore, this finding cannot be closed <u>Issue</u> Land Tenure and Resource Access/Impacts: The risk score reported in the VVB assessment (2) differs from that	
--	--	---	--

		presented in the NPRR (0). - The total risk score reported in the updated NPRR and PD is now 20. Further updates are required to ensure consistency across the following documents: - The validation report (VR) assesses a total NPR score of 18. Furthermore, the net GHG ERRs in the tables in Section 4.2 are inconsistent with Section 1.11 of the updated PD. - The ex-ante GHG ERR spreadsheet “Pre-calculations for PDD” tab is no longer consistent with the updated ex-ante estimates in Section 1.11 of the updated PD. - The likelihood of pest and disease outbreaks selected in the updated NPRR differs from the likelihood in the evidence presented (see background). <u>Action Required</u> - The VVB must ensure that all inconsistencies between the NPRR, PD, VR and ex-ante GHG ERR spreadsheet are corrected, addressing the discrepancies identified in Issues 1 and 2 above. - The VVB must ensure that the NPRR is updated to reflect the correct historical likelihood values for pest and disease outbreaks, ensuring alignment with the evidence applicable to the validation stage. Otherwise, justify and assess the differences between the likelihood selected in the NPRR and the evidence provided. - The VVB must assess the updated NPRR and include this assessment in the Validation Report. The VVB must describe the steps taken to evaluate the non-permanence risk rating determined by the project proponent and provide an independent assessment of each parameter by reviewing supporting documentation, survey results, data or procedures, and direct observations.	
--	--	---	--

		<u>Program Rule(s)</u> VCS Standard v4.6, Sections 3.2.10, 3.23.6(2) AFOLU Non-Permanence Risk Tool, v4.0 <u>Background</u> Issue 3: The evidence document (titled “NR-nc (natural-risk-assessment-pest-historical-significance)_Natural Risk Assessment for Row-Crop in the USA_October 2025.docx_2025301020320146.pdf”) states that the likelihood of occurrence of “Biological Loss – Pest” is 1/25-50 years. However, the historical likelihood of “Pest and disease outbreaks (PD)” selected in the NPRT is once every 100 years or less. Round 3 <u>VVB Response</u> The validation team reviewed the most up to date information provided by the Project Proponents, which indicated a total risk score of 18. The validation team acknowledges that this was not the same version of the NPRT shared with Verra, creating confusion. The Project Proponents have provided TÜV SÜD with the most up to date version of the NPRT, indicating a total risk score of 22, which is assessed in the ValR along with GHG Spreadsheet and associated results. The Project Proponents have indicated that it is not possible to change the frequency from 100 years to 25-50 years, as indicated in the evidence presented, due to a technical problem with the online risk tool. Please note that the NPRT reviewed by the validation team was provided directly by the Project Proponents and not downloaded from the Verra Project Hub due to ongoing technical issues. <u>Verra Response</u> Inconsistencies between the NPRR, PD, VR and ex-ante GHG ERR	
--	--	---	--

		were corrected. This finding is now closed and no further action is required.	
--	--	---	--

15	Insufficient information on data/parameters		
	<u>Issue</u> 1. Section 5.1 of the PD has the following issues: a. The values applied of the following data/parameters are not provided or referred to in a separate spreadsheet: $M_{bsl,SF,i,t}$, $M_{bsl,OF,i,t}$, $P_{bsl,p}$ b. The following data/parameters are not justified according to the quantification information hierarchy in Box 1: $MB_{g,bsl,i,t}$ 2. Section 5.2 of the PD has the following issues: a. The data/parameter relating to uncertainty may not have been provided. For example: MDD, S, n, $n-1$, $t_{x,u}$, b. The measurement methods and procedures applied for $MB_{g,wp,i,t}$ do not align with that in VM0042, v2.0 <u>Action Required</u> The VVB must ensure that Section 5.1 and 5.2 of the PD are updated to provide more information regarding the abovementioned issues. Furthermore, the VVB must assess this matter in Section 3.3.7 of the validation report <u>Program Rule(s)</u> VM0042 v2.0, Section 9.2	<u>Round 1</u> <u>VVB Response</u> 1. a. The sources and values for $M_{bsl,SF,i,t}$ and $M_{bsl,OF,i,t}$ are described by the Project Proponents in section 5.1 of the PD. The values for $M_{bsl,SF,i,t}$ and $M_{bsl,OF,i,t}$ are determined at the sampling unit level based on data collected by onboard software such as My John Deere or through written attestation. This approach is in alignment with the requirements of the Protocol. The Project Proponents present the average project level values for $M_{bsl,SF,i,t}$ and $M_{bsl,OF,i,t}$ according to fertilizer type. The value for $P_{bsl,p}$ is described by the Project Proponents in section 5.1 of the PD. The value for $P_{bsl,p}$ is determined at the instance level. After enrolling in the project, farmers provide the Project Proponents with fresh yield weights for the specific crops cultivated on each project activity instance. b. The data source for $MB_{g,bsl,i,t}$ is historical management records or attestation letters from each farmer. Historical management records will be supported by one or more forms of documented evidence. Where these records are not available, the Project Proponents will utilize regional values from published literature. This approach is in alignment with the Protocol. 2. a. These variables have been added to the PD. b. The protocol states that $MB_{g,wp,i,t}$ may be directly measured or determined via peer-reviewed published data and that any quantitative information on ALM practices must be supported	Closed

		by one or more forms of documented evidence pertaining to the selected sample unit and relevant monitoring period. The Project Proponents will collect fresh weight yields, which they will convert to dry weight yields using equation 11.7 (dry weight correction of reported crop yields) of the IPCC report chapter 11. The Project Proponents will use default values for the dry matter fraction of harvested product (DRY) listed in Table 11.1A of the same chapter. While the values provided in table 11.1a are not country-specific, they are well used and cited and appropriate for this use. This approach meets the requirements of the protocol. As the Project Proponents are aligned with the standard and protocol, the validation team has not updated section 3.3.7 of the VR. <u>Verra Response</u> Section 4.5 and 4.6 were updated to provide the required information on data/parameters. This finding is now closed, and no further action is required.	
--	--	---	--

16	Insufficient net GHG ERR calculations		
	<u>Issue</u> 1. The PD does not provide a complete equation of net GHG ERR emission calculation that allows a third party to replicate the calculation: - Section 4.1 to 4.4 of the PD do not provide calculations for all key equations to allow the reader to reproduce the annual calculations for estimated reductions or removals. - Furthermore, no uncertainty calculations have been provided, and it is unclear whether the overall ex-ante net GHG ERR has been adjusted per the uncertainty calculations.	<u>Round 1</u> <u>VVB Response</u> 1. The Project Proponents are using quantification approach 1 to model removals related to SOC. They are using quantification approach 3 for CH₄ emissions from livestock enteric fermentation and manure deposition, N₂O emissions from nitrogen fertilizers and nitrogen-fixing species, and manure deposition. This approach aligns with the requirements of the Protocol. Because the Project Proponents are modeling SOC dynamics, emission reductions/removals cannot yet be quantified. The project began in 2021, but baseline soil sampling has not yet been completed. As a result, the model lacks the necessary site-	Closed

	c. The relevant data/parameters are not included either (see Finding 15 above).It is unclear what values are being used within the equations and what the final output for each equation is. d. It is unclear how the project arrived at any of the values presented in the Table provided in Section 4.4. 2. In the GHG spreadsheet provided it is unclear a. How the project has calculated the values for Nitrogen Rate Reduction and Nitrogen Optimization for Baseline and Project Scenario b. Why the project proponent has not considered ERR from enteric fermentation and manure deposition. <u>Action Required</u> 1. The VVB must ensure that Section 4.4 of the project description is updated to address Issues 1 a – d. 2. The VVB must ensure that the GHG ERR spreadsheets are updated to provide sufficient information regarding the baseline, project, leakage, and net GHG ERR calculations. The VVB must ensure that the ERR sheets contain all of the appropriate data input, reference cells and formulas. 3. The VVB must assess all of the abovementioned matters in Section 3.3.6 of the validation report. <u>Program Rule(s)</u> VM0042 v2.0, Section 8.5 and 8.6	specific data to accurately represent current SOC stocks and project-specific conditions. Until this sampling is finalized and used to calibrate and validate the model, any estimates of SOC changes—and therefore emission reductions or removals—would be premature and potentially unreliable. Final emission estimates will only be available once the model is fully trained with the complete dataset. The Protocol requires that soil sampling be completed within five years of t = 0. Soil sampling will be completed by 20 March 2026, at which point the Project Proponents will complete model training and validation and a realistic estimate of SOC dynamics can be determined. b. The validation team confirmed that uncertainty calculations have been added to the PD in Appendix 3. c. All applicable data and parameters are included in the PD. The validation team has added an assessment of the variables not included in the previous version of the PD. d. All applicable equations and values have been added to the PD. 2. a. The Project Proponents calculate nitrogen rate reduction using equations 18-24 of VM0042 v2.0. These equations pertain to nitrous oxide emissions due to fertilizer use. The Project Proponents assume a standard decrease of 15% in indirect N₂O emissions resulting from nitrogen optimization. This decrease will be applied to the indirect N₂O emissions for the project activity instances implementing this practice change. The Project Proponents support this assumption with the he Quantification Protocol for Agricultural Nitrous Oxide Emission Reductions from the government of Alberta, Canada (https://open.alberta.ca/publications/9781460125502). This is the most conservative reduction in indirect N₂O emissions resulting from nitrogen management activities presented in this report.	
--	---	---	--

		b. The Project Proponents have included CH₄ emissions from enteric fermentation and manure deposition in the PD. They will utilize equations 12 and 13, as specified in the Protocol. Variables used as inputs to these equations will be monitored (please refer to section 5.1 of the PD and 3.3.8 of the VR). It is important to note that the project activities do not include grazing or grazing management. In some specific instances, farmers may graze livestock on crop residue on fields included in the project. This occurs in the baseline and the project scenarios. As the project does not involve grazing, any change to livestock numbers will be external to the project and project activities. That said, the Project Proponents will still monitor livestock numbers and emissions related to livestock. TÜV SÜD confirms that this is conservative and appropriate to the Protocol. <u>Verra Response</u> Section 4.1 to 4.4 of the PD were updated to provide calculations for all key equations to allow the reader to reproduce the annual calculations for estimated reductions or removals. However, this finding cannot be closed. <u>Issue</u> ERR spreadsheet does not include estimated, ex-ante emissions from organic fertilizer, only synthetic fertilizer use (see background). <u>Action Required</u> 1. The VVB must ensure that the GHG ERR spreadsheets are updated to provide sufficient information regarding the baseline, project, leakage, and net GHG ERR calculations assessing issue 1 and 2 raised above. 2. The VVB must assess all of the abovementioned matters in Section 3.3.6 of the validation report.	
--	--	--	--

		<u>Program Rule(s)</u> VM0042 v2.0, Section 8.5 and 8.6 <u>Background</u> In Section 4.2 of the PD, the table for nitrous oxide emissions from N fertilizer and N-fixing species includes values for FONwp, which allow for at least estimated project emissions of organic fertilizer application. Round 2 <u>VVB Response</u> The validation team confirms that the following variables have been added to the Ex-ante emissions estimation calculation worksheet to allow the reader to reproduce the annual calculations for estimated reductions or removals: 1. FONbsl,i,t 2. FONwp,i,t <u>Verra Response</u> The ERR spreadsheet was updated to include estimated, ex-ante emissions from organic fertilizer. This finding is now closed and no further action is required.	
--	--	---	--

17	Insufficient description of the monitoring plan		
	<u>Issue</u> Section 5.3 of the project description does not provide sufficient details of the monitoring plan. The documents “Protocol for Measuring Soil Organic Carbon Stock in the US Project Area” and “Agoro Carbon Standard Operation Procedure (SOP) Report_Sampling_Design” were not provided for Verra review, therefore: 1. Insufficient sampling design. Specifically, the following information is unclear:	Round 1 <u>VVB Response</u> 1. a. TÜV SÜD reviewed the document provided by the Project Proponents which details the procedures used to delineate project area stratum during the validation process. A description and TÜV SÜD’s assessment of how the Project Proponents determine each stratum was added to section 3.3.8 of the VR. The Project Proponents have asserted that	Closed

	- How the size of each stratum is defined by the project. - The sample number per stratum. - Where baseline cores will be collected. - How the sampling procedures is representative of all project areas. - Whether the sampling procedures and design meet the guidance in Sections 8.2.1.1 to 8.2.1.6 of VM0042, v2.0. - The IME report states “the model has relatively high prediction errors for all categories.” It is unclear how the monitoring plan addresses this issue and aims to reduce the high prediction errors over time. - It is unclear how project guarantee project activities permanence, since there is no description of a monitoring plan in case an instance leaves the project before the end of project longevity. <u>Action Required</u> - The VVB must ensure that Section 5.3 of the project description is updated to provide more information regarding the sampling procedure and design to address Issue 1 -3 above. All information must be provided in the PD or reference documents must be shared. - The VVB must assess the updated sections at the VR. <u>Program Rule(s)</u> VM0042 v2.0, Sections 8.2.1 and 9.3 VCS Project Description Template, v4.3, Section 5.3	they have uploaded the SOP document to the Verra registry. - The model has not yet been trained and calibrated with project specific data. Prediction error is expected to decrease as model training and calibration progress, this is an expected outcome of model development. - The Project Proponents will monitor for potential reversals as required by the protocol and standard. The Project Proponents have added a sentence to the PD which states that monitoring of areas which have left the project will continue if an area is removed from the project via site visits, aerial satellite imagery, and conversations with the farmers. There are no specific requirements in the protocol or standard regarding monitoring for permanence. The monitoring efforts described by the Project Proponents, if carried out simultaneously, are likely to capture any reversals that might occur after a farmer has left the program. <u>Verra Response</u> The PD has been updated to provide information on sampling design. This finding is now closed and no further action is required.	
--	---	--	--