

Joint Validation & Verification Report For Carbonsafe Carbon Farming Project – North Bulgaria



KEY PROJECT INFORMATION	
Report ID	CSP.JVV.25.012 (2)
Project Title	Carbonsafe Carbon Farming Project – North Bulgaria
Project ID	CSBG-BG-N
Sectoral Scope	UNFCCC 15 – Agriculture Technical Area 15.1
Project Start Date	17 January 2023
Crediting period	2023 - 2063
Monitoring Period	23 March 2024 to 15 May 2025
Date of issue	07 July 2026
Version of this document	v1.1
Methodology applied	Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector, Version 3.1/22.08.25
Standard	Balkan Carbon Credit Standard (BCCS)
Net amount of GHG removed (t CO ₂ eq)	45,480
Gross amount of removed GHG emissions (t CO ₂)	58,084
Net SOC Change (t C)	15,837

Total buffer allocation (t CO2 eq)	2,271	
Client	CARBONSAFE JSC	
Prepared by	Earthood Services Limited	
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	Validator & Verifier	Merin P Menachery
	Validator & Verifier (Trainee)	Pranav Chazhiyill Dilip Kumar
	GIS Expert	Atulya Dhar
	Technical Reviewer	Ashok Kumar Gautam
	Technical Area Expert (15.1) to TR	Dr. Sugandha

Summary of the Validation and Verification Conclusion

- Earthood Services Limited (Earthood) conducted the validation and verification of the grouped project activity “Carbonsafe Carbon Farming Project – North Bulgaria” in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/, the Balkan Carbon Credit Registry (BCCR), and the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector,” Version 3.1 dated 22 August 2025 /07/. The project activity is a grouped soil carbon sequestration initiative implemented by Carbonsafe JSC within the North Region of Bulgaria under UNFCCC Sectoral Scope 15 – Agriculture. The project aims to generate verified carbon removal credits through measurable increases in Soil Organic Carbon (SOC) resulting from the implementation of regenerative agricultural practices including reduced tillage, cover cropping, crop diversification, residue retention, optimized nutrient management, and application of organic soil improvement measures /01//02/. These practices are implemented voluntarily by participating farmers and supported by Carbonsafe JSC through agronomic guidance, monitoring systems, and access to carbon finance mechanisms.
- The validation assessment was conducted based on the Project Design Document (PDD), Version 2.1 dated 02 July 2026 /01/, supporting legal and technical documentation, GIS boundary records /159//215/, soil sampling protocols /11/, laboratory reports /121/, stakeholder engagement records /08//127/, carbon accounting files /192/, and associated project procedures submitted by Carbonsafe JSC. The verification assessment covered the monitoring period from 23 March 2024 to 15 May 2025 and was based on Monitoring Report (MR) Version 2.0 dated 02 July 2026 /02/ together with associated monitoring evidence and greenhouse gas accounting documentation /192/. Earthood conducted both assessments in accordance with applicable BCCS standards /04/, methodologies /07/, procedures /09//10//11/, guidance documents, Earthood’s accredited quality management system, and ISO 14064 principles /207/.
- The project applies a structured Monitoring, Reporting and Verification (MRV) framework combining geo-referenced field registration, baseline and repeat soil sampling /11/, chain-of-custody procedures /02/, accredited laboratory analysis /121//122/, GIS integration, centralized data management, and conservative greenhouse gas accounting procedures /192/. Soil samples are collected from participating plots at standardized depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm using geo-referenced sampling procedures and are analyzed using internationally recognized laboratory methods to quantify changes in Soil Organic Carbon stocks over time /11/. Based on laboratory analyses and field-level agronomic data, project-specific recommendations are developed and provided to participating farmers to improve soil health, optimize agricultural practices, and enhance long-term carbon sequestration potential /196/. The validation and verification teams reviewed the project’s MRV systems /139/, monitoring procedures /02/, geo-referenced sampling framework /177/, chain-of-custody controls /02/, data management systems /155/, and laboratory arrangements /120//02/ and confirmed that the project applies a robust, traceable, and conservative monitoring framework consistent with the approved methodology /07/ and BCCS requirements /04/.
- Earthood applied a risk-based assessment approach during both validation and verification activities in order to evaluate all material aspects of the project, including project eligibility, additionality, baseline characterization, applicability of the methodology, monitoring arrangements, quantification procedures, permanence and

reversal risk management, leakage assessment, stakeholder safeguards, benefit-sharing mechanisms, registry controls, and greenhouse gas accounting systems. The assessment activities included detailed desk review of project documentation, independent recalculation of greenhouse gas removals, cross-checking of monitoring data against source records, review of geo-referenced soil sampling procedures /11//139/, accredited laboratory analyses /120//121/, agronomic recommendations /196/, technological maps /21//31//42//52//62//73//84//94/, GIS datasets /159//210-216/, and traceability controls maintained within the ISACO2 platform /183 – 191/. The assessment additionally included on-site inspections conducted in Plovdiv, Bulgaria, and field visits to representative participating farms from 26 January 2026 to 30 January 2026 /208/, during which the assessment team reviewed field conditions, monitoring records, laboratory traceability systems, and conducted interviews with project management personnel, technical experts, and participating farmers. Attendance records and completed interview questionnaires formed part of the objective evidence reviewed during the assessment process /208/.

- The validation and verification assessments confirmed that participating farms implemented eligible regenerative agricultural practices including reduced tillage, crop diversification, residue retention, optimized nutrient management, and application of organic soil improvement measures during the monitoring period /208//196//02/. Changes in Soil Organic Carbon stocks were quantified through direct annual measure-remeasure procedures using geo-referenced soil sampling supported by accredited laboratory analysis and conservative greenhouse gas accounting methodologies. Based on the verified calculations and monitoring evidence reviewed, the project achieved total verified net greenhouse gas removals of 45,480 tCO₂e during the monitoring period from 23 March 2024 to 15 May 2025. In accordance with the project's staged issuance mechanism, reserve framework, permanence provisions, uncertainty deductions, and project-wide buffer requirements, 11,368 verified carbon removal credits are eligible for issuance during the current issuance cycle /02/, while the remaining verified removals are retained within the reserve and buffer structure for future monitoring and permanence assurance.
- During the validation and verification processes, Earthhood assessed all material assertions within the PDD /01/, Monitoring Report /02/, and supporting documentation. Cross-checks were performed between source documents, field observations /208/, interview responses /208/, laboratory analyses /121//122/, GIS records /177/, monitoring datasets /192 – 194/, and independent technical assessments. Where issues requiring clarification or correction were identified, Clarification Requests (CLs) and Corrective Action Requests (CARs) were raised and formally communicated to the project proponent. Revised documentation, additional evidence, and corrective responses submitted by Carbonsafe JSC were reviewed by the assessment team until all findings were satisfactorily resolved and formally closed prior to issuance of the final validation and verification conclusions. The assessment confirmed that the monitoring and reporting activities were implemented consistently with the approved Monitoring, Reporting and Verification (MRV) plan /139/, validated Project Design Document /01/, approved methodology /07/, and applicable BCCS and BCCR requirements /04/.
- Based on the evidence reviewed and the procedures performed during the validation and verification assessments, Earthhood obtained sufficient and appropriate evidence to conclude, at a reasonable level of assurance, that the “Carbonsafe Carbon Farming Project – North Bulgaria” has been designed, implemented, monitored, and quantified in accordance with all applicable requirements of the Balkan Carbon Credit Standard

(BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, Project Design Document /01/, and approved methodology /07/. Earthood further concludes that the project demonstrates a credible implementation model, a scientifically robust and traceable MRV framework, and a conservative approach to the quantification and issuance of carbon removals. In Earthood's opinion, the reported net greenhouse gas removals of 45,480 tCO₂e for the monitoring period are fairly stated, free from material misstatement, and supported by sufficient and appropriate evidence. Accordingly, the project is recommended for registration under the Balkan Carbon Credit Standard, and 11,368 verified carbon removal credits are confirmed as eligible for issuance under the Balkan Carbon Credit Registry for the current issuance cycle.

The remaining 34,112 verified carbon removal credit are eligible for issuance under the Balkan Carbon Credit Registry in accordance with Section 5.1.2 (Conditions for Release of Reserved Credits) of the Issuance Policy /217/.

Summary of the Validation and Verification Conclusion

The grouped project activity “Carbonsafe Carbon Farming Project – North Bulgaria” is a soil carbon sequestration initiative implemented by Carbonsafe JSC in Northern Bulgaria under the Balkan Carbon Credit Standard (BCCS) /04/. The project applies the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector,” Version 3.1 dated 22 August 2025 /07/, and aims to generate verified carbon removal credits through measurable increases in Soil Organic Carbon (SOC) resulting from implementation of regenerative agricultural practices including reduced tillage, cover cropping, crop diversification, optimized nutrient management, and residue management /02//208/. The project is supported by a structured Monitoring, Reporting and Verification (MRV) system incorporating geo-referenced soil sampling, accredited laboratory analysis, GIS integration, and centralized data management.

Earthood Services Limited (Earthood) conducted the independent validation and verification of the project in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, approved methodology /07/, and applicable ISO 14064 principles /207/. The validation assessment was based on the Project Design Document (PDD) Version 2.1 dated 02 July 2026 /01/, while the verification assessment covered the monitoring period from 23 March 2024 to 15 May 2025 based on Monitoring Report (MR) Version 2.0 dated 02 July 2026 /02/ and associated supporting evidence. The assessment activities included detailed document review, independent recalculation of greenhouse gas removals, evaluation of monitoring systems /139/, review of geo-referenced soil sampling records /177/, accredited laboratory analyses /121//122/, GIS datasets /159/, agronomic documentation /196/, and on-site inspections and interviews with project personnel and participating farmers /208/.

The validation and verification assessments confirmed that participating farms implemented eligible regenerative agricultural practices and that changes in Soil Organic Carbon stocks were quantified through direct annual measure–remeasure procedures supported by geo-referenced soil sampling and accredited laboratory analysis. Earthood applied a risk-based assessment approach to evaluate project eligibility, additionality, baseline characterization, monitoring arrangements, quantification methods, permanence provisions, leakage assessment, stakeholder

safeguards, and greenhouse gas accounting systems. All Clarification Requests (CLs) and Corrective Action Requests (CARs) identified during the assessment process were satisfactorily resolved prior to completion of the validation and verification activities.

Based on the evidence reviewed and procedures performed, Earthood obtained sufficient and appropriate evidence to conclude, at a reasonable level of assurance, that the “Carbonsafe Carbon Farming Project – North Bulgaria” has been designed, implemented, monitored, and quantified in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, Project Design Document /01/, and approved methodology /07/. The verification confirmed total verified net greenhouse gas removals of 45,480 tCO₂e during the monitoring period from 23 March 2024 to 15 May 2025 /02//192 – 194/. In accordance with the project’s staged issuance mechanism and permanence provisions, 11,368 verified carbon removal credits are eligible for issuance under the Balkan Carbon Credit Registry during the current issuance cycle. The remaining 34,112 verified carbon removal credits are eligible for issuance under the Balkan Carbon Credit Registry in accordance with Section 5.1.2 (Conditions for Release of Reserved Credits) of the Issuance Policy /217/.

In Earthood’s opinion, the reported greenhouse gas removals are fairly stated, free from material misstatement, and supported by sufficient and appropriate evidence.

1.0 Introduction

Carbonsafe JSC contracted Earthood Services Limited (hereinafter referred to as “Earthood”) to carry out the joint validation and verification of the grouped project activity “Carbonsafe Carbon Farming Project – North Bulgaria” implemented in the North Region of Bulgaria under the Balkan Carbon Credit Standard (BCCS) /04/. The project applies the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector” (CSBG-AGRI Version 3.1 dated 22 August 2025) /07/ and aims to generate verified carbon removal credits through measurable increases in Soil Organic Carbon (SOC) resulting from implementation of regenerative agricultural practices including reduced tillage, crop diversification, cover cropping, optimized nutrient management, and improved residue management /01//02/.

The project follows a structured Monitoring, Reporting and Verification (MRV) framework that combines georeferenced field registration /139/, baseline and repeat soil sampling /11/, accredited laboratory analysis /121//122/, GIS integration /177/, chain-of-custody procedures, and centralized data management through the ISACO2 platform /183 – 191/. Participating farmers voluntarily implement regenerative agricultural practices and receive agronomic support, monitoring services, and access to carbon finance mechanisms through the project.

This report summarizes the results and conclusions of the joint validation and verification assessment conducted by Earthood as part of the project registration and issuance process under the Balkan Carbon Credit Registry (BCCR) /209/. The assessment included detailed review of the Project Design Document (PDD) /01/, Monitoring Report (MR) /02/, supporting technical documentation, GIS records, laboratory reports /121//122/, monitoring calculations /192//193//194/, stakeholder engagement records /127/, and environmental and social safeguard procedures. The assessment additionally included on-site inspections, field visits, interviews with project personnel and participating farmers, and independent cross-checking of monitoring data against source records and field observations /208/.

Earthood confirms that the joint validation and verification was conducted by a competent and impartial assessment team in accordance with Earthood’s accredited Quality Management System (QMS), applicable ISO 14064 principles /207/, and the requirements governing Validation and Verification Bodies (VVBs). Earthood further confirms that the assessment team was free from any conflict of interest related to the project activity or project proponent. Based on the evidence obtained through document review, site inspections, interviews /208/, technical assessment, and resolution of audit findings, Earthood formed an independent conclusion regarding the project’s conformity with the applicable requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, Project Design Document /01/, and approved methodology /07/.

1.1 Objectives

The objective of the joint validation and verification was to conduct an independent third-party assessment of the “Carbonsafe Carbon Farming Project – North Bulgaria” in order to determine whether the project design, implementation framework, Monitoring, Reporting and Verification (MRV) system, and monitored greenhouse gas removals conform to the applicable requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/,

and the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector” /07/.

The assessment included evaluation of the Project Design Document (PDD) Version 2.1 dated 02 July 2026 /01/ and Monitoring Report (MR) Version 2.0 dated 02 July 2026 /02/ covering the monitoring period from 23 March 2024 to 15 May 2025. The assessment team evaluated project eligibility, additionality, baseline characterization, methodology applicability, monitoring procedures, greenhouse gas quantification methods, permanence and reversal risk management, leakage assessment, stakeholder safeguards, environmental and social safeguards, and registry and issuance controls. Particular attention was given to the adequacy of the project’s MRV framework, including georeferenced soil sampling procedures /11//120/, accredited laboratory analyses /121//122/, chain-of-custody systems /139/, GIS management /177/, calculation procedures /192/, and traceability of monitoring data within the ISAC02 platform /183–191/.

In particular, the objectives of the joint validation and verification were to determine whether:

- the project complies with all applicable requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, and associated procedures, and guidance documents /09-11/;
- the project correctly applies the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector,” /07/ including all requirements relating to eligibility, additionality, monitoring, quantification, uncertainty management, permanence, and leakage;
- the Monitoring, Reporting and Verification (MRV) system and associated procedures are capable of generating transparent, conservative, accurate, and verifiable greenhouse gas removal data /139/;
- the assumptions, monitoring approaches, and greenhouse gas calculations are reasonable, consistent, and supported by sufficient and appropriate evidence; and
- the reported greenhouse gas removals are complete, accurate, transparent, free from material misstatement, and consistent with the Project Design Document /01/and approved methodology /07/.

To achieve these objectives, Earthood assigned a multidisciplinary validation team with expertise in agriculture, soil carbon accounting, GIS, and greenhouse gas validation. The team conducted a detailed desk review, on-site assessment, interviews, and technical evaluations in accordance with Earthood’s Quality Management System and the applicable requirements for Validation and Verification Bodies (VVBs). The validation represents an independent and objective assessment intended to establish whether the project is suitable for registration under the Balkan Carbon Credit Standard /04/.

1.2 Scope and Criteria

The scope of the joint validation and verification assignment included an independent and objective assessment of the Project Design Document (PDD) /01/, the Monitoring Report (MR) /02/, and supporting documentation submitted by Carbonsafe JSC for the grouped project activity

“Carbonsafe Carbon Farming Project – North Bulgaria.” The assessment covered the project design, MRV system, implementation of regenerative agricultural practices, greenhouse gas quantification procedures, monitoring records, and reported greenhouse gas removals for the monitoring period from 23 March 2024 to 15 May 2025.

The assessment team reviewed the project documentation and supporting evidence against the applicable requirements of the Balkan Carbon Credit Standard (BCCS) /04/, Balkan Carbon Credit Registry (BCCR) /209/, the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector” (Version 3.1 dated 22 August 2025) /07/, and applicable ISO 14064 principles /207/. The assessment included reviews of soil sampling procedures, laboratory analyses, GIS datasets, monitoring calculations, stakeholder safeguards, and registry controls.

The assessment team applied a risk-based validation and verification approach focusing on significant risks related to project eligibility, additionality, monitoring arrangements, greenhouse gas quantification, permanence, leakage, uncertainty management, and issuance of carbon removal credits. The scope of the assignment was to assess the claims, assumptions, monitoring procedures, and greenhouse gas calculations presented in the project documentation against the applicable BCCS requirements, approved methodology, and associated project procedures to determine whether the project is capable of generating real, measurable, additional, and verifiable greenhouse gas removals eligible for registration and issuance under the Balkan Carbon Credit Registry.

1.3 Reasonableness of Assumptions and Level of Assurance

☒ Reasonable Level of assurance

☐ Limited Level of assurance

This joint validation and verification was conducted at a reasonable level of assurance, which provides a high degree of confidence that the PDD, MR and supporting documentation are free from material misstatements and that any significant discrepancies were identified and addressed during the assessment.

Earthood obtained sufficient and appropriate evidence through document review, risk assessment, on-site inspections, interviews, and independent technical checks. Key assumptions related to project eligibility, additionality, soil sampling, quantification, permanence, and leakage were evaluated for consistency with the approved methodology and applicable BCCS requirements.

Clarification Requests were raised where additional information was needed, and all findings were satisfactorily resolved prior to issuance of this report. The on-site audit confirmed that the procedures described in the PDD were effectively implemented and supported by objective evidence.

Based on the evidence reviewed, Earthood concludes that the assumptions used in the project are reasonable and that the Monitoring, Reporting and Verification (MRV) system generates accurate, complete, and verifiable data on soil organic carbon removals.

1.4 Audit Team Composition

The validation assessment was led by Napolion Borah, who served as Team Leader and Technical Area Expert for Technical Area 15.1 (Agriculture, Forestry and Other Land Use). Additional technical support was provided by Merin P. Menachery, Pranav Chazhiyill Dilip Kumar, and Atulya Dhar. Collectively, the assessment team possessed the necessary competence in soil carbon accounting, regenerative agriculture, geographic information systems (GIS), and ISO-based validation and verification methodologies to conduct the audit in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/, the Balkan Carbon Credit Registry (BCCR) /209/, and the applied methodology /07/. In accordance with Earthood's Quality Management System (QMS), the final validation opinion and report were subjected to an independent technical review to confirm the adequacy of the evidence obtained, the appropriateness of the conclusions reached, and compliance with internal quality control procedures.

Roles allocated to the assessment team

Role	Name	Nature of involvement				
		Desk Review	On Site Visit	Reporting	Supervision	Technical Review
Team Leader and TA Expert (15.1)	Dr. Napolion Borah	Y	Y	Y	Y	N
Validator and Verifier	Merin P Menachery	Y	N	Y	N	N
Validator and Verifier (Trainee)	Pranav Chazhiyill Dilip Kumar	Y	N	Y	N	N
GIS Expert	Atulya Dhar	Y	N	Y	N	N

Roles allocated to the Technical Review team

Technical Reviewer and Approver of the Joint Validation and Verification Report

No	Role	Type of Resource	Last Name	First Name	Affiliation (e.g., name of central or other office of VVB or outsourced entity)

1.	Technical Reviewer	IR	Gautam	Ashok Kumar	Central Office
2.	TA Expert to TR	IR		Sugandha	Central Office
3.	Approver	IR	Singh	Kaviraj	Central Office

2.0 Validation and Verification Process

The joint validation and verification process was conducted through a systematic and risk-based assessment of the PDD and all supporting documentation submitted by Carbonsafe JSC. The assessment included a detailed review of project records, on-site inspections, interviews with project representatives and participating farmers, sampling and cross-checking of key documents, and follow-up evaluation of responses to audit findings. These activities were designed to obtain sufficient and appropriate evidence to determine whether the project has been developed in accordance with the applicable requirements of the Balkan Carbon Credit Standard (BCCS) /04/ and the methodology /07/.

The validation team evaluated all material aspects of the project, including project eligibility, additionality, baseline characterization, monitoring arrangements, quantification methods, permanence and reversal risk management, leakage assessment, and stakeholder safeguards. The assessment focused on establishing a clear and traceable audit trail from farmer contracts and eligibility records through georeferenced field boundaries, soil sampling and chain-of-custody procedures, laboratory analyses, data management systems, and the calculation of soil organic carbon removals.

All issues identified during the assessment were communicated to the project proponent as audit findings and were reviewed until satisfactory evidence was provided to demonstrate full conformity with the applicable requirements. The validation was performed in accordance with Earthood's Quality Management System (QMS), which is aligned with the principles and requirements of ISO 14064 /207/ and the governing rules for VVBs. The principal validation activities carried out during the assessment are summarized in the following sections.

2.1 Desk Review

The validation of the Carbonsafe Carbon Farming Project – North Bulgaria was performed primarily through a detailed review of the PDD /01/, MR /02/, and the associated supporting documentation, as listed in Appendix 2. The assessment team cross-checked the information presented in the PDD and MR through desk review, on-site verification, and interviews, in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/ and the approved methodology, "Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector" /07/.

Additional cross-checks were carried out using independent sources of information, where relevant, to confirm the accuracy and consistency of the project documentation. Compliance with applicable national laws and regulations /113/, including land use and contractual arrangements with participating farmers /14//27//39//48//58//69//80//90/, was also reviewed as part of the assessment.

The document review included the following activities:

- Review of the PDD /01/, MR /02/, and supporting evidence to assess the completeness, consistency, and transparency of the information provided.
- Review of eligibility screening records /13//26//38//47//57//68//79//89/, farmer contracts /14//27//39//48//58//69//80//90/, land ownership and lease documents /105-112/ of all participating farms, and GIS data defining the project boundary /159/.
- Review of the monitoring plan, sampling procedures, laboratory protocols /120/, and associated methodological tools /07/.
- Review of soil sampling records, chain-of-custody documentation /139/, and accredited laboratory reports /121//122/.
- Review of data management procedures and the systems used to collect, store, process, and report project data /139/.
- Review of carbon quantification files, assumptions, and calculations used to estimate soil organic carbon removals /192-194/.
- Review of risk assessment documents /123//124/, stakeholder engagement records /127/, grievance procedures /203/, and benefit-sharing arrangements /176/.

Through this document review, the assessment team verified that the project documentation was complete and that the methods and procedures described in the PDD are adequate to generate accurate, consistent, and verifiable data for the quantification of carbon removals.

2.2 Site Visits

The on-site validation was conducted in Bulgaria from 26 January 2026 to 30 January 2026 (inclusive of both dates) by the Earthood assessment team, in accordance with the approved audit plan and the requirements of the Balkan Carbon Credit Standard (BCCS) /04/. The audit team was accompanied throughout the site visit by representatives of Carbonsafe JSC and relevant project stakeholders. The site visit was planned and executed to verify the practical implementation of the systems and procedures described in the PDD, including farmer enrollment, field boundary management, soil sampling, laboratory analysis, data management, and implementation of regenerative agricultural practices.

Sl. No.	Interviewee Name	Affiliation	Date	Subject	Team Members
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1	Chavdar Marinov	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
2	Denitsa Kirova	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
3	Konstantina Semerdzhieva	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
4	Dobromir Kasabov	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
5	Tanya Asenova	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
6	Lyudmila Aleksandrova	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
7	Vanya Chavdarova	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
8	Sanya Panova	Carbonsafe	26/01/2026	Project Proponent	Nepolion Borah
9	Hristo Nikolov	Adviser AG (Consultant)	26/01/2026	Stakeholder Interview	Nepolion Borah
10	Milen Mladenov	APIS AGRO 98 OOD	29/01/2026	Farmer Interview	Nepolion Borah
11	Mario Ivanov	MAPI 96 EOOD	29/01/2026	Farmer Interview	Nepolion Borah
12	Tsanka Natseva	ET Rumen Natsev	28/01/2026	Farmer Interview	Nepolion Borah
13	Aleksandar Natsev	ET Rumen Natsev	28/01/2026	Farmer Interview	Nepolion Borah
14	Dimcho Georgiev	APLEND BULGARIA EOOD	27/01/2026	Farmer Interview	Nepolion Borah
15	Ivaylo Georgiev	ZK Bezmer	27/01/2026	Farmer Interview	Nepolion Borah
16	Dobromir Valchev	ET TIASO- DOBROMIR VALCHEV	28/01/2026	Farmer Interview	Nepolion Borah

17	Valeri Mollov	AGViser- Manager	QA	26/01/2026	Stakeholder Interview	Nepolion Borah
18	Petya Dimitrova	AGViser- Lab head		26/01/2026	Stakeholder Interview	Nepolion Borah
19	Veronika Staeva	AGViser- Chemist		26/01/2026	Stakeholder Interview	Nepolion Borah
20	Petar Hristov	AGViser- Head of Sampling		26/01/2026	Stakeholder Interview	Nepolion Borah
21	Stoyan Tarapanov	Agronomic Adviser		27/01/2026	Stakeholder Interview	Nepolion Borah
22	Hristo Nikolov	AGViser CEO		30/01/2026	Stakeholder Interview	Nepolion Borah
23	Petya Raycheva	Agronomist- Carbon safe		27/01/2026	Stakeholder Interview	Nepolion Borah

2.2.1 Opening Meeting

An opening meeting was held on 26 January 2026 with representatives of Carbonsafe JSC, including senior management and technical personnel. The purpose of the meeting was to confirm the objectives, scope, audit methodology, and schedule of the joint validation and verification. During the meeting, the assessment team reviewed the project organizational structure, ownership arrangements, and the roles and responsibilities of Carbonsafe JSC and participating farmers. The team also examined the procedures for project registration and monitoring, georeferenced soil sampling protocols, accredited laboratory results for soil organic carbon and nutrient analyses, and the agronomic recommendations developed for participating farms based on these analyses.

2.2.2 Sampling Plan for On-Site Inspection

The project included 119 plots across 08 participating farms within the North Region of Bulgaria. To ensure that the site visit provided sufficient and representative evidence while maintaining audit efficiency, Earthhood developed a project-specific sampling plan in accordance with ISO 14064-3 and Earthhood's internal sampling procedures.

Using the Raosoft sample size calculator and applying a 90% confidence level and 30% precision, a sample of 08 representative plots was selected for detailed review during the site visit. The sampled farms were selected to represent differences in farm size, crop types, geographic distribution, and management practices. Where appropriate, the sampling plan was adjusted based on risks identified during the audit to focus on areas with the highest potential for material discrepancies.

At each sampled farm, the assessment team reviewed farmer contracts, land ownership or lease documents, GIS boundaries, soil sampling and chain-of-custody records, laboratory reports,

agronomic recommendations, and evidence of implemented regenerative agricultural practices. Information obtained through field observations and farmer interviews was considered together with documentary evidence in forming the validation conclusion.

2.2.3 Field Inspections

Field inspections were conducted at selected participating farms to confirm that the agricultural practices described in the PDD, such as reduced tillage, cover cropping, crop rotation, residue management, and optimized nutrient management, were being implemented. The team also verified the consistency of field conditions with monitoring records and assessed the adequacy of procedures used for data collection and record keeping.

2.2.4 Interviews

Structured interviews were conducted with the project proponent, technical personnel, and participating farmers. Interview questions addressed project governance, farmer enrollment, sampling and laboratory procedures, MRV systems, safeguards, benefit sharing, and grievance redressal systems. Responses were cross-checked against documentary evidence and field observations.

2.2.5 Closing Meeting

A closing meeting was held on 30 January 2026 with representatives of Carbonsafe JSC to present the preliminary results of the audit. The assessment team summarized the activities undertaken, discussed the audit findings, and explained the subsequent process for the submission and review of responses to Clarification Requests (CLs) and Corrective Action Requests (CARs). Carbonsafe JSC confirmed its understanding of the findings and agreed to provide the necessary documentation and revised project materials to address the issues identified during the assessment.

2.3 Resolution of Findings

Audit findings were raised throughout the audit based on the results of the desk review, on-site inspections, interviews, and technical assessments. Where the information provided in the PDD, MR, or supporting documentation was incomplete, unclear, or insufficient to demonstrate compliance with the applicable requirements, the assessment team issued a Clarification Request (CL). A CL was used to obtain additional information or explanations necessary to determine whether the relevant requirements of the Balkan Carbon Credit Standard (BCCS) and the approved methodology had been met.

Where a material non-conformity was identified that could affect the project's ability to generate real, measurable, additional, and verifiable carbon removals, the assessment team issued a Corrective Action Request (CAR). CARs were used where methodological requirements had not been met, where procedures were inadequate to support accurate monitoring and quantification, and where material discrepancies could not be resolved without corrective action. In addition, a Forward Action Request (FAR) could be raised to highlight issues that do not affect the current validation and verification conclusion but should be reviewed during future verification activities.

All findings were documented in a formal audit findings log and communicated to Carbonsafe JSC, which is attached as Appendix 03 and 04 to this report. The project proponent was provided with the opportunity to respond to each finding and submit revised documentation and supporting

evidence. The assessment team reviewed each response to determine whether the underlying issue had been satisfactorily addressed. Findings raised during the internal technical review were communicated and resolved using the same process.

During the validation and verification of the Carbonsafe Carbon Farming Project – North Bulgaria, 45 CLs, 35 CARs and 01 FAR were raised to address matters relating to the project description, climate and agronomic objectives, community benefits, and baseline characterization. Following the submission of revised versions of the PDD, MR, and additional supporting documentation, all findings were satisfactorily resolved and formally closed prior to the issuance of the final validation opinion. A complete record of the findings, project participant responses, validation assessments, and closure justifications is provided in Appendix 03 and 04 of this report.

3.0 Project Details

The project is a grouped initiative covering agricultural lands in North Bulgaria. Participating farmers voluntarily adopt eligible regenerative practices to improve soil health and increase soil organic carbon stocks. The project uses a structured MRV system combining field sampling, accredited laboratory analysis, GIS management, and standardized quantification procedures to measure the carbon removals and reductions achieved through project activities.

3.1 Project Overview

The Carbonsafe Carbon Farming Project – North Bulgaria is a grouped soil carbon project developed and managed by Carbonsafe JSC in the Northern Region of Bulgaria. The project promotes regenerative agricultural practices to increase soil organic carbon (SOC) stocks and generate verified carbon removal credits under the Balkan Carbon Credit Standard (BCCS). Participating farmers voluntarily enroll in the project and implement eligible practices such as reduced tillage, cover cropping, crop diversification, optimized nutrient management, and improved residue management. The project uses a structured Monitoring, Reporting and Verification (MRV) system based on georeferenced field registration /177/, soil sampling at three depth intervals (0–30 cm, 30–60 cm, and 60–90 cm) /120//11/, accredited laboratory analysis /120/, agronomic assessments /196/, and centralized data management to quantify the credits generated /139/. The validation team reviewed the PDD, MR, farmer agreements/14//27//39//48//58//69//80//90/, project procedures /02//120/, GIS records /210//159/, soil sampling protocols /120//11/, laboratory reports /121//122/, and benefit-sharing documentation /176/, and confirmed that the information presented in the PDD and MR was supported by objective evidence and interviews conducted during the on-site audit /208/.

a) Audit History

The Carbonsafe Carbon Farming Project – North Bulgaria was assessed as part of its initial validation under the Balkan Carbon Credit Standard (BCCS). This is the first validation of the grouped project, and no previous validation or verification reports exist for this project activity. The validation team confirmed this by reviewing the PDD and project registration records /209/. The assessment therefore focused on determining whether the project design, implementation framework, and Monitoring, Reporting and Verification (MRV) system conform to the applicable requirements of the BCCS /04/ and the approved methodology /07/.

b) Project Start Date

According to the PDD, the start date of the project is 17 January 2023, which corresponds to the commencement of project implementation activities within the North Region of Bulgaria. The assessment team verified this date by reviewing the PDD /01/, farmer enrollment records, and signed agreements between Carbonsafe JSC and participating farmers /14//27//39//48//58//69//80//90/. These records confirmed that field registration, eligibility screening, baseline soil sampling, and the implementation of regenerative agricultural practices began after the stated start date and were consistent with the requirements of the applied methodology /07/.

c) Project Ownership

The assessment team confirmed that Carbonsafe JSC is the project proponent and legal owner of the Carbonsafe Carbon Farming Project – North Bulgaria. Carbonsafe JSC is responsible for the overall management and coordination of the project, including farmer onboarding, contractual administration, technical support, soil sampling, data management, carbon quantification, and coordination with the Validation and Verification Body and the registry. Project ownership and management responsibilities were verified through review of corporate documents, signed farmer agreements /14//27//39//48//58//69//80//90/, and interviews with project management conducted during the on-site audit /208/. The validation team concluded that Carbonsafe JSC has the organizational and technical capacity required to implement and maintain the project in accordance with BCCS requirements and the approved methodology.

d) Benefits Assessment and Crediting Period

The project is designed to generate climate, agronomic, environmental, and socio-economic benefits. The principal climate benefit is the removal of atmospheric carbon dioxide through measurable increases in soil organic carbon stocks. Additional benefits include improved soil fertility, water retention, crop resilience, and farmer access to carbon finance.

The crediting period is from 2023 to 2063, while the current monitoring period began on 23 March 2024 and is until 15 May 2025. At the end of the initial monitoring period, participating farmers may elect to renew their agreements and continue in the project, subject to continued compliance with eligibility and monitoring requirements. The validation team verified the crediting period by reviewing the PDD /01/, contractual agreements /14//27//39//48//58//69//80//90/, and the approved methodology /07/.

e) Double Counting and Participation under Other GHG Programs

The project includes specific controls to prevent double counting and duplicate participation in other greenhouse gas programs. During enrollment, each participating farmer is required to sign a declaration confirming that the same land and associated carbon benefits are not registered under any other carbon or environmental crediting scheme /205/. Each enrolled farm is assigned a unique project identifier within the project's registration and monitoring system /01//07/.

The validation team reviewed the project registration procedures, farmer application forms, double counting declarations /205/, and the relevant sections of the PDD. Interviews with Carbonsafe personnel confirmed that procedures are in place to detect duplicate participation and that any

confirmed cases would result in exclusion from the project and cancellation or adjustment of affected credits /208//01/. Based on this evidence, the validation team concluded that the controls for avoiding double counting are adequate and consistent with BCCS requirements.

f) Benefit-Sharing Mechanism

The PDD describes a documented benefit-sharing mechanism /135//176/ governing the allocation of issued carbon credits and associated revenues among participating farmers, Carbonsafe JSC, and the reserve or buffer mechanism established to manage reversal risk /124/. The validation team reviewed the relevant sections of the PDD /01/, sample contractual agreements /14//27//39//48//58//69//80//90/, and the separate carbon credit allocation procedure provided by the project proponent /176/.

The evidence reviewed confirmed that participating farmers receive a contractually defined share of revenues generated from the sale of their allocated carbon credits, while Carbonsafe JSC retains a separate portion to cover project development, monitoring, administration, and operational costs. A specified percentage of issued credits is also allocated to the reserve or buffer mechanism in accordance with the project's permanence and risk management provisions /135//176/.

During interviews with project management and selected farmers, the validation team confirmed that the benefit-sharing arrangements are communicated transparently and documented in written agreements. Based on the evidence reviewed, the validation team concluded that the benefit-sharing mechanism is clearly defined, traceable, and consistent with the transparency and governance requirements of the Balkan Carbon Credit Standard.

3.2 Project Description and Activities

The validation and verification teams jointly reviewed the PDD /01/, MR /02/, supporting annexures /03/, implementation procedures /02/, farmer participation agreements /14//27//39//48//58//69//80//90/, GIS and cadastral records /159/, geo-referenced soil sampling documentation /177/, laboratory accreditation certificates /103//104/, ERP-based Monitoring, Reporting and Verification (MRV) system records, agronomic reports /196/, and calculation spreadsheets /192-194/. The assessment activities included detailed document review, independent recalculation of monitoring results, field inspections, interviews with Carbonsafe JSC management and technical personnel, stakeholder consultations, and verification of monitoring and data management procedures. The purpose of the assessment was to evaluate whether the project design, implementation model, monitoring framework, greenhouse gas accounting procedures, and operational controls remain consistent with the requirements of the Balkan Carbon Credit Standard (BCCS) /04/, the Balkan Carbon Credit Registry (BCCR) /208/, and the approved methodology "Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector" /07/. Based on the evidence reviewed, the validation and verification teams confirmed that the project has been designed and implemented in a transparent, technically robust, and auditable manner and remains consistent with the validated project framework and methodology requirements.

The assessment confirmed that the project is a grouped soil carbon sequestration initiative implemented across agricultural lands located within the northern regions of the Republic of Bulgaria /159/. The project operates through a grouped implementation structure under which

each participating farm is treated as a separate sub-project possessing distinct geo-referenced boundaries, baseline data, monitoring records, and issuance accounting while remaining integrated within a centralized MRV framework managed by Carbonsafe JSC. The grouped project architecture enables additional farms to be incorporated into the project over time provided that they satisfy the same eligibility, additionality, monitoring, and contractual requirements applicable to the initially enrolled farms. The assessment team reviewed the geospatial files /159//210//213/, participation agreements /14//27//39//48//58//69//80//90/, ERP identifiers, and registration records and confirmed that the grouped structure preserves plot-level traceability, accountability, and transparency throughout the crediting and monitoring process. The assessment further confirmed that robust controls are implemented to prevent duplicate inclusion of land parcels, overlapping participation in multiple carbon programs, and double counting of carbon removals across regional project boundaries /205//01//208/.

The primary climate objective of the project is to remove atmospheric carbon dioxide through measurable increases in Soil Organic Carbon (SOC) stocks achieved by implementation and maintenance of regenerative agricultural practices on participating agricultural lands. The project applies a direct measure–remeasure methodology based exclusively on geo-referenced soil sampling and accredited laboratory analysis and issues carbon removal credits only after independently verified ex-post quantification of net greenhouse gas removals. The validation and verification teams reviewed the climate objective, sampling protocols /120/, monitoring procedures /139/, permanence provisions /135/, laboratory procedures /120/, and risk assessment documentation /123/ and confirmed that the climate objective is measurable, technically robust, and aligned with the requirements of the approved methodology /07/ and BCCS framework /04/. The assessment further confirmed that project removals are intended to represent real, additional, quantifiable, and durable carbon removals beyond business-as-usual agricultural management practices.

In addition to its climate objective, the project establishes agronomic and community objectives designed to improve the long-term sustainability and resilience of participating farms and rural communities. The agronomic objective focuses on improving soil fertility, restoring soil organic matter, optimizing nutrient availability, improving soil pH and carbon-to-nitrogen ratios, enhancing water retention capacity, and increasing biological activity through systematic adoption of regenerative agricultural practices. The validation and verification teams reviewed agronomic guidance documents /196/, soil nutrient analyses /121//122/, laboratory reports /121/, individualized technological maps /21//31//42//52//62//73//84//94/, and annual agronomic recommendations /196/, and confirmed that plot-specific technical guidance was developed and provided to participating farmers based on annual soil analyses and agronomic assessments. Interviews conducted with farmers and project personnel confirmed that the agronomic support framework is actively implemented and integrated into the project’s operational management and monitoring system /208/.

Community objective of the project is to strengthen the socio-economic resilience of participating farmers and rural communities by ensuring transparent and equitable access to carbon finance revenues and technical support associated with the adoption of regenerative agricultural practices. The assessment confirmed that farmers retain ownership of the carbon outcomes generated on their land and receive a contractually defined share of revenues generated through carbon credit sales. In addition to financial benefits, participating farmers receive annual agronomic

recommendations /196/, technical support /208//172/, training /170//171/, and advisory services designed to improve long-term farm efficiency and support continued adoption of regenerative practices. The validation and verification teams reviewed benefit-sharing mechanisms /176/, participation agreements /14//27//39//48//58//69//80//90/, stakeholder engagement records /127/, grievance procedures /203/, and governance arrangements, and confirmed that formal communication and grievance mechanisms are in place and consistent with BCCS social safeguard requirements. The assessment confirmed that no unresolved grievances had been reported during the assessment period /204/.

The project implementation model was reviewed in detail through examination of operational procedures /13//26//38//47//57//68//79//89/, field records, monitoring documentation, and interviews conducted with Carbonsafe JSC personnel and participating farmers /208/. The implementation process begins with farmer outreach and eligibility screening during which Carbonsafe verifies land-use classification, geographic eligibility, land tenure status, legal control over agricultural parcels, and exclusivity from other carbon programs. Eligible farmers subsequently enter into legally binding participation agreements /14//27//39//48//58//69//80//90/ defining implementation obligations, monitoring rights, permanence commitments, data access provisions, and benefit-sharing arrangements. Baseline establishment is then conducted through geo-referenced soil sampling and documentation of historical land management practices. Following enrollment, participating farmers implement eligible regenerative agricultural practices with continuous technical assistance and agronomic oversight provided by Carbonsafe JSC. Monitoring activities include repeat geo-referenced soil sampling /177/, collection of annual land management information /139/, GIS-based plot tracking, and processing of monitoring results through the project's centralized ERP-based MRV platform /183-191/. Verified monitoring results are subsequently submitted for independent verification prior to carbon credit issuance. The validation and verification teams reviewed each stage of this implementation process and confirmed that responsibilities among Carbonsafe JSC, participating farmers, accredited laboratories, and soil sampling contractors are clearly defined and operationally implemented.

The assessment confirmed that the project includes implementation or improvement of at least one eligible regenerative agricultural practice combined with annual geo-referenced soil measurement and monitoring. Eligible practices include reduced or zero tillage, cover crops and intercrops, crop diversification and rotation, residue retention and mulching, nitrogen-fixing crops, organic fertilization, precision nutrient management, reduced use of synthetic fertilizers and pesticides, and application of organic or natural plant protection products /01//02//208/. The validation and verification teams reviewed annual technological maps /21//31//42//52//62//73//84//94/, agronomic recommendations /196/, monitoring reports /02/, soil diagnostics /121//122/, and implementation records /139/ and confirmed through site inspections and interviews that participating farmers were implementing practices consistent with those described in the validated PDD /01/ and approved methodology /07/. The teams further confirmed that these practices are scientifically appropriate for increasing Soil Organic Carbon stocks under the agroecological conditions of Northern Bulgaria.

The validation and verification teams conducted a detailed assessment of the agronomic support framework implemented under Procedure PR01 – Procedure for Agronomic Assessment, Individual Strategy and Technological Map Development (v2.1) /09/. Evidence reviewed included Farm Suitability Assessment Checklists (PR0101) /13//26//38//47//57//68//79//89/,

individualized agronomic strategies /196/, annual technological maps /21//31//42//52//62//73//84//94/, annual farm reports /23//33//45//54//64//75//86//96/, laboratory soil analyses /121//122/, monitoring visit records /22//32//43//53//63//74//85//95/, and technical assistance documentation /172/. The assessment confirmed that each participating farm underwent baseline agronomic assessment and geo-referenced soil characterization prior to enrollment and subsequently received annual site-specific agronomic guidance tailored to local soil and climatic conditions. Interviews with participating farmers confirmed that Carbonsafe JSC provided continuous technical support and implementation oversight during the monitoring period /208/. The validation and verification teams concluded that the agronomic support framework forms an integral component of the project's implementation and MRV system and contributes significantly to consistency and quality assurance across participating farms.

The project applies to a standardized greenhouse gas quantification and monitoring framework based entirely on direct physical soil sampling /120/ and accredited laboratory analysis /121//122/. Each participating farm is divided into fixed geo-referenced plots generally ranging from approximately 4 to 25 hectares. Within each plot, 25 soil cores are collected using GPS-enabled automated probes following zig-zag or diagonal sampling patterns at standardized depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm. Composite samples from each depth interval are analyzed by ISO/IEC 17025-accredited laboratories. Soil Organic Carbon stocks are calculated using depth-specific SOC concentrations and bulk density measurements. The validation and verification teams reviewed GPS sampling tracks, chain-of-custody records, laboratory accreditation certificates /103/, certificates of analysis /104//121//122/, data management procedures /139/, ERP audit trails /183-191/, calculation files /192-194/, and quality assurance protocols /139/ and confirmed that the MRV system is capable of generating accurate, complete, transparent, and verifiable greenhouse gas accounting information. The assessment further confirmed that role-based access controls, audit trails, and centralized data management procedures are implemented within the ERP-based MRV system to support data integrity and traceability.

The validation and verification teams reviewed the project boundary and geographic scope through examination of GIS shapefiles /159/, plot registration records /105-112/, geospatial allocation procedures /177/, ERP monitoring records /183-191/, and Monitoring Report descriptions. The assessment confirmed that the project is implemented within the Northwestern, Northcentral, and Northeastern planning regions of Bulgaria /02/, including agricultural lands located in districts such as Dobrich, Vratsa, Varna, and Lovech. Only agricultural parcels situated within the eligible administrative boundaries and supported by valid land tenure documentation are eligible for inclusion in the project. The monitored project area for the current reporting cycle totaled 1,983.76 hectares /02//159/. The assessment confirmed that all participating plots remained within the validated project boundary during the monitoring period and that excluded parcels resulting from changes in land tenure or loss of legal rights were conservatively removed from carbon accounting and issuance calculations.

The participation process and eligibility framework were further assessed through review of farmer onboarding documentation, registration records, land ownership and lease agreements /105-112/, eligibility checklists /13//26//38//47//57//68//79//89/, participation contracts /14//27//39//48//58//69//80//90/, annual re-registration procedures

/20//30//44//51//61//72//83//93/, and exclusivity declarations /205/. The validation and verification teams confirmed that all participating farms satisfied the eligibility criteria established in the validated PDD and approved methodology, including geographic eligibility, minimum land area thresholds, possession of clear and uncontested legal land-use rights, operational capability to implement project activities, and exclusion from other carbon programs. Natsevi 2019 OOD participates in the project under a grouped project arrangement with ET Rumen Natsev in accordance with “Grouped Contract Without Land Exchange” arrangement specified in the PD /01//208/. This enables the combined eligible land to meet the minimum eligibility threshold of 200 ha required under the methodology /07//107//110/. The assessment confirmed that all participating entities remained operational during the monitoring period and continued implementation of eligible regenerative agricultural practices. The verification team additionally reviewed cases involving reductions in enrolled areas and confirmed that such reductions were associated with loss of legal rights over specific parcels and were appropriately excluded from carbon accounting. One participating entity, Sekapp Bulgaria EOOD, reported a negative farm balance during the monitoring period and was therefore conservatively excluded from issuance calculations while remaining subject to continued monitoring obligations in accordance with the project’s accounting procedures /02/.

The validation and verification teams also reviewed the project’s greenhouse gas accounting framework, permanence provisions, uncertainty deductions /149/, reserve structure /176/, leakage assessment procedures /131//132//194/, reversal risk controls /123/, and issuance mechanisms /176/. The project accounts for net greenhouse gas removals resulting from measurable increases in Soil Organic Carbon stocks within the 0–90 cm soil profile /07/while conservatively deducting measurement uncertainty /149/, fuel consumption emissions /115/, nitrous oxide emissions associated with fertilizer use /193//195/, and leakage effects /194/ where applicable. The assessment confirmed that the project applies a conservative issuance framework under which 75% of verified net removals are initially retained within sub-project reserve accounts and released only following subsequent positive monitoring outcomes, while an additional 5% of issued credits is allocated to a project-wide buffer pool designed to address force majeure events and non-permanence risks /135//176/. The validation and verification teams reviewed reserve procedures, permanence provisions, monitoring schedules, contractual commitments, and risk assessment documentation and concluded that the project’s permanence and reversal risk management measures are transparent, conservative, and fully consistent with BCCS requirements and the approved methodology.

The Monitoring Report identifies several expected environmental and socio-economic benefits of the project, including carbon removals, improved soil fertility, enhanced biodiversity, better water retention capacity, reduced use synthetic fertilizers and pesticides, and improved economic resilience of participating farmers. Carbon removals are expected to range from approximately 3 to 10 tCO₂e per hectare per year, depending on local conditions and management practices.

The assessment teams reviewed these estimates and confirmed that they are indicative only and not guaranteed. The team also confirmed that only independently verified changes in SOC are eligible for credit issuance /01//02//04//07/.

During the monitoring period from 23 March 2024 to 15 May 2025, the audit team reviewed monitoring calculations /192/, GIS records /159//210/, technological maps

/21//31//42//52//62//73//84//94/, soil laboratory analyses /121//122/, sampling documentation, and carbon accounting spreadsheets /192//193//194/ and confirmed verified net greenhouse gas removals of 45,480 tCO₂e resulting from measurable increases in Soil Organic Carbon stocks after application of all required deductions and conservative adjustments. Independent recalculation of monitoring results confirmed that the carbon accounting procedures were implemented consistently with the validated methodology /07/ and approved monitoring plan /139/. Based on the comprehensive review of the PDD /01/, MR /02/, supporting evidence, on-site inspections /208/, stakeholder interviews /208/, GIS records /210//213/, laboratory analyses /121//122/, and recalculated monitoring results, the validation and verification teams concluded that the “Carbonsafe Carbon Farming Project – North Bulgaria” has been implemented in accordance with the validated PDD /01/, approved methodology /07/, and applicable requirements of the Balkan Carbon Credit Standard /04/ and the Balkan Carbon Credit Registry /209/. The teams further concluded that the project’s implementation framework, monitoring systems /139/, agronomic support structure /172/, participation procedures, governance arrangements /203/, and greenhouse gas accounting controls are appropriately designed, effectively implemented, transparent, and supported by sufficient and appropriate evidence to provide reasonable assurance regarding the reported greenhouse gas removals.

4. Applied Methodology and Eligibility

4.1 Applied Methodology

The validation and verification teams jointly reviewed Section 4 of the PDD /01/, MR /02/, the applied methodology /07/, supporting monitoring procedures /139/, sampling protocols /11//208/, GIS records /159//211/, laboratory procedures /120/, calculation spreadsheets /192//193//194/, issuance policies /176//135/, and associated implementation documentation to assess whether the methodology was appropriately selected and correctly applied throughout the project implementation and monitoring period. The assessment activities included document review, independent recalculation of monitoring results, review of geo-referenced monitoring datasets /212//177/, field inspections /208/, stakeholder interviews /208/, and technical evaluation of the project’s MRV system /139/. Based on the evidence reviewed, the validation and verification teams confirmed that the project design, quantification framework, monitoring procedures, and issuance mechanisms are fully aligned with the requirements of the approved methodology /07/, the Balkan Carbon Credit Standard (BCCS) /04/, and the Balkan Carbon Credit Registry (BCCR) /208/.

The assessment confirmed that the project applies a direct measure–remeasure methodology for quantifying carbon dioxide removals through measurable increases in Soil Organic Carbon (SOC) stocks. Under this approach, participating farms are subdivided into fixed geo-referenced monitoring plots, and baseline SOC stocks are established through physical soil sampling at standardized depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm, combined with documentation of historical land management practices and confirmation of project eligibility conditions /13//26//38//47//57//68//79//89/. The validation and verification teams reviewed baseline sampling protocols, GIS procedures /11/, historical land management records, plot registration data /105-112/, and additionality documentation and confirmed that the baseline characterization and quantification framework are consistent with the methodological

requirements governing baseline establishment, additionality demonstration, and monitoring of SOC changes.

The project scenario consists of implementation and maintenance of regenerative agricultural practices intended to increase Soil Organic Carbon stocks and improve long-term soil health under the agroecological conditions of Northern Bulgaria. Eligible practices include reduced or no tillage, cover crops, diversified crop rotations, residue retention and mulching, use of organic amendments, nitrogen-fixing crops, optimized nutrient management, and reduced use of synthetic agricultural inputs. The validation and verification teams reviewed farmer contracts, annual technological maps /21//31//42//52//62//73//84//94/, agronomic recommendations /196/, management practice records /23//33//45//54//64//75//86//96/, and implementation evidence obtained during field inspections and interviews and confirmed that the methodology has been operationalized through a clearly defined implementation and monitoring framework. Changes in management practices were documented annually and linked to plot-level monitoring records maintained within the ISACO2 platform to ensure traceability between implementation activities, monitoring evidence, and carbon accounting calculations.

The methodology requires annual geo-referenced soil sampling using standardized field procedures and laboratory analyses performed by ISO/IEC 17025-accredited laboratories /103/. The validation and verification teams reviewed monitoring schedules, field sampling procedures, geospatial records /210//212//213/, GeoJSON monitoring datasets /150//177/, barcode-based chain-of-custody systems, laboratory protocols /120/, analytical methods, and calculation spreadsheets /192-194/ and confirmed that monitoring activities undertaken during the reporting period from 23 March 2024 to 15 May 2025 were implemented consistently with the approved monitoring framework and methodology requirements. Monitoring activities were conducted at the plot (cell) level within the ISACO2 platform, thereby ensuring full traceability between field sampling locations, laboratory analyses, monitoring records, and issued carbon credits. Soil sampling was conducted using geo-referenced sampling points at the required depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm, with each monitoring plot sampled using 25 drills per depth interval aggregated into representative composite samples for laboratory analysis. Barcode-based traceability procedures linked field sampling activities to laboratory analyses and monitoring records within the ISACO2 platform.

The assessment team further reviewed procedures relating to bulk density determination, ancillary soil property analyses, laboratory accreditation documentation /103/, analytical methods, and Quality Assurance and Quality Control (QA/QC) procedures /120/. Bulk density measurements were conducted once per sub-project crediting period and consistently integrated into the calculation of Soil Organic Carbon stocks. Additional soil parameters including pH, macro- and micronutrients, organic matter content, and carbon-to-nitrogen ratios were analyzed and archived as supporting agronomic and co-benefit indicators. Soil analyses were conducted by accredited laboratories using standardized dry combustion methods consistent with EN ISO/IEC 17025 requirements and the approved methodology. The assessment included reviews of laboratory accreditation certificates /103/, calibration records, certificates of analysis, custody logs, and analytical reports uploaded to the ISACO2 platform /208/. The assessment teams confirmed that laboratory results were traceable to individual plots and sampling events and that adequate QA/QC procedures were implemented to ensure reliability, consistency, and integrity of analytical results used for greenhouse gas accounting purposes.

4.2 Eligibility Criteria

The validation and verification teams jointly reviewed the eligibility provisions described in the PDD /01/, farmer application forms, participation agreements /14//27//39//48//58//69//80//90/, land tenure documentation /105-112/, geospatial files /159//211/, IACS registrations /145/, declarations of exclusivity /205/, eligibility screening procedures /13//26//38//47//57//68//79//89/, and monitoring records to assess whether the project applies clear, transparent, and enforceable eligibility criteria consistent with the requirements of the BCCS /04/, BCCR /209/, and the approved methodology /07/. Interviews conducted with Carbonsafe JSC personnel and participating farmers further confirmed the practical implementation of these controls during project enrolment and monitoring activities. Based on the evidence reviewed, the assessment team confirmed that the project applies robust eligibility requirements consistent with applicable BCCS and methodological requirements.

The assessment confirmed that participation is limited to agricultural producers registered under Bulgarian legislation whose farms are located within the defined project region and who maintain documented ownership or legal operating rights over enrolled agricultural parcels for a minimum period of five years /211//213/105-112/. Only agricultural land possessing verifiable management history and demonstrable potential for implementation of new or improved regenerative agricultural practices is eligible for inclusion within the project boundary. Forest land, wetlands, peatlands, and parcels recently converted from high-carbon ecosystems are explicitly excluded from project participation. The assessment team reviewed legal tenure documentation /105-112/, GIS shapefiles /159/, farmer registration files, Farm Suitability Assessment Checklists (PR0101), and associated eligibility records and confirmed that these eligibility conditions were systematically implemented and enforced across participating farms.

The project additionally incorporates controls intended to prevent double counting and duplicate participation under other greenhouse gas crediting schemes. During enrollment, participating farmers are required to sign declarations confirming that enrolled parcels and associated carbon benefits are not registered under any other carbon or environmental crediting program. Prior to issuance, Carbonsafe JSC performs registry cross-checks with the Balkan Carbon Credit Registry to confirm exclusivity and prevent duplicate issuance of carbon benefits. Farmers are further required to provide access for monitoring and verification activities and maintain records relating to crop production, tillage intensity, fertilizer application, residue management, and yields. The validation and verification teams reviewed farmer declarations, project registration procedures, exclusivity controls, and registry cross-checking procedures and concluded that the project's eligibility and anti-double-counting framework is transparent, enforceable, and sufficient to ensure integrity and traceability of credited greenhouse gas removals.

The verification team additionally reviewed participation records and monitoring data for all participating entities included within the current monitoring cycle and confirmed that participating farms underwent documentary eligibility review, geo-referenced registration, baseline soil sampling, and execution of legally binding participation agreements prior to enrollment. Eligibility evidence reviewed during verification included shapefiles, farmer registration records, land tenure documentation, Farm Suitability Assessment Checklists (PR0101) /13//26//38//47//57//68//79//89/, and signed contracts /14//27//39//48//58//69//80//90/. The assessment confirmed that all participating farms

satisfied the eligibility requirements specified in the PDD/01/ and approved methodology /07/, including geographic eligibility, minimum land area thresholds, legal land tenure, operational capacity, exclusivity from other carbon programmes, and economic motivation through carbon credit revenues.

Based on the evidence reviewed during validation and verification, the assessment team concluded that the project applies clear, transparent, and enforceable eligibility criteria and that the eligibility and participation framework has been implemented consistently with the requirements of the approved methodology, the BCCS, and the BCCR. The audit team further concludes that the controls established for land eligibility, legal tenure, exclusivity, monitoring access, and prevention of double counting are adequate to ensure the integrity, traceability, and environmental credibility of credited greenhouse gas removals generated under the project.

5. Baseline and Additionality

5.1 Baseline Justification and Conservativeness

The audit team reviewed the baseline analysis, regional agronomic data, five-year management histories /208/, soil sampling procedures /120/, and conservative accounting rules described in the PDD to assess whether the baseline scenario represents the most plausible conditions in the absence of the project. Based on the evidence reviewed, the team confirmed that the baseline is appropriately defined and conservatively applied.

The baseline reflects the continuation of conventional agricultural practices commonly used in Northern Bulgaria, including intensive tillage, simplified crop rotations, limited cover cropping, residue removal, and reliance on mineral fertilizers. National and regional evidence cited in the PDD demonstrates that these practices are associated with stagnant or declining soil organic carbon levels. Each participating farm establishes a field-specific baseline through geo-referenced soil sampling and accredited laboratory analysis prior to project implementation.

Conservativeness is further strengthened through the use of the highest measured SOC value as the reference point for future comparisons, deduction of measurement uncertainty, and ex-post issuance only after independent verification of positive net removals /01//02/. The audit team reviewed calculation procedures /192-194/, sampling protocols /120/, and laboratory accreditation documents /103/ and concludes that the baseline is technically sound and intentionally designed to avoid over-crediting.

5.2 Additionality Demonstration

The audit team reviewed the project's demonstration of regulatory surplus, non-common practice, and project-specific implementation requirements /01/. Supporting evidence included eligibility assessments /14//27//39//48//58//69//80//90/, and five-year farm management histories /208/, and satellite imagery /211/. Based on this review, the audit team confirmed that the project satisfies the additionality requirements of the approved methodology /07/ and BCCS /04/.

The project activities are not mandated by Bulgarian law or European Union Common Agricultural Policy requirements. Although certain eco-schemes may incentivize selected environmental practices, participation in these schemes is voluntary and does not require the comprehensive

regenerative practice package, annual SOC measurement to 90 cm depth, accredited laboratory analysis, or verified carbon credit issuance. The audit team confirms that the project therefore exceeds all regulatory obligations.

The project also demonstrates that the combination of regenerative practices and annual georeferenced SOC monitoring is not common practice in the project region. The PDD presents quantitative evidence showing that adoption rates of the principal practices remain well below the 20% threshold used in the methodology /01/. Based on the evidence reviewed, the audit team concludes that the project activities are additional and would not occur at the same scale and level of rigor in the absence of the project.

5.2.1 Barrier Analysis

The audit team reviewed the barrier analysis presented in the PDD /01/ and supporting information obtained during interviews with project representatives and participating farmers /208/. The analysis identifies financial, technical, and operational barriers that limit adoption of regenerative agricultural practices and high-integrity MRV systems. The audit team finds the identified barriers to be credible and well supported.

Participating farmers face significant challenges, including the need for specialized machinery, additional investment in cover crop seeds and organic inputs, limited technical knowledge, uncertainty regarding yield impacts, and the substantial costs associated with annual soil sampling, laboratory analysis, and third-party verification. Farmers also expressed reluctance to deviate from established cultivation practices due to operational and financial risks /208/.

The audit team confirmed that Carbonsafe's project structure directly addresses these barriers by aggregating multiple farms, reducing transaction costs, providing technical advisory support, and enabling access to carbon revenues linked to verified results. In the absence of these project mechanisms, the widespread implementation of the project practices is unlikely.

5.2.2 Financial Additionality

The audit team reviewed the financial analysis presented in the PDD /01/, including comparisons between expected carbon revenues and available public support under CAP eco-schemes. The objective of the review was to assess whether carbon finance constitutes a decisive economic incentive for project implementation. Based on the analysis and supporting assumptions, the audit team confirms that the project demonstrates financial additionality.

The PDD shows that available eco-scheme payments are relatively modest and generally range from approximately €16 to €38 per hectare, whereas projected revenues from verified carbon credits are substantially higher. Depending on market prices, the farmer share of carbon revenues is expected to exceed the level of available subsidies and provide a meaningful incentive to adopt and maintain regenerative practices and participate in the project's MRV requirements /01//156//152/.

The validation team also reviewed the cost implications of specialized equipment, transition risks, annual soil sampling, laboratory analyses, verification, and registry fees. These costs and risks are significant and would not be adequately offset by conventional agricultural support programs alone. The assessment team therefore concludes that the project's activities are not financially attractive at scale without the additional income generated through carbon credits /01//156//208/.

5.2.3 Carbon Finance Framework

The assessment team reviewed the project's carbon finance framework, including contractual arrangements /152/, revenue-sharing provisions /176/, issuance policies /135/, registry procedures /04//209/, and risk management mechanisms /123/. Based on the evidence reviewed, the audit team confirms that the framework is transparent and consistent with BCCS and BCCR requirements.

Carbon credits are issued only ex post following independent verification of measured increases in soil organic carbon. Each issued unit represents one tonne of net carbon dioxide removed and is assigned a unique serial number in the BCCR, ensuring full traceability from farm and vintage to transfer and retirement. Participation agreements define the beneficial ownership of carbon benefits and authorize Carbonsafe JSC to act as project developer and registry account manager on behalf of participating farmers /140/.

The financial structure incorporates conservative safeguards, including a 75% sub-project reserve and a 5% project-wide buffer pool to address reversal risks /135//176/. Revenue-sharing arrangements allocate a defined portion of credit sales to farmers, providing a direct economic incentive while maintaining transparent governance and auditable financial records. The audit team concludes that the carbon finance framework provides a credible and effective mechanism for converting verified soil carbon removals into a reliable source of revenue and for supporting the long-term sustainability of the project.

6.0 Monitoring Plan (MRV)

The assessment team reviewed the MRV procedures described in the PDD /01/, MR /02/, soil sampling protocols /120/, GIS files /159//210/, calculation spreadsheets /192-194/, and centralized data management procedures /139/ to assess whether the monitoring framework was scientifically robust and implemented consistently with the approved methodology /07/ and the requirements of the BCCS /04/ and the BCCR /209/. The assessment activities included document review, independent recalculation of monitoring results, field inspections, interviews with Carbonsafe JSC personnel and participating farmers, and evaluation of the ISACO2 monitoring platform. Based on the evidence reviewed, the assessment team confirmed that the project applies a technically robust and conservative monitoring framework based exclusively on direct measurement of SOC using a measure-remeasure approach supported by geo-referenced field sampling /177/, accredited laboratory analysis /121//122/, and centralized traceable data management systems /139/.

The monitoring system includes plot registration, geo-referenced soil sampling, chain-of-custody controls, accredited laboratory analyses, data review procedures, and centralized storage within the project MRV platform. Roles and responsibilities are clearly defined for field teams, laboratories, agronomic personnel, and data managers. The assessment team reviewed the operational structure of the MRV system and confirmed that monitoring activities were systematically documented and supported by sufficient and traceable evidence within the ISACO2 platform /182-191/.

6.1 Sampling Design

The assessment team reviewed the soil sampling design, field procedures, GIS controls, and sampling protocols implemented during the monitoring period /11//120/. The assessment confirmed that each participating farm is divided into fixed geo-referenced monitoring plots ranging from approximately 4 to 25 hectares which remain unchanged throughout the crediting period unless a documented material change occurs. Within each monitoring plot, 25 soil cores are collected using GPS-enabled automated sampling equipment and composited by depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm. The assessment team reviewed sampling schedules, field traceability documentation, GPS records, and chain-of-custody systems and confirmed during field inspections that the sampling procedures were implemented consistently and in accordance with the approved methodology and PDD. Barcode-based traceability procedures linked field sampling activities to laboratory analyses and monitoring records maintained within the ISACO2 platform /188//191/. Based on the evidence reviewed, the assessment team concludes that the sampling design provides a representative, reproducible, and scientifically robust basis for measuring changes in SOC stocks.

6.2 Sampling Frequency

The assessment team reviewed the prescribed sampling frequency and associated monitoring schedules defined in the PDD and monitoring plan /01//10/. The assessment confirmed that all active monitoring plots were sampled annually within a consistent seasonal window, generally post-harvest and prior to primary tillage activities, to minimize seasonal variability and ensure comparability between monitoring periods. Soil sampling and monitoring activities were conducted during the reporting period from 23 March 2024 to 15 May 2025 in accordance with the approved monitoring cycle. The assessment further confirmed that soil analyses were performed annually by accredited laboratories and that carbon credits are issued only following completion of a complete and compliant monitoring cycle /01//208/. The teams also confirmed that any plots not sampled within the required timeframe were excluded from the issuance cycle until valid remeasurement data became available /01/. Based on its review of monitoring procedures and supporting evidence, the assessment team concludes that the annual monitoring frequency is appropriate and consistent with the approved methodology.

6.3 Data Collection

The assessment team reviewed the project's data collection procedures and confirmed that the monitoring framework captures all parameters required to quantify SOC stock changes and net greenhouse gas removals /139//10/. The monitored data include SOC concentration, bulk density, coarse fragment content, and soil parameters such as pH, organic matter, macro- and micronutrients, and carbon-to-nitrogen ratios. The project also records crop types, tillage practices, cover crop implementation, fertilizer application, organic amendments, irrigation activities, residue management practices, and crop yield data /208///23//33//45//54//64//75//86//96/. These records are used to confirm implementation of regenerative agricultural practices, support agronomic recommendations, and calculate nitrous oxide emissions where applicable. The assessment confirmed that all records are linked to individual plots, sampling depths, and monitoring years within the ISACO2 platform /183-191/, providing a complete and auditable evidence trail for monitoring and carbon accounting purposes.

6.4 Geo-Referencing

The assessment teams reviewed the geo-referencing framework implemented within the project MRV system to assess whether soil samples, monitoring records, and issued carbon credits could be accurately traced to specific parcels of land /177/. The assessment confirmed that plot boundaries are established using cadastral and GIS datasets and maintained within a controlled geodatabase linked to the ISACO2 platform /187/. During sampling activities, GPS tracks from automated sampling probes together with associated field photographs are captured and linked to the relevant monitoring plot and sampling event /208/11/. Unique identifiers and barcode-based systems are used to link field samples, laboratory records, calculation files, and registry entries. The teams reviewed GIS shapefiles /159//210/, the ISACO2 platform /208/, GeoJSON datasets /150/, and monitoring records and confirmed that the geo-referencing framework provides complete spatial traceability and effectively prevents double counting of credits issued.

6.5 QA/QC Protocols

The assessment team reviewed field and laboratory Quality Assurance and Quality Control (QA/QC) procedures /120//139//11/ and confirmed that they are consistent with EN ISO/IEC 17025 requirements and the approved methodology /07/. Sampling activities were conducted by trained personnel following documented standard operating procedures supported by chain-of-custody controls, barcode tracking systems, and sample archiving procedures to maintain sample integrity /139/. Laboratory analyses were performed using standardized dry combustion methods together with application of certified reference materials, duplicate analyses, and calibration controls /120/. The assessment included review of laboratory accreditation certificates /103/, calibration records, sample custody logs, analytical reports, and controlled approval procedures within the ERP system /182-191/. Based on the evidence reviewed, the assessment team concludes that the QA/QC procedures ensure that monitoring data are accurate, complete, and traceable.

6.6 MRV Lifecycle Design

The audit team reviewed the lifecycle design of the MRV framework to assess its consistency with permanence and long-term monitoring requirements established under the BCCS and BCCR /139/. The assessment confirms that the MRV framework is designed to operate throughout the 40-year project duration and post-crediting liability period. Each participating farm establishes a baseline at enrolment and undergoes annual monitoring during renewable five-year crediting periods. The project applies a conservative issuance framework under which only 25% of verified net removals are eligible for issuance during the current cycle while 75% are retained within a sub-project reserve mechanism pending continued positive monitoring outcomes /135//01/. An additional 5% of issued credits is allocated to a project-wide buffer pool to manage reversal and non-permanence risks. The audit team additionally confirmed that satellite-based monitoring continues for five to ten years after the crediting period to support detection of potential reversals and leakage events /177/. Based on the procedures reviewed, the teams concluded that the MRV system is comprehensive and consistent with the permanence and risk management requirements of the BCCS and BCCR.

6.7 MRV Plan Review Protocol

The audit team reviewed the governance and review procedures established for maintaining the effectiveness and integrity of the MRV framework throughout the project lifecycle. The assessment confirmed that the PDD establishes a formal MRV review protocol requiring annual reviews prior to each verification cycle. These reviews cover the sampling process, laboratory performance, accuracy of calculations, conservativeness, issuance decisions, and compliance with methodological requirements. Additional reviews are case of to non-conformities, extreme weather events, regulatory changes, or other material circumstances affecting project implementation. The review process is coordinated by the Head of Integrated Management Systems and involves agronomic, laboratory, registry, and verification personnel. Procedural changes are subject to formal version control and documented approval procedures. Based on the governance and change-control processes reviewed, the assessment team concludes that the MRV framework provides an effective mechanism for maintaining the transparency, and integrity of the monitoring system.

6.8 Adherence to Monitoring Plan

The audit team reviewed the implementation of the Monitoring Plan described in the PDD and assessed whether monitoring activities were carried out in accordance with the approved procedures and monitoring frequency. The assessment confirmed that monitoring activities conducted during the reporting period were consistent with the approved methodology and project requirements.

The verification team reviewed soil sampling protocols /120/, laboratory accreditation certificates /103/, technological maps /21//31//42//52//62//73//84//94/, agronomic recommendations /196/, inspection reports /22//32//43//53//63//74//85//95/, GeoJSON files /150/, and calculation sheets /192-194/. Through document review and field inspections, the team confirmed that monitoring activities were properly documented and supported by sufficient and traceable evidence within the ISAC02 platform /191/.

6.9 Deviations and Justifications

The audit team reviewed the project's assessment of deviations from the approved Monitoring Plan and methodology requirements /01//136/. Based on the evidence reviewed, no material deviations were identified during the monitoring period. The assessment confirmed that the monitoring parameters, including sampling depth intervals, number of soil drills per monitoring cell, bulk density procedures, QA/QC requirements, and application of buffer and staged issuance mechanisms /176/, were implemented in accordance with the PDD /01/ and approved methodology /07//120/.

Based on the review of the MR /02/, monitoring datasets /192-194/, sampling protocols /11/, laboratory records /121//122/, GIS information /210//213/, calculation files, and on-site observations /208/, the audit team concludes that the monitoring methodology was implemented in accordance with the approved methodology /07/, PDD /01/, and the requirements of the BCCS /04/ and BCCR /209/. The monitoring system, data management procedures, and quality control measures were found to be robust, conservative, and supported by appropriate evidence.

7.0 Data and Parameters Monitored

7.1 Key Monitored Parameters

The audit team reviewed the MR /02/, laboratory reports /121//122/, GeoJSON files /150/, technological maps /21//31//42//52//62//73//84//94/, fuel consumption records /23//33//45//54//64//75//86//96/, calculation spreadsheets /192-194/, and supporting evidence to assess the data and parameters monitored during the reporting period. The assessment confirmed that the monitored parameters were consistent with the requirements of the approved methodology /07/, the PDD /01/, and the BCCS /04/.

The main parameter monitored was SOC concentration, measured through geo-referenced soil sampling /177//11/ and accredited laboratory analysis using the dry combustion method /120/. Other monitored parameters included bulk density, soil depth, parcel area, crop type, fuel consumption, N₂O emissions, leakage /131//132//194/, uncertainty /149/, and farm-level GHG calculations /192//193/. The verification team reviewed the monitoring frequency, data collection procedures, and calculation methods and confirmed that all key parameters were monitored consistently and supported by transparent records throughout the monitoring period.

Auditor's Assessment Data Parameter Verification Table

Parameter Name	Unit	Description / Use in Calculation	Data Source / Method	Monitoring Frequency	Auditor Assessment	Verification
Soil Organic Carbon (SOC) concentration	mg/kg	Used to calculate SOC stock and changes against the baseline scenario	Georeferenced soil sampling and accredited laboratory analysis using dry combustion method	Each sampling campaign	Verified through laboratory reports /121/, soil sampling protocols /120/, georeferenced sampling records /177/, and PR0205 calculation sheets /192/.	
Bulk Density (BD)	g/cm ³	Used to convert SOC concentration into SOC stock values	Field core sampling and laboratory determination	Once per crediting period	Confirmed through bulk density protocols and laboratory records /120//122/. The MR confirms that no material land occurred during the monitoring period.	
Soil depth	cm	Defines the soil layer used	Field sampling protocol and	Each sampling	Verified through soil sampling protocols /11/ and methodological references /07/	

		for SOC stock calculations	sampling procedures	campaign	included in the MR /02/ and annexes /03/.
Parcel area	ha	Used to scale SOC stock changes to total removals at parcel and farm level	GIS datasets, GeoJSON parcel files, farm polygons, and IACS records	Annually	Verified through Annex II GIS files /03/, parcel shapefiles /159/, GeoJSON records /150/, and area reconciliation checks.
Fuel consumption	t/ha	Used to calculate project emission deductions from machinery and fuel use	Bulgarian Ministry of Agriculture standardized fuel consumption methodology	Annually	Verified through national methodology references /115/ and fuel deduction calculations included in Section 5 of the MR /02/.
Crop type	-	Used for crop rotation assessment, leakage, fuel emissions, N ₂ O calculations, and yield tracking	Technological Maps (PR0104), farm records, and agronomic documentation	Per harvest / growing cycle	Verified through PR0104 Technological Maps /21//31//42//52//62//73//84//94/ and participant agronomic records reviewed during verification /23//33//45//54//64//75//86//96/.
N ₂ O emissions	tCO ₂ e	Used to quantify emissions from mineral fertilizer application	N ₂ O calculation sheets and Technological Maps (PR0104)	Each monitoring period / MR preparation	Verified through calculation spreadsheets /193/ and fertilizer-use records /23//33//45//54//64//75//86//96/. Calculation approach consistent with the approved methodology.

Leakage	tCO ₂ e	Used to quantify leakage emissions associated with project activities	Leakage calculation sheets and Technological Maps (PR0104)	Each monitoring period / MR preparation	Verified through Section 5.3.2.3 of the MR /02/ and supporting leakage calculation files /194//131//132/.
Uncertainty	%	Used to apply conservative uncertainty deduction to gross removals	Statistical uncertainty calculations from SOC sampling, laboratory analysis, BD analysis, and software processing	Each monitoring period / MR preparation	Verified through uncertainty calculation tables /149/ and conservative deduction methodology (20.70%) presented in the MR /02/.
Farm balance	tCO ₂ e	Represents the net GHG removals eligible for issuance	PR0205-ER calculation_SOC workbook and MR summary tables	Each monitoring period / MR preparation	Verified through PR0205 calculation files /192/, farm-level reconciliation tables, and Section 6 issuance summaries /02/.

7.1.1 Sampling Campaign Overview

The audit team reviewed the sampling records and confirmed that baseline and control sampling were carried in accordance with the monitoring plan and approved methodology /139//11//07/. Baseline sampling was conducted at project start, while control sampling conducted during the 2023–2025 monitoring cycle were used to quantify changes in SOC stocks.

The assessment confirmed that the monitoring period covered all participating farms included in the current monitoring period, 23/03/2024 to 15/05/2025. The audit team reviewed sampling schedules, laboratory records, GPS data, and chain-of-custody documentation and confirmed that sampling campaigns were carried out in accordance with the approved procedures and monitoring frequency.

7.1.2 Sampling Design and Procedures

The audit team reviewed the sampling design implemented across the project area. Each participating farm was subdivided into monitoring plots (cells) ranging from 4 ha to 25 ha and digitized within the ISACO2 platform to ensure spatial traceability and consistency /183-191/.

Sampling was conducted at the required depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm /11/. For each monitoring cell, 25 stiches per depth interval were collected and homogenized into representative composite samples prior to laboratory analysis. Geo-referenced sampling traces were recorded using GPS devices and cross-checked. During the assessment, field records /22//32//43//53//63//74//85//95/, GPS datasets /214//215/, and GeoJSON files /150/ were reviewed and it was ensured that the sampling design was implemented in accordance to the approved methodology.

7.1.3 Traceability and Quality Control

The assessment team reviewed the traceability and quality control systems used for field sampling and laboratory analysis. All samples were assigned unique barcode identifiers linked to plot IDs, sampling teams, and laboratory records within the ISACO2 monitoring platform /191/.

Chain-of-custody procedures were maintained from sample collection through laboratory analysis and data processing. The assessment team reviewed the QA/QC procedure and confirmed that monitoring data remained accurate, transparent, and traceable throughout the monitoring cycle.

7.1.4 Laboratory Analysis

The assessment team reviewed laboratory procedures /120/ and the methods used to determine SOC concentrations. Soil samples were analysed by accredited laboratories using the dry combustion method in accordance with EN ISO/IEC 17025 requirements and the approved methodology /07//11/.

Bulk density measurements were conducted once during the crediting period and used in the SOC stock calculations. The assessment team reviewed laboratory reports /121//122/ and calculation spreadsheets /192-194/, confirming that the analytical procedures and quality control measures were properly implemented and supported the reliability of the monitoring results.

7.1.5 Results Summary

The assessment team reviewed the monitoring results at project and farm levels. The monitored data project area covered 1,983.76 hectares across eight participating entities.

Based on the verified calculations, the project achieved net greenhouse gas removals of 45,480 tCO₂e during the monitoring period. A total 5% buffer allocation of 2,271 tCO₂e was applied in accordance with the approved methodology and permanence requirements. The assessment team reviewed the SOC calculation files /192/, laboratory records /121//122/, and project calculation spreadsheets /192-194/, confirming that the reported results were consistent with the approved calculation procedures and supported by sufficient evidence.

7.2 Activity Data and Management Practices

The assessment team reviewed farm activity data, technological maps /21//31//42//52//62//73//84//94/, agronomic recommendations /196/, inspection records /22//32//43//53//63//74//85//95/, and farmer declarations /205/ to assess implementation of regenerative agricultural practices across the project area.

The assessment confirmed that participating farms implemented practices including reduced tillage, crop diversification, crop residue retention, optimized fertilization, organic farming, and the

application of microbial fertilizers and biostimulants. These practices were verified through review of technological maps, field inspections, and interviews with participating farmers /208/.

The assessment team confirmed that the management practices implemented during the monitoring period were consistent with the individual agronomic strategies and recommendations developed for each participating farm and aligned with the carbon sequestration objectives of the project.

Auditor's Assessment of Participant-Level Activity Data Summary

Participant ID	Legal Name	Key Practices Implemented	Short Description of Activity	Monitoring Period	Auditor Verification Assessment
CSBG-33NE-22/27-AGRI-0004	Aplend Bulgaria / Agro Kim (GF)	Reduced tillage; diversified rotation; residue retention; microbial fertilizers; strip-till	Transition from conventional tillage to reduced-tillage practices and crop diversification. Multiple operations combined into single-pass operations. Use of microbial fertilizers to improve fertility and nutrient uptake.	23.03.2024–15.05.2025	Verified through Technological Maps (PR0104) /21/, agronomic recommendations /25/, monitoring reports /22/, and farm records /23/.
CSBG-33NE-22/27-AGRI-0005	Sekapp Bulgaria EOOD	Reduced tillage; diversified crop rotation; crop residue retention; microbial fertilizers; strip-till	Reduced-tillage practices and optimized field operations to improve soil structure.	23.03.2024–15.05.2025	Verified through on-site inspection reports /208/, PR0104 records /31/, and agronomic documentation /33/.

CSBG-33NE-22/27-AGRI-0009	ZK Bezmer	Reduced tillage; optimized fertilization; strip-till	Reduced-intensity tillage and optimized field operations for soil conservation and nutrient efficiency.	23.03.2024–15.05.2025	Verified through technological maps /42/, fuel records /45/, and agronomic monitoring evidence /43/.
CSBG-31NW-22/27-AGRI-0017	Apis Agro 98 OOD	Organic farming; reduced tillage	Shallow disc harrowing, weed-control cultivation, and retention of plant residues in lavender plantations.	23.03.2024–15.05.2025	Verified through on-site visits /208/, technological maps /52/, and monitoring reports /53/.
CSBG-31NW-23/28-AGRI-0006	Mapi 96 EOOD	Organic farming; reduced tillage	Shallow cultivation and mowing practices with retention of plant residues.	23.03.2024–15.05.2025	Verified through technological maps /62/, on-site visit /208/, and monitoring records /63/.
CSBG-33NE-23/28-AGRI-0007	ET Tiaso-Dobromir Valtchev	Reduced tillage; crop diversification; microbial fertilizers	Combined field operations to reduce soil disturbance and used microbial fertilizers to improve soil fertility.	23.03.2024–15.05.2025	Verified through agronomic recommendations /77/, PR0104 records /73/, and monitoring evidence /74/.
CSBG-31NW-23/28-AGRI-0012-GF	ET Rumen Natsev	Minimal tillage; crop rotation; microbial fertilizers	Reduced tillage by combining farm operations and used microbial fertilizers to	23.03.2024–15.05.2025	Verified through monitoring reports /95/, farm records /96/, and agronomic

			improve soil fertility.		recommendations /98/.
CSBG-31NW-23/28-AGRI-0012-GF	Natsevi 2019 OOD	Minimal tillage; crop rotation; microbial fertilizers	Reduced tillage by combining farm operations and use of microbial fertilizers to improve soil fertility.	23.03.2024–15.05.2025	Verified through monitoring reports /85/, farm records /86/, and agronomic recommendations /88/.

7.2.1 Bulk Density Measurement

The assessment team reviewed the procedures applied for bulk density determination /120/ and their integration into SOC stock calculations /07/. Bulk density measurements were obtained using undisturbed soil core sampling within representative project plots located across identified EKATTE regions /120/.

The assessment confirmed that bulk density values were applied consistently within SOC stock calculations and aggregated at plot, farm, and project levels in accordance with the appropriate principles referenced within the approved methodology /07/. Recalculation checks performed by the verification team confirmed the consistent application of bulk density values within the carbon accounting framework.

7.2.2 Other Soil Properties

The assessment team reviewed monitoring records for additional soil properties, including pH, macro- and micronutrients, organic matter, and C/N ratios. These parameters were analysed for each composite sample and stored in the ISACO2 platform as supporting evidence for agronomic assessment and co-benefit evaluation /190//191/.

Although these parameters were not directly included in greenhouse gas calculations, the verification team confirmed that they provided supporting evidence regarding soil health improvement, nutrient balance, and the environmental performance of the project activities /196//208/.

7.2.3 Integration into Monitoring System

The assessment team reviewed how monitoring data were managed within the ISACO2 platform /191/. The review confirmed that soil sampling records, laboratory results, technological maps, management practice data, and calculation files were stored in a centralized system with clear traceability and audit records.

The system linked geo-referenced field data, laboratory results, farm-level calculations, and project-level reporting. The verification team confirmed that the data management system supported transparent and consistent reporting and met the requirements of the BCCS and BCCR.

7.3 Supporting Parameters

The assessment team reviewed records for additional parameters, including soil pH, crop yield, macro- and micronutrient concentrations, organic matter, and C/N ratios. These data were collected through laboratory analyses and technological maps during each monitoring cycle.

Although not included in the greenhouse gas calculations, the data were used to support agronomic assessments, soil health monitoring, safeguard monitoring, and the evaluation of environmental co-benefits.

Auditor's Assessment of Supporting Parameters

Supporting Parameter	Unit	Site Coverage	Measurement Method	Monitoring Frequency	Purpose	Auditor Verification Assessment
Soil pH	pH unit	Plot-level	Laboratory analysis	Each sampling campaign	Soil Health	Verified through accredited laboratory reports /121//122/ and soil analysis records included in Annex III /03/.
Crop yield	kg/ha	Crop-level	Technological maps (PR0104)	Annual	Economic efficiency / Leakage	Verified through technological maps /21//31//42//52//62//73//84//94/, farm management records /22//32//43//53//63//74//85//95/, and annual agronomic reporting /23//33//45//54//64//75//86//96/.
N, P, K, Ca, Mg, Na, S, Mo, B, Cu, Fe, Mn, Zn	mg/kg	Plot-level	Laboratory analysis	Each sampling campaign	Soil Health	Verified through laboratory nutrient analysis reports /121/.
Organic Matter (OM)	mg/kg	Plot-level	Laboratory analysis	Each sampling campaign	Soil Health	Verified through accredited laboratory analysis /121/.

C/N ratio	mg/kg	Plot-level	Laboratory analysis	Each sampling campaign	Soil Health	Verified through laboratory reports and supporting analytical calculations /121//193/.
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7.3.1 Crop Rotations and Diversification

The assessment team reviewed technological maps /21//31//42//52//62//73//84//94/, and farmer activity data /23//33//45//54//64//75//86//96/. Participating farms cultivated annual crops including wheat, barley, corn, and sunflower, as well as perennial and industrial crops such as lavender and alfalfa.

The assessment confirmed that crop diversification and inclusion of legumes and cover crops were promoted within the project framework to support nitrogen fixation, soil fertility improvement, and long-term SOC enhancement /208/.

7.3.2 Tillage and Soil Disturbance

The assessment team reviewed tillage records and field management practices implemented across participating farms. Reduced tillage, strip-tillage, shallow cultivation, and minimum tillage systems were widely implemented to reduce soil disturbance and support carbon sequestration objectives /208//210//213/.

Where site-specific agronomic conditions required deviations from reduced tillage practices, the assessment team confirmed that these were conservatively addressed within the carbon accounting approach.

7.3.3 Soil Cover

The assessment team reviewed evidence relating to cover crop implementation and residue retention. Drought conditions during the monitoring period limited establishment of cover crops in certain areas; however, the project continued to promote cover crop implementation and alternative soil conservation measures /208//212/.

The assessment confirmed that climatic limitations were documented within monitoring records and conservatively reflected in project calculations where applicable /02/.

7.3.4 Nutrient and Fertilizer Management

The assessment team reviewed nutrient management records, fertilizer application data, and agronomic recommendations /23//33//45//54//64//75//86//96//208/. The project demonstrated increasing use of microbial fertilizers, organic amendments, and biostimulants together with improved fertilizer use efficiency through optimized application techniques.

The review confirmed that these practices contributed to reductions in potential nitrous oxide emissions and supported both carbon sequestration and environmental sustainability objectives /193/.

7.3.5 Irrigation and Water Management

The assessment team reviewed irrigation practices implemented across participating farms through technological maps and during the site visit. Most farms operated under rain-fed conditions, with only limited supplemental irrigation applied where necessary /208//21//31//42//52//62//73//84//94/.

No evidence of excessive irrigation or unsustainable groundwater extraction was identified during the monitoring period.

7.3.6 Fuel Consumption Data

The verification team reviewed fuel consumption data linked to tillage, seeding, spraying, and harvesting operations /21//31//42//52//62//73//84//94/. Farmers provided operational fuel use data, which were verified using standardized coefficients from the Ministry of Agriculture methodology /115/.

The assessment confirmed that fuel-related emissions were deducted from SOC removals at farm level to ensure conservative net greenhouse gas accounting /192/.

7.3.7 Co-Benefit Data

The audit team reviewed the monitoring of environmental and socio-economic co-benefit indicators associated with project implementation /02/. Evidence reviewed included laboratory analyses /121//122/, agronomic recommendations /196/, inspection reports /22//32//43//53//63//74//85//95/, farmer interviews /208/, and monitoring datasets /23//33//45//54//64//75//86//96/.

The review identified improvements in soil fertility, nutrient balance, water retention, soil structure, biodiversity support, and reduced reliance on synthetic agrochemicals. Participating farmers also reported improved technical knowledge, greater agronomic support, and additional income opportunities from carbon credit generation /208/.

The audit team concludes that the co-benefit monitoring framework provided credible supporting evidence demonstrating that the project contributes to broader sustainability objectives, including climate action, soil health improvement, biodiversity conservation, and rural economic resilience.

Based on its review of monitoring datasets, laboratory reports, sampling records, technological maps, calculation spreadsheets, GIS data, and on-site observations, the audit team concludes that the monitored data were collected, managed, and applied in accordance with the approved methodology /07/, PDD /01/, and requirements of the BCCS /04/ and BCCR /209/. The monitoring system demonstrated adequate traceability, transparency, conservativeness, and quality control, and the reported greenhouse gas removals were supported by sufficient evidence.

8. Quantification and Calculation

8.1 Baseline Scenario

The assessment team reviewed the baseline scenario presented in Section 4.2 of the PDD and Section 5.1 of the Monitoring Report together with supporting project records, including

participation agreements, individual strategies, technological maps, monitoring reports from on-site inspections, annual periodic reports, agronomic recommendations, laboratory reports, and ER calculation sheets for all participating entities /1/ /2/ /9/ /10/ /11/ /13-25/ /26-45/ /47-98/ /120-122/ /192/ to assess whether the baseline scenario was applied consistently with the approved methodology CSBG-AGRI Version 3.1/22.08.2025. The baseline scenario represents continuation of conventional agricultural practices in Northern Bulgaria in the absence of the project and serves as the reference condition against which project-related Soil Organic Carbon (SOC) gains are quantified /1//2/.

The assessment confirmed that the baseline scenario was characterized by conventional tillage, simplified crop rotations, residue removal, high dependency on mineral fertilizers, limited soil cover between cropping cycles and the absence of systematic SOC monitoring, resulting in stable or declining SOC stocks under business-as-usual conditions. /1//2/. Farm-level baseline information, individual strategies, suitability assessments, and baseline practice comparison tables were reviewed and the assessment confirmed that participating farms were operating under conditions consistent with the baseline scenario prior to implementation of project activities. /2/ /13/ /15/ /26/ /28/ /38/ /41/ /47/ /50/ /57/ /60/ /68/ /71/ /79/ /82/ /89/ /92/. The assessment team further confirmed that baseline assumptions were consistently applied within the carbon accounting calculations and monitoring framework used for the reporting period /2/ /24/ /34/ /37/ /55/ /65/ /76/ /87/ /97/ /192/.

8.1.1 Baseline SOC Stocks

The assessment team reviewed baseline SOC stock calculations, geo-referenced soil sampling records, laboratory analyses, bulk density measurements, uncertainty calculations, and ER calculation spreadsheets /11/ /103/ /104/ /120/ /121/ /122/ /192/. Baseline SOC stocks were established through the initial geo-referenced sampling campaigns conducted during project initiation in 2023 and were expressed as tonnes of carbon per hectare based on measured SOC concentrations, bulk density, and sampling depth in accordance with the methodology and monitoring plan /2/ /11/ /120/ /121/ /122/ /137/ /192/. The assessment team further reviewed the methodology used to derive the uncertainty deduction applied to quantified net removals. The MR describes that uncertainty was estimated by considering the principal sources of uncertainty associated with the project-level MRV system, including soil sampling, laboratory analysis of SOC, laboratory analysis of bulk density, and field area measurements. The individual uncertainty components (15.0% for soil sampling, 8.4% for SOC laboratory analysis, 10.3% for bulk density laboratory analysis, and 5.0% for field area measurements) were combined using the root-sum-of-squares approach, resulting in a combined uncertainty deduction of 20.70%, which was conservatively applied to the quantified net removals across all participating farms. The assessment team reviewed the supporting calculations and confirmed that the uncertainty deduction was transparently documented and consistently applied in accordance with the monitoring approach /11/ /120/ /192/.

The assessment confirmed that subsequent monitoring results were compared against the baseline reference values and, where applicable, against the highest previously recorded SOC value for each monitoring cell, as prescribed in the methodology /2/ /7/ /24/ /34/ /37/ /55/ /65/ /76/ /87/ /97/ /192/. This dynamic baseline approach prevents over-crediting by ensuring that only incremental increases in SOC relative to the highest verified stock are eligible for carbon

accounting. The assessment team recalculated selected data samples and confirmed consistency between laboratory records, baseline values, and calculation spreadsheets /121/ /122/ /192/.

8.1.2 Baseline Additionality

The team reviewed the additionality rationale, agronomic recommendations, participation agreements, and implementation records for participating farms /1/ /2/ /14–25/ /27–45/ /48–98/ /196/. The assessment confirmed that the baseline scenario did not include systematic implementation of regenerative agricultural practices prior to project participation. Review of the baseline practice comparison tables showed that several participants applied either none or only a limited number of recommended regenerative agricultural practices before project implementation /2/.

Project intervention introduced technical support, individualized agronomic strategies, monitoring systems, and carbon finance incentives /156/ that enabled participating farms to adopt improved agricultural practices that would not have been implemented under normal commercial conditions. The assessment team reviewed baseline management records, Individual Management Strategies, annual monitoring records, soil analysis reports, agronomic recommendations, and implementation evidence for participating farms. For farms where certain regenerative practices were already present during the baseline period, the assessment team confirmed that the project introduced measurable improvements in the implementation of these practices through optimized application rates, timing, and site-specific management based on soil analyses and continuous agronomic support. The assessment team further confirmed that the project's monitoring framework and carbon finance incentives supported the sustained implementation of these enhanced practices, demonstrating that the observed SOC gains were attributable to project-supported regenerative management measures and would not have occurred under business-as-usual conditions.

8.1.3 Farm-Level Baseline Assessment

The verification team reviewed the farm-specific practice comparison tables included in the Monitoring Report for all participating entities, including Aplend Bulgaria EOOD/Agro Kim Bulgaria EOOD, Sekapp Bulgaria EOOD, ZK Bezmer, Apis Agro 98 OOD, Mapi 96 EOOD, ET Tiasso-Dobromir Valtchev, ET Rumen Natsev, and Natsevi 2019 OOD /2/.

The assessment confirmed that participating farms transitioned from limited or conventional practices toward implementation of reduced tillage, strip farming, crop diversification, microbial fertilization, integrated production systems, organic amendments, and residue retention practices. Site visits, interviews, technological maps, and field observations were used by the verification team to confirm implementation of the reported practices during the monitoring period /2/ /15/ /21/ /28/ /31/ /41/ /42/ /50/ /52/ /60/ /62/ /71/ /73/ /82/ /84/ /92/ /94/.

Auditor's Assessment of Practice Change and baseline conditions

Participant	Baseline Condition	Practices Recommended in Project	Observed Results / Implemented Practices	Auditor Assessment

Aplend Bulgaria EOOD / Agro Kim Bulgaria EOOD (Group Farm)	No recommended regenerative practices applied prior to project participation.	Minimal processing, biological agriculture, integrated production, precision agriculture, diversification, microbial fertilization, strip farming, cover crops/intercrops.	Implementation of reduced tillage, diversification, microbial fertilization, and strip farming observed during 1st and 2nd control periods.	Evidence demonstrates transition from conventional practices to regenerative management practices attributable to project implementation. Verified through practice comparison tables, technological maps, and monitoring reports.
Sekapp Bulgaria EOOD	No recommended regenerative practices applied before project inclusion.	Reduced tillage, diversification, microbial fertilization, strip farming, cover crops/intercrops.	Partial implementation observed; climatic drought conditions negatively affected cover crop establishment and carbon accumulation.	Project practices were partially implemented. However, due to adverse climatic conditions and insufficient cover crop development, no positive carbon balance was achieved during the monitoring period.
ZK Bezmer	Limited regenerative practices applied at baseline.	Minimal tillage, diversification, strip processing, crop rotation improvements.	Implementation of diversification and reduced tillage practices confirmed.	Evidence supports adoption of additional soil conservation and crop diversification practices beyond baseline conditions.

Apis Agro 98 OOD	Limited perennial crop regenerative practices applied before project start.	Minimal processing, biological agriculture, integrated production, microbial fertilization.	Reduced tillage depth, reduced mechanical passes, and residue retention implemented in lavender plantations.	Evidence indicates optimization and enhancement of existing organic practices. Additionality remains partially limited because several baseline practices pre-existed prior to project implementation.
Mapi 96 EOOD	Limited perennial crop regenerative practices applied before project start.	Biological agriculture, microbial fertilization, green fertilization, organic pesticides.	Reduced tillage intensity and residue retention practices implemented.	Evidence demonstrates optimization of soil management practices; however, several sustainable practices were already present at baseline.
ET Tiasso-Dobromir Valtchev	Limited regenerative practices at baseline.	Minimal tillage, integrated production, diversification, microbial fertilization.	Combined field operations and diversification measures implemented.	Evidence supports implementation of regenerative agricultural practices beyond baseline conditions.
ET Rumen Natsev	Limited regenerative practices at baseline.	Minimal tillage, diversification, microbial fertilization, nitrogen-fixing crops.	Reduced tillage and crop diversification implemented for annual crops.	Evidence supports implementation of project practices and improved soil management compared to baseline.

Natsevi OOD	2019	Limited regenerative practices at baseline.	Minimal tillage, diversification, microbial fertilization, crop rotation management.	Reduced tillage and diversification practices implemented across monitored crops.	Evidence supports implementation of regenerative practices beyond baseline conditions.
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8.2 SOC Change Calculation Methodology

The assessment team reviewed the carbon quantification methodology, calculation spreadsheets, laboratory reports, soil sampling records, bulk density measurements, GeoJSON datasets, monitoring records, and supporting monitoring datasets to assess whether Soil Organic Carbon stock changes were calculated in accordance with the approved methodology and Monitoring Plan /2/ /7/ /11/ /120–122/ /137/ /139/ /150/ /192/.

SOC concentrations were measured through accredited laboratory analysis using the dry combustion method for each composite sample collected from the three depth intervals of 0–30 cm, 30–60 cm, and 60–90 cm. Bulk density values measured during the crediting period were applied to convert SOC concentrations into SOC stock values expressed in tonnes of carbon per hectare /103/ /104/ /120/ /121/ /122/ /137/.

The assessment team confirmed that SOC stock changes were converted into carbon dioxide equivalents using the IPCC conversion factor of 1 tonne carbon equal to 3.667 tonnes CO₂. Results were aggregated from plot level to farm level and subsequently to project level through the PR0205-ER calculation_SOC_v3 spreadsheets /2/ /7/ /24/ /34/ /37/ /55/ /65/ /76/ /87/ /97/ /192/. Recalculation of selected samples by the team confirmed consistency between source data, formulas, and aggregated project results.

8.2.1 Baseline Removals

The approved methodology conservatively defines baseline removals as zero tonnes CO₂e per hectare per year, reflecting the assumption that conventional farming practices would not generate systematic increases in Soil Organic Carbon stocks /1/ /2/ /7/. The assessment team reviewed this assumption within the project calculations and confirmed that baseline removals were consistently treated as zero throughout the monitoring and accounting process /2//192/.

All credited removals were therefore calculated ex post based exclusively on measured increases in SOC relative to the established baseline reference values.

8.3 Emissions from Farm Activities

The assessment team reviewed the accounting of greenhouse gas emissions associated with project implementation, including emissions from fuel consumption, fertilizer application, and leakage effects /2/ /133/ /134/ /193/ /194/ /195. The assessment confirmed that these emissions were deducted from gross SOC-based removals to ensure conservative net greenhouse gas accounting in accordance with the approved methodology /7/ /192/ /193/ /194/.

8.3.1 Fuel Emissions

The assessment team reviewed fuel consumption data, Ministry of Agriculture emission coefficients, and PR0205-ER calculation files used to quantify CO₂ emissions from agricultural machinery operations /115/ /118/ /192/. Fuel consumption associated with tillage, seeding, spraying, harvesting, and other field operations was calculated at plot level using standardized coefficients and national emission factors /2/ /115/ /118/ /175/ /192/.

The assessment confirmed that fuel-related emissions were deducted from gross removals prior to calculation of net project removals. Recalculation of selected data samples confirmed correct application of the conversion factor of 3.42 tCO₂e per tonne fuel equivalent, consistent with the approved methodology and referenced national regulations /192/.

8.3.2 N₂O Emissions

The assessment team reviewed the methodology applied for quantification of nitrous oxide (N₂O) emissions associated with fertilizer use and soil nitrogen processes. N₂O emissions were calculated using a Tier 1 approach based on the IPCC Guidelines for National Greenhouse Gas Inventories and included direct soil emissions, indirect emissions from volatilization, and emissions from leaching and runoff pathways /133/ /134/ /193/ /195/.

The assessment confirmed that emissions associated with production and use of mineral fertilizers were quantified using standardized emission factors and converted into CO₂ equivalents using the approved global warming potential factor. The verification team reviewed the ER calculation_N2O_leakage_v1 sheets and confirmed that N₂O calculations were implemented transparently and conservatively within the project GHG balance /193/ /195/.

8.3.3 Leakage Emissions

The assessment team reviewed the project's leakage assessment framework and associated yield monitoring procedures. Leakage was assessed using a yield-based market leakage approach in which significant reductions in agricultural productivity relative to historical baseline yields could trigger leakage deductions /7/ /125/ /131/ /132/ /133/ /134/ /194/.

The assessment confirmed that leakage calculations were only applied where yield reductions exceeded the defined methodological threshold and where reductions could not be attributed to regional climatic or external conditions. Yield records, technological maps, monitoring reports, remote sensing analyses, and supporting farm documentation were reviewed to assess application of the leakage framework. /21/ /31/ /42/ /52/ /62/ /73/ /84/ /94/ /177/ /194/. The assessment confirmed that leakage deductions were applied in accordance with methodology requirements and supporting evidence /194/.

8.3.4 Results and Deductions

The assessment team reviewed the aggregated results tables, uncertainty calculations, deduction calculations, and final net greenhouse gas balances for all participating farms. Gross SOC removals were adjusted for uncertainty deductions, fuel emissions, N₂O emissions, leakage deductions, and the project-wide permanence buffer allocation /7/ /123/ /124/ /149/ /192/ /193/ /194/.

The assessment confirmed that all deductions were transparently documented and consistently applied at plot, farm, and project levels in accordance with the approved methodology and Monitoring Plan.

8.4 Net Project Removals

The assessment team reviewed the final project-level carbon accounting calculations and confirmed that net project removals represented the balance between verified SOC gains and all applicable deductions /2//192/.

The Monitoring Report confirmed that the project achieved total verified net greenhouse gas removals of 45,480 tCO₂e across 1,983.76 hectares during the monitoring period. A 5% buffer allocation totaling 2,271 tCO₂e was applied in accordance with permanence risk management provisions. The verification team recalculated selected project totals and confirmed consistency between source data, aggregation tables, and final reported values /2/ /24/ /34/ /37/ /55/ /65/ /76/ /87/ /97//158//177//192/.

8.4.1 Staged Issuance Mechanism

The assessment team reviewed the staged issuance mechanism prescribed within the PDD and approved methodology. In accordance with this framework, only 25% of verified removals are eligible for issuance during the current cycle, while the remaining 75% are retained within the sub-project reserve for future issuance subject to continued positive farm balances and permanence verification.

The assessment confirmed that this staged issuance mechanism was implemented consistently during the monitoring period and that the resulting eligible issuance volume of 11,368 verified carbon removal credits was appropriately derived from the verified project balance and reserve provisions.

Based on the review of baseline data, SOC calculations, emission deduction methodologies, monitoring records, remote sensing assessments, site visit observations, laboratory analyses, calculation spreadsheets, and recalculation of selected samples, the verification team concludes that the greenhouse gas calculations were performed in accordance with the approved CSBG-AGRI methodology Version 3.1/22.08.2025, the validated Project Design Document, and the requirements of the Balkan Carbon Credit Standard (BCCS) and Balkan Carbon Credit Registry (BCCR). The quantification approach was found to be conservative, transparent, traceable, and supported by sufficient and appropriate evidence /1/ /2/ /7/ /121/ /122/ /177/ /178/ /192/ /193/ /194/ /208/

9.0 Issuance and Risk Management

9.1 Net Verified Removals / Reductions

The verification team reviewed the Monitoring Report (MR), calculation spreadsheets, laboratory analyses, GIS records, fuel and fertilizer accounting files, and supporting Monitoring, Reporting and Verification (MRV) documentation to assess the net verified greenhouse gas removals achieved during the monitoring period. The assessment confirmed that the project applies a transparent and

conservative accounting framework consistent with the approved CSBG-AGRI methodology Version 3.1/22.08.2025, the validated Project Design Document (PDD), and the requirements of the Balkan Carbon Credit Standard (BCCS).

The net verified removals were determined through direct measurement of Soil Organic Carbon (SOC) stock changes followed by the application of methodological deductions including uncertainty adjustments, nitrous oxide (N₂O) emissions from fertilizer use, fuel-related emissions from farm activities, and leakage deductions where applicable. The verification team recalculated selected farm-level and project-level datasets and confirmed consistency between source records, laboratory results, calculation files, and aggregated reporting tables.

The assessment confirmed that total project gross removals amounted to 58,084 tCO₂e, from which deductions for uncertainty (12,027 tCO₂e), N₂O emissions (93 tCO₂e), fuel consumption (471 tCO₂e), and leakage emissions (11 tCO₂e) were applied. Following these deductions, the project achieved verified net greenhouse gas removals of 45,480 tCO₂e during the monitoring period. The verification team confirmed that these results were conservative, transparent, and supported by sufficient and appropriate evidence /2/ /192/ /193/ /194/.

9.1.1 Farm-Level Results

The verification team reviewed the farm-level calculation tables and monitoring results for all participating entities included within the current reporting cycle. The assessment confirmed that seven participating farms achieved positive net greenhouse gas balances and were therefore eligible for issuance under the project's staged issuance framework.

The verification team reviewed supporting records for Aplend Bulgaria EOOD, ZK Bezmer, Apis Agro 98 OOD, Mapi 96 EOOD, ET Tiaso-Dobromir Valchev, ET Rumen Natsev, and Natsevi 2019 OOD and confirmed that the reported net removals were supported by geo-referenced soil sampling data, laboratory analyses, agronomic records, and calculation files /121//122//177//178//192//208/.

One participating farm, Sekapp Bulgaria EOOD, reported positive SOC changes but a negative overall farm balance after application of deductions and therefore was excluded from issuance for the current reporting cycle. The verification team confirmed that the exclusion was applied conservatively and consistently with the approved methodology and issuance policy requirements /2/ /135/ /176/ /192/.

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Farm ID	Farm Name	Area (ha)	Net SOC Change (tC)	Gross amount of removed GHG emissions carbon dioxide CO ₂ (t CO ₂)	Uncertainty deduction (20,70 % of Gross amount of removed GHG emissions carbon dioxide t CO ₂ eq)	N ₂ O emissions from mineral fertilizers (t CO ₂ eq)	Total fuel consumption (t CO ₂ eq)	Emissions from leakage (t CO ₂ eq)	Adjustments to reduce removals from GHG (t CO ₂ eq)	Net amount of GHG removed carbon dioxide (t CO ₂ eq)	Total Buffer allocation (5% from Net amount of GHG removed carbon dioxide (t CO ₂ eq))	Issuable this cycle (25% from Net amount of GHG removed carbon dioxide (t CO ₂ eq))	Retained in sub-project reserve (75% from Net amount of GHG removed carbon dioxide (t CO ₂ eq))	Buffer allocated in this cycle (5% from Issuable this cycle)
203578940	APLEND BULGARIA EOOD	707,24	1 206	4 425	916	0	161	6	0	3 341	167	835	2 506	41
203578424	SEKAPP BULGARIA EOOD	86,49	0	0	0	0	0	0	0	0	0	0	0	0
834050441	ZK BEZMER	316,30	2 228	8 171	1 692	39	84	0	0	6 356	317	1 589	4 767	79
203496607	APIS AGRO 98 OOD	74,59	778	2 854	591	4	18	0	0	2 241	112	560	1 681	28
205415956	MAPI 96 EOOD	178,83	1 697	6 224	1 289	0	43	0	0	4 891	244	1 222	3 669	61
103124100	ET TIASO-DOBROMIR VALCHEV	220,66	1 803	6 614	1 370	0	59	0	0	5 185	259	1 296	3 889	64
110514921	ET RUMEN NATSEV	241,53	4 628	16 972	3 514	6	62	1	0	13 389	669	3 347	10 042	167
205515209	NATSEVI 2019 OOD	158,12	3 497	12 824	2 655	44	44	4	0	10 077	503	2 519	7 558	125
	TOTAL	1 983,76	15 837	58 084	12 027	93	471	11	0	45 480	2 271	11 368	34 112	565

9.2 Allocation to Issuance, Reserve, and Buffer

The verification team reviewed the project's issuance allocation framework and reserve management provisions to assess compliance with the approved methodology and Issuance Policy. The project applies a staged issuance mechanism intended to strengthen permanence assurance and avoid premature over-crediting.

Under this framework, only 25% of verified removals are eligible for issuance during the current monitoring cycle, while the remaining 75% are retained within the sub-project reserve pending continued positive monitoring results and compliance with future issuance conditions. The release of the retained sub-project reserve is conducted in accordance with Section 5.1.2 (Conditions for Release of Reserved Credits) of the Issuance Policy /217/. The verification team confirmed that the staged issuance approach was implemented consistently across all participating farms /135/ /160/ /176/ /192/.

The assessment confirmed the following allocation structure for the current monitoring period:

- Verified net removals: 45,480 tCO₂e
- Credits eligible for issuance this cycle (25%): 11,368 tCO₂e
- Credits retained within sub-project reserve (75%): 34,112 tCO₂e
- Total project buffer allocation (5%): 2,271 tCO₂e

Summary Table of Allocation to Issuance / Reserve / Buffer

Category	Share (%)	Amount (tCO ₂ e)	Purpose / Auditor Assessment
Issued this period	25	11,368	Represents the proportion of verified removals released for issuance during the current monitoring cycle. Verified against MR Section 6.2 and issuance calculations.
Project reserve	75	34,112	Credits retained in the sub-project reserve to prevent over-issuance and ensure conservative staged issuance in accordance with the CSBG-AGRI methodology and PDD.
Total Project Buffer	5	2,271	Buffer allocation withheld as a non-permanence risk safeguard and collective insurance mechanism against reversal risks.
Buffer allocated in this cycle (5% from Issuable in this cycle only)	5% of 25%	565	Buffer deduction applied specifically to the 25% issuable credits in the current monitoring cycle, in accordance with the Issuance Policy and PDD Section 2.1.5. The full 5% buffer (2,271 tCO ₂ e) applies proportionally at each issuance point

			across the entire credit lifecycle. [MR Table 1; MR Table 9; PDD Sec. 7.4.2] (2/135/192/)
Net Gross Removals (before deductions)	—	58,084	Total gross CO ₂ removals before uncertainty, N ₂ O, fuel and leakage deductions. [MR Table 1] (2/192/)
Uncertainty deduction	20.70%	12,027	Quantified uncertainty deduction applied to gross removals per approved methodology. [MR Table 1] (2/149/192/)
N ₂ O emissions from mineral fertilizers	—	93	Deduction per IPCC Tier 1 N ₂ O calculation methodology. [MR Table 1; MR Sec. 5.3.2.2] (2/193/195/)
Total fuel consumption	—	471	On-farm fuel emissions deducted per Ministry of Agriculture methodology. [MR Table 1; MR Sec. 5.3.2.1] (2/115/192/)
Emissions from leakage	—	11	Yield-based market leakage deduction. [MR Table 1; MR Sec. 5.3.2.3] (2/131/132/133/134/194/)

The verification team reviewed aggregation spreadsheets, issuance calculations, and reserve allocation records and confirmed that the allocation mechanism was implemented transparently and consistently with the PDD and approved methodology. Farm-level detailed results were independently verified against MR Table 9 (Farm-Level Results), confirming allocation of 11,368 tCO₂e for issuance and 34,112 tCO₂e retained in reserve across seven compliant participating farms (2/135/192/).

9.2.1 Buffer Pool Allocation

The verification team reviewed the application of the project buffer pool mechanism established to address non-permanence risks and force majeure events. In accordance with the approved methodology and issuance policy, a 5% buffer allocation is applied proportionally to issued and reserved credits during each issuance cycle.

The assessment confirmed that the total project buffer allocation for the current monitoring period amounted to 2,271 tCO₂e and that the applicable buffer deductions were appropriately reflected within the issuance calculations. In addition, the verification team confirmed that the buffer allocated specifically in the current issuance cycle (5% of the 25% issuable credits) amounts to 565 tCO₂e, consistent with the project's staged issuance policy. The total buffer of 2,271 tCO₂e represents the collective 5% deduction from all 45,480 tCO₂e of net verified removals, of which 565 tCO₂e is allocated at the current issuance point and the remainder is deducted proportionally upon future release of reserved credits (1/2/135/192/). The verification team confirmed through

review of calculation sheets and issuance records that the buffer mechanism was implemented consistently and conservatively.

9.2.2 Sub-Project Reserve Mechanism

The verification team reviewed the operation of the sub-project reserve mechanism established under the project's permanence management framework. The reserve mechanism retains a substantial proportion of verified removals for future issuance following continued monitoring and confirmation of positive farm balances.

The assessment confirmed that 34,112 tCO₂e were retained within the reserve structure during the current reporting cycle. Per PDD Section 7.3.1, the reserve is released in subsequent re-measurement periods when the same farm shows positive ΔSOC, subject to positive verification. The verification team reviewed the reserve accounting procedures and confirmed that the mechanism functions as an additional safeguard against reversal and over-crediting risks while maintaining long-term environmental integrity /1/135/192/.

9.2.3 Project Issuance Policy

The net CO₂ removed through the project activities is quantified using a conservative and transparent monitoring and verification system. Gross SOC stock changes are first measured, after which emissions from project activities, leakage, and an uncertainty deduction are subtracted to arrive at net verified removals /02//139/.

25% of the net GHG removals verified in each monitoring cycle are issued, while the remaining 75% are retained as a sub-project performance reserve. This reserve serves as a safeguard against uncertainty and over-crediting and is released only upon confirmed continued performance in a subsequent monitoring period. At each subsequent monitoring cycle where a positive farm balance is reported, the 75% reserve from the previous cycle is released while a new 75% reserve is retained for the current cycle /217/.

Another 5% of the credits issuable in this cycle is kept aside as buffer. This 5% buffer is deducted from both the 25% initially issued and the remaining 75% as they are released. It serves as a safeguard against potential reversals from loss of sequestered carbon or losses from natural disasters /217/.

Credits are withheld if SOC reversals beyond an acceptable threshold are detected, upon farmer withdrawal, in cases of data integrity issues, non-compliance with agronomic requirements, or occurrence of force majeure events. Any resulting shortfall is compensated through the buffer pool or performance reserve retention /217/.

In this monitoring period, the credits issued amount to 11,368 tCO₂e, representing 25% of the issuable credits, while the project reserve is 34,112 tCO₂e, representing 75% of the issuable credits, eligible for issuance under the Balkan Carbon Credit Registry in accordance with Section 5.1.2 (Conditions for Release of Reserved Credits) of the Issuance Policy /217/. The project buffer allocation, equivalent to 5% of issued credits, amounts to 2,271 tCO₂e /02/.

9.3 Negative Balances and Corrective Actions

The verification team reviewed the project's procedures for management of negative balances and reversals. The approved methodology defines a reversal as a verified net loss of overall farm balance during the final year of a farm's crediting period. Farms reporting negative or net-zero balances are excluded from issuance for the applicable cycle but remain within the monitoring framework for future reassessment.

The assessment confirmed that no final-year reversals were identified during the current monitoring period. However, one participating entity, Sekapp Bulgaria EOOD, reported a negative farm balance and was therefore excluded from issuance during the reporting cycle. Specifically, although Sekapp Bulgaria EOOD achieved positive incremental SOC changes at the plot level, the overall farm balance remained negative after accounting for the cumulative farm balance in accordance with Section 3.2 (Farm Balance) of the approved methodology. Consequently, the farm was assigned zero net verified removals (0 tCO₂e) for the reporting period, while the negative balance was carried forward for consideration in subsequent monitoring periods. The verification team reviewed the farm balance calculations, supporting ER calculation spreadsheets, plot-level SOC quantification results, monitoring records, and issuance calculations, and confirmed that the farm balance was correctly derived and that the exclusion from issuance was appropriately reflected in the quantification results in accordance with the approved methodology /1/2/26/27/28/29/30/31/32/33/34/35/.

The project's reversal management framework includes continued monitoring obligations, staged issuance provisions, reserve mechanisms, and access to the shared project buffer pool where required. The verification team concluded that these procedures provide an appropriate and conservative framework for management of permanence risks and negative balances.

9.3.1 Corrective Actions and Ongoing Monitoring

The verification team reviewed the corrective measures proposed for farms reporting reduced performance or temporary negative balances. In the case of Sekapp Bulgaria EOOD, the Monitoring Report identified prolonged drought and unfavorable climatic conditions as major contributing factors affecting crop development and carbon accumulation during the reporting period. Specifically, long periods of drought and insufficient moisture were observed during the 2023–2024 agricultural year, which created conditions for poor crop development and reduced or no accumulation of carbon in the soil.

The project developer implemented continued agronomic support, specific corrective recommendations including: increasing the amount of plant residues; limiting intensive tillage and performing it as close to sowing as possible; and establishing year-round soil cover through catch crops and cover crops. Use of organic fertilizers, soil improvers, and biostimulants was also recommended to improve soil health and fertility and renewed monitoring obligations for subsequent cycles. The verification team confirmed through review of monitoring records and interviews that the participant remains active within the project and may regain issuance eligibility in future monitoring periods if positive balances are re-established /2/32/33/35/178/208/.

9.3.2 Buffer Pool Usage

The verification team reviewed records relating to force majeure events and buffer pool utilization. No force majeure events requiring use of the project buffer pool were identified during the current monitoring period. Accordingly, no buffer credits were cancelled or retired during the reporting cycle /203/204/.

9.4 Environmental Integrity and Permanence Assurance

The verification team reviewed the project's overall permanence and environmental integrity framework, including reserve mechanisms, staged issuance controls, leakage deductions, uncertainty adjustments, and monitoring obligations. The assessment confirmed that the project applies multiple layers of safeguards to ensure that issued credits represent real, measurable, additional, conservative, and durable climate benefits.

The verification team confirmed that the combination of conservative accounting rules, direct measurement of Soil Organic Carbon, reserve retention, continued monitoring requirements, and shared buffer allocation provides an appropriate framework for management of reversal and non-permanence risks in accordance with BCCS and BCCR requirements.

Based on the review of monitoring results, calculation sheets, issuance records, reserve and buffer allocation procedures, corrective action records, and supporting evidence, the verification team concludes that the issuance and risk management framework of the Carbonsafe Carbon Farming Project – North Bulgaria has been implemented in accordance with the approved CSBG-AGRI methodology, the validated Project Design Document, and the requirements of the Balkan Carbon Credit Standard (BCCS) and Balkan Carbon Credit Registry (BCCR). The staged issuance mechanism, reserve provisions, and permanence safeguards were found to be conservative, transparent, and appropriately designed to maintain the long-term environmental integrity of issued carbon removal credits /1/123/124.

10.0 Environmental, Social and Economic Co-benefits and Safeguards

The validation and verification teams jointly reviewed the Project Design Document (PDD), Monitoring Report (MR), stakeholder engagement records, agronomic procedures, farmer contracts, land tenure documentation, GIS records, environmental safeguard evidence, grievance records, and supporting monitoring documentation to assess whether the project delivers environmental, social, and economic co-benefits while maintaining compliance with the safeguard requirements established under the Balkan Carbon Credit Standard (BCCS), Balkan Carbon Credit Registry (BCCR), the approved methodology, and the validated Project Design Document. The assessment activities included document review, evaluation of safeguard implementation measures, on-site observations, review of monitoring evidence maintained within the ISAC02 platform, and interviews with participating farmers and project representatives. Based on the evidence reviewed, the validation and verification teams confirmed that the project implemented the applicable environmental and social safeguards throughout the monitoring period and that no material adverse environmental or social impacts were identified. The assessment further confirmed that the project is designed and implemented to generate measurable environmental,

social, and economic co-benefits that are monitored separately from greenhouse gas accounting and are not included within carbon credit calculations, thereby maintaining a conservative accounting approach.

10.1 Environmental Co-benefits

The validation and verification teams reviewed agronomic protocols, annual soil analysis procedures, technological maps, GIS records, laboratory analyses, remote sensing outputs, input-use records, and environmental safeguard documentation to assess environmental co-benefits associated with implementation of regenerative agricultural practices under the project. The assessment confirmed that the project contributes positively to biodiversity protection, soil health improvement, water retention, erosion reduction, and sustainable land management through implementation of crop diversification, reduced tillage systems, cover cropping, residue retention, optimized nutrient management, and reduced dependency on synthetic agricultural inputs. The verification team additionally reviewed satellite-based land-use monitoring analyses and confirmed that no project lands were converted from forests, wetlands, or natural habitats prior to enrollment or during the monitoring period. The Remote Sensing (RS) framework, incorporating Copernicus Sentinel-1 and Sentinel-2 imagery, confirmed land-use consistency, historical land-use eligibility, and absence of any natural habitat conversion across all eight participating farms /1/2/158/159/177/.

The assessment further confirmed that annual soil analyses and individualized agronomic recommendations support improvements in nutrient use efficiency, reduction of fertilizer-related emissions, and minimization of nutrient runoff and groundwater contamination risks. Increased Soil Organic Carbon and improved soil aggregate stability were also found to contribute positively to water infiltration, drought resilience, erosion resistance, particularly under dry climatic conditions experienced during recent agricultural seasons and reduced reliance on synthetic fertilizers in favour of microbial fertilizers and biostimulants /2/119/121/122/. Based on the evidence reviewed, including monitoring records and laboratory analyses, the validation and verification teams concluded that the environmental co-benefits identified within the PDD and Monitoring Report are technically credible, logically linked to project activities, and supported by measurable indicators and monitoring evidence.

10.2 Contribution to Sustainable Development Goals (SDGs)

The validation and verification teams reviewed the project's mapping against the United Nations Sustainable Development Goals (SDGs), associated sustainability indicators, and monitoring procedures used to track co-benefits throughout implementation. The assessment confirmed that the project contributes directly to SDG 2 (Zero Hunger), SDG 13 (Climate Action), and SDG 15 (Life on Land), while also supporting SDG 6 (Clean Water and Sanitation) and SDG 12 (Responsible Consumption and Production). These contributions are supported by tangible project activities including implementation of regenerative agricultural practices, annual soil analyses, agronomic recommendations, verified greenhouse gas removals, and expansion of sustainable agricultural management practices across participating farms.

The assessment further confirmed that SDG indicators and sustainability co-benefits are monitored through the project's SDG_CS Tool and integrated into the project's MRV framework and verification cycle. Indicators reviewed included the number of participating farms, hectares under

regenerative agricultural management, annual soil diagnostics performed, agronomic recommendations issued, and verified tonnes of carbon dioxide removals generated. Based on the evidence reviewed, the validation and verification teams concluded that the project's SDG contributions are substantiated by implementation evidence and remain consistent with internationally recognized sustainability objectives /12//46//67//78//130//179/.

10.3 Social Co-benefits

The validation and verification teams reviewed the project's assessment of social impacts, stakeholder engagement records, farmer participation arrangements, agronomic support documentation, and community-level benefit statements to assess social co-benefits generated through project implementation. The assessment confirmed that the primary social co-benefit consists of generation of supplementary revenue streams for participating farmers through the sale of verified carbon credits. This additional income is intended to complement conventional agricultural revenues and support farmers in managing transition-related costs and risks associated with implementation of regenerative agricultural practices.

In addition to direct financial benefits, the assessment confirmed that participating farmers received annual soil diagnostics, individualized agronomic recommendations, technological maps, and ongoing technical consultations designed to improve farm productivity, reduce input costs, strengthen soil resilience, and support long-term sustainable agricultural management. Interviews conducted during site visits further confirmed increased farmer awareness regarding regenerative agriculture practices and long-term soil management principles. The validation and verification teams identified no evidence of discrimination, unequal participation, or exclusion of participating entities during the monitoring period and concluded that the social co-benefits reported by the project are reasonable, credible, and supported by implementation evidence /128/205/208/.

10.4 Benefit-Sharing Statement

The validation and verification teams reviewed the project's benefit-sharing framework, contractual arrangements, ERP-based accounting procedures, and financial tracking controls to assess whether carbon revenues are distributed transparently and equitably among project participants. The assessment confirmed that participating farmers are identified as the primary beneficiaries of carbon credit revenues and are expected to receive approximately 50–60% of net revenues generated through carbon credit sales, while remaining revenues are allocated to project implementation activities, validation and verification costs, market development activities, and the project-wide buffer pool.

This benefit-sharing arrangement is governed by individual contracts (PR0202) between Carbonsafe JSC and each participating farm, with carbon credit revenues tracked through the ISACO2 ERP system. Farmers receive annual statements detailing credits generated and associated revenue allocations. Based on the contractual arrangements and accounting controls reviewed, the validation and verification teams concluded that the benefit-sharing framework is transparent, auditable, and consistent with accepted good practices for voluntary carbon market projects /14/27/39/48/58/69/80/90/140/152/176/.

10.5 Agronomic Support

The validation and verification teams reviewed the agronomic support framework implemented under the project and confirmed that it forms a central component of the project design and implementation structure. Each participating farm undergoes annual soil testing covering Soil Organic Carbon, pH, organic matter, macro- and micronutrients, and related soil health indicators. Based on laboratory results and field assessments, Carbonsafe JSC develops individualized agronomic recommendations covering fertilizer management, crop rotations, cover crop selection, tillage practices, and soil amendment strategies.

The project additionally provides one-on-one consultations, technical guidance, annual technological maps, and implementation support to participating farmers in order to reduce implementation risks, maintain productivity, and support long-term sustainability of regenerative agricultural practices. The validation and verification teams confirmed that the agronomic support framework is governed by Procedure PR01 (Procedure for Agronomic Assessment, Individual Strategy and Technological Map Development, Version 2.1). The framework includes a structured multi-step agronomic planning process: (1) baseline agronomic assessment; (2) development of an Individual Strategy (PR0103); (3) annual Technological Maps (PR0104); and (4) continuous on-site and remote technical support. The verification team reviewed agronomic recommendations, Individual Strategies (PR0103), Technological Maps (PR0104), inspection reports, and stakeholder engagement documentation and confirmed that agronomic support activities were actively implemented throughout the monitoring period /9//15//21//25//28//35//41//50//56//60//66//71//77//82//88//92//98//196/.

10.6 Land Use and Access Protection

The validation and verification teams reviewed land tenure verification procedures, participation agreements, cadastral documentation, land-use records, GIS analyses, and project safeguard statements relating to land use and access protection. The assessment confirmed that participation is entirely voluntary and requires documented ownership or legally valid operating rights prior to enrollment of agricultural parcels within the project. The project does not involve land acquisition, physical displacement, economic displacement, restrictions on customary access to land or resources, or conversion of forests, wetlands, or ecologically sensitive lands. All enrolled plots are verified against IACS applications and cadastral records. The Ministry of Environment and Water confirmed in writing that implementation of the project does not require a formal environmental impact assessment under applicable Bulgarian legislation /145/.

The verification team additionally reviewed grievance records, stakeholder engagement documentation, and monitoring evidence and confirmed that no disputes relating to ownership, access, or use rights were identified during the monitoring period. The assessment further confirmed that where land-right disputes may arise, credits associated with affected parcels are withheld until resolution of the issue. Based on the evidence reviewed, the validation and verification teams concluded that the project incorporates appropriate safeguards to protect land tenure rights, land access, and community interests throughout the project lifecycle /105/106/107/108/109/110/111/112/145/197/.

10.7 Flexibility in Producer Practices

The validation and verification teams reviewed the project's procedures relating to flexibility in implementation of regenerative agricultural practices. The assessment confirmed that the project recognizes operational realities affecting agricultural production systems, including climatic variability, pest pressures, market conditions, and farm management constraints. Participating farmers are therefore permitted to implement justified temporary adjustments to recommended practices, including temporary tillage activities, modified crop sequences, or revised nutrient applications, provided that such deviations are documented and reviewed by Carbonsafe agronomists.

The verification team reviewed management practice records, technological maps, agronomic recommendations, and site inspection reports and confirmed that deviations affecting implementation, including weather-related limitations on cover crop establishment, were documented and conservatively reflected in project calculations where applicable /15/25/28/35/41/50/60/71/82/92/178/196/. Based on the evidence reviewed, the validation and verification teams concluded that the flexibility provisions improve practical implementation and farmer retention while maintaining environmental integrity and methodological consistency.

10.8 Impact on Producers

The validation and verification teams reviewed the project's assessment of impacts on farm productivity, operational costs, profitability, and long-term economic resilience. The assessment confirmed that while temporary yield fluctuations may occur during transition to regenerative agricultural practices, these risks are mitigated through technical support, conservative agronomic recommendations, and supplementary income opportunities associated with carbon credit generation. Over time, the project is expected to contribute to reductions in fertilizer, pesticide, fuel, and irrigation costs while improving soil health, drought resilience, and long-term farm productivity.

Based on the implementation evidence, farmer consultations, and agronomic support measures reviewed during verification, the validation and verification teams concluded that the project is designed to strengthen rather than adversely affect the economic viability and resilience of participating farms /140/150/152/168/169/170/171/172/173/174/175/176/178/208/.

10.9 Do-No-Harm and Risk Management

The validation and verification teams reviewed the project's Do-No-Harm Assessment, safeguard framework, environmental and social risk assessments, mitigation procedures, and stakeholder engagement controls. The assessment covered biodiversity protection, water resources, agrochemical use, labor rights, occupational health and safety, community impacts, leakage risks, operational non-compliance, data privacy, and grievance procedures. Residual environmental and social risks were assessed as low and manageable through legal compliance, annual monitoring, agronomic oversight, corrective action procedures, stakeholder engagement, and continuous monitoring activities.

The verification team reviewed mitigation measures implemented during the monitoring period, including reduced tillage systems, crop diversification, optimized nutrient management, land-use monitoring, contractual safeguards, grievance mechanisms, and continuous farmer support

activities. Supporting evidence reviewed included technological maps, GIS records, laboratory analyses, farmer contracts, inspection reports, and stakeholder documentation. No unmitigated environmental or social impacts were identified during the verification assessment. Based on the evidence reviewed, the validation and verification teams concluded that the project has established and effectively implemented a comprehensive framework for identification, prevention, mitigation, and management of environmental and social risks throughout the project lifecycle /145/158/159/162/178/197/203/204/205/208/.

Auditor's Assessment of Safeguard Compliance and Traceability (Do-No-Harm)

PDD Section	Safeguard Topic	Implementation / Compliance	Supporting Evidence	Auditor Assessment
10.9.3 & 10.9.10	Land tenure & legal compliance	All participating farms demonstrate valid legal rights over enrolled land.	Farmer contracts; survey cards; registration cards; IACS applications	Verified through contractual records and land registration evidence reviewed during verification. /14/27/39/48/58/69/80/90/105/106/107/108/109/110/111/112/145/
10.9.4	Biodiversity & habitat protection	Project promotes biodiversity through crop diversification, reduced tillage, cover cropping, and reduced chemical inputs. No forest or natural habitat conversion identified.	Individual Strategies (PR0103); Technological Maps (PR0104); SOC and N ₂ O calculation sheets; IACS records; RS analysis	Verified through agronomic records, remote sensing analysis, and historical land-use documentation. 15/21/28/31/41/42/50/52/60/62/71/73/82/84/92/94/145/158/159/177/
10.9.6	Soil & emissions management	Reduced tillage, SOC monitoring, and optimized fertilization applied to minimize emissions and	MR Annex III; PR0205-ER calculation_SOC_v3.1; ER calculation_N2O_leakage_v1	Verified through monitoring reports, soil laboratory analyses, and emission calculation sheets. /3/120/121/122/192/193/195/

		improve soil health.		
10.9.7	Agrochemical use and waste	Farmers confirm non-use of prohibited agrochemicals under Bulgarian and EU legislation.	Farmer declarations	Verified through signed farmer declarations and agronomic documentation /205/.
10.9.8	Community safeguards	No physical or economic displacement identified. Agricultural land use remains unchanged and productive.	No Displacement Declaration; contracts; IACS records; RS analysis; grievance records; leakage calculations	Verified through land-use records, declarations, grievance review, and leakage assessments /125/131/132/145/158/159/194/203/204/205/.
10.9.9	Labor & OHS	Farmers confirm compliance with safe working conditions and fair remuneration requirements.	Farmer declarations	Verified through signed declarations and legal compliance documentation. /129/205/
10.9.11	Data protection & transparency	Project applies GDPR-compliant data management, role-based access control, and registry traceability.	Data Retention Policy; BCCR registry entries	Verified through system documentation, registry records, and data management procedures. /147/155/209/
10.9.12	Grievance mechanism	Operational grievance mechanism available via website, email,	Public grievance mechanism; grievance register;	Verified through grievance mechanism procedures and review of grievance register

		and phone. Complaints are logged and resolved under formal procedures.	grievance procedures	confirming no unresolved complaints /148/203/204/.
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10.10 Legal Compliance Statement

The validation and verification teams reviewed the legal compliance statement, due diligence procedures, participation contracts, land tenure verification procedures, and compliance monitoring protocols associated with project implementation. The assessment confirmed that the project commits to compliance with applicable Bulgarian legislation, European Union regulations, and relevant international principles relating to land use, environmental protection, labor standards, occupational safety, and data privacy /145/146/147/162/197/205/.

The verification team additionally reviewed farmer registration records, IACS applications, land-use documentation, and monitoring evidence and identified no evidence of deforestation, wetland conversion, unauthorized land-use change, ecological degradation, or regulatory non-compliance associated with project activities during the monitoring period /144/145/158/159/177/197/205/208/. Based on the evidence reviewed, the validation and verification teams concluded that the project maintained compliance with applicable legal, environmental, and land tenure requirements throughout implementation and operation /145/197/205/208/.

10.11 NDC and Policy Interaction Statement

The validation and verification teams reviewed the project's assessment of interactions with Bulgaria's and the European Union's climate and agricultural policy frameworks. The assessment confirmed that the project is designed to complement commitments established under the Paris Agreement, the EU Green Deal, the Common Agricultural Policy, and emerging carbon removal certification initiatives /153/154/201/202/. Registry controls, transparent accounting procedures, and exclusivity requirements are used to prevent double counting and ensure credibility of voluntary carbon market claims /146/147/209/. Based on the documentation reviewed, the validation and verification teams concluded that the project is aligned with relevant climate and sustainability policy objectives and does not conflict with national or regional climate commitments /146/147/153/154/201/202/209/.

10.12 Employee Compensation Safeguards

The validation and verification teams reviewed Carbonsafe JSC policies relating to employee compensation, labor standards, and working conditions applicable to project personnel and contracted service providers /162/172/173/174/175/. The assessment confirmed that the project commits to compliance with applicable labor legislation, European Union directives, and International Labour Organization principles relating to fair remuneration, equal pay, non-discrimination, and safe working conditions /162/172/173/174/175/205/. The verification team identified no evidence of material labor or compensation non-conformities during the monitoring

period /205/208/. Based on the evidence reviewed, the validation and verification teams concluded that employee compensation safeguards are appropriate and consistent with recognized social safeguard practices /162/205/208/.

10.13 Health and Safety Statement

The validation and verification teams reviewed occupational health and safety procedures applicable to field staff, soil sampling personnel, laboratory personnel, agronomic teams, and contracted service providers. Procedures reviewed included personal protective equipment requirements, equipment and vehicle safety protocols, training obligations, field operation procedures, and incident reporting systems. During field inspections and stakeholder interviews, the verification team observed no material occupational health or safety concerns associated with project implementation activities. Based on the documentation and observations reviewed, the validation and verification teams concluded that the project's health and safety arrangements are adequate and proportionate to the scale and nature of project operations /172/173/174/175/178/208/.

10.14 Local Supply Chain and Partnership Statement

The validation and verification teams reviewed the project's use of local laboratories, agronomists, consultants, and service providers to support soil analyses, agronomic assistance, monitoring activities, and operational implementation. The assessment confirmed that the project contributes to creation of local economic opportunities and strengthening of technical capacity within Bulgaria's agricultural sector through engagement of local technical expertise and service providers /103/104/168/169/170/171/196/208/. The validation and verification teams concluded that these local partnerships support increased local ownership, institutional capacity building, and broader socio-economic value generation beyond the participating farms themselves.

10.15 Impact on Cultural and Ecologically Significant Lands

The validation and verification teams reviewed project eligibility criteria, GIS-based land screening procedures, remote sensing analyses, and land-use records to assess potential impacts on cultural heritage sites and ecologically significant lands. The assessment confirmed that the project excludes land converted from forests, wetlands, and other natural or high-conservation-value ecosystems and limits participation to existing agricultural lands possessing documented legal rights. Because the project does not involve land conversion, infrastructure development, or physical expansion into natural habitats, no adverse impacts on cultural heritage or ecologically significant lands are anticipated or were identified during the monitoring period. Based on the evidence reviewed, the validation and verification teams concluded that the project remains consistent with applicable environmental safeguard requirements and protection objectives relating to ecologically and culturally sensitive areas /145/158/159/177/197/208/.

Based on the review of the Project Design Document, Monitoring Report, safeguard statements, participation agreements, agronomic procedures, grievance records, monitoring evidence, GIS analyses, stakeholder engagement documentation, and on-site observations /1/2/14/145/158/159/162/178/203/204/205/208/, the validation and verification teams concluded that the project is expected to deliver substantial environmental, social, and economic co-benefits while maintaining appropriate safeguards to prevent adverse impacts. The assessment

confirmed effective implementation of safeguard controls, stakeholder engagement procedures, permanence protections, agronomic support systems, and risk mitigation measures supported by sufficient and appropriate evidence /162/178/192/198/199/200/203/204/208/. Accordingly, the validation and verification teams concluded that the project is fully consistent with the environmental and social safeguard requirements of the Balkan Carbon Credit Standard (BCCS), Balkan Carbon Credit Registry (BCCR), the approved methodology, and the validated Project Design Document /4/5/6/7/146/147/209/.

10.16 Identified risks / mitigation

Environmental and social risks associated with the Carbonsafe Carbon Farming Project – North Bulgaria were identified and assessed in accordance with the project Risk Assessment framework and the Do-No-Harm safeguard requirements defined in the PDD. The following table summarizes identified risks, mitigation measures, supporting evidence, and auditor assessment.

Auditor's Assessment of Identified Risks / Mitigation

Risk Category	Risk Description	Mitigation Measures Applied	Evidence	Auditor Assessment
Soil degradation / environmental risk	Soil disturbance, erosion, or SOC loss due to improper practices.	Reduced/conse rvation tillage, permanent soil cover, crop rotation.	Technologica l Maps (PR0104), on-site inspection reports.	Verified through agronomic records, monitoring visits, and implementation of conservation agriculture practices /178/196/208/.
Nutrient & emissions risk	Excess fertilizer use leading to emissions or soil imbalance.	Soil-based nutrient management and agronomic recommendatio ns.	Soil laboratory reports, agronomic recommenda tions.	Verified through laboratory analyses, nutrient management plans, and N ₂ O calculation sheets /103/104/193/195/196/.
Biodiversi ty impact	Reduced biodiversity due to monocroppin g or intensive input use.	Crop diversification and reduced chemical inputs.	Technologica l Maps, farm records.	Verified through crop rotation records and reduced chemical input management /158/159/177/.
Leakage risk	Displacemen t of agricultural activities outside	Eligibility criteria, land-use monitoring, yield-protective agronomy.	GIS records, ISAC02 system, boundary checks.	Verified through GIS datasets, RS analysis, and land-use monitoring records /131/132/133/134/145/158/159/194/.

	project boundaries.			
Social / participation risk	Farmer non-compliance, dissatisfaction, or withdrawal.	Contracts, financial incentives, continuous advisory support.	Farmer contracts.	Verified through signed contracts, stakeholder engagement records, and agronomic support documentation /162/168/169/170/171/208/.
Stakeholder / community risk	Potential grievances or lack of transparency.	Grievance mechanism, stakeholder engagement, and consultations.	Grievance records, stakeholder documentation.	Verified through grievance register review and stakeholder consultation evidence /162/203/204/208/.
Reversal / permanence risk	Temporary reversal or underperformance affecting carbon credit integrity.	5% buffer allocation and staged issuance system.	MR Section 6 allocation tables and reserve calculations.	Verified through issuance, reserve, and buffer allocation mechanisms consistent with the approved methodology /135/192/198/.
Displacement risk	Potential physical or economic displacement due to project activities.	Project limited to existing croplands; no land appropriation or resettlement.	No Displacement Declaration, IACS records, RS analysis.	Verified through land-use documentation and absence of displacement impacts during monitoring period /125/145/158/159/205/.

The review of the Monitoring Report, safeguard evidence, agronomic records, grievance documentation, and risk mitigation procedures confirms that the identified environmental and social risks were adequately managed during the monitoring period. No material adverse environmental or social impacts, displacement effects, or unmitigated reversal risks were identified. Residual risks remain low to negligible.

11.0 Stakeholder Engagement

The validation and verification teams jointly reviewed Section 11 of the Project Design Document (PDD), the Monitoring Report (MR), Carbonsafe Stakeholder Engagement Policy, participation agreements, grievance procedures, stakeholder consultation records, training materials, public

disclosure evidence, and related implementation documentation to assess whether stakeholder engagement activities were implemented transparently, equitably, and consistently with the requirements of the Balkan Carbon Credit Standard (BCCS), Balkan Carbon Credit Registry (BCCR), and the approved methodology. The assessment activities included document review, interviews with participating farmers and project representatives, review of stakeholder communication records, and on-site inspections conducted during the monitoring period. Based on the evidence reviewed, the validation and verification teams confirmed that stakeholder engagement remained an integral component of the Carbonsafe Carbon Farming Project – North Bulgaria and was implemented through a structured framework designed to ensure transparency, accessibility of information, responsiveness to stakeholder concerns, and continuous improvement of project implementation practices.

The assessment confirmed that the project applies a structured approach to identification and engagement of stakeholders, including participating farmers, landowners, local communities, government authorities, laboratories, validation and verification bodies, registries, service providers, and carbon credit buyers. All stakeholder interactions, consultations, and communications are documented and maintained within project records to support transparency and traceability throughout the project lifecycle. The verification team further confirmed through interviews, document review, and on-site observations that participating farmers remained actively engaged throughout the monitoring cycle through consultations, agronomic support, monitoring visits, training activities, and continuous communication with Carbonsafe JSC personnel /168/169/170/171/172/173/174/175/178/208/.

11.1 Participation Agreements with Stakeholders

The validation and verification teams reviewed sample participation agreements, farmer contracts, grievance procedures, benefit-sharing arrangements, and related stakeholder policies to assess whether participation arrangements are transparent, equitable, and contractually enforceable. The assessment confirmed that the principal stakeholder agreements are the individual contracts entered into between Carbonsafe JSC and participating farmers. These agreements clearly define enrolled land parcels, legal tenure requirements, regenerative agricultural practices to be implemented, monitoring and reporting obligations, ownership and authorization of carbon credits, benefit-sharing arrangements, permanence commitments, dispute resolution procedures, and exit provisions.

The validation and verification teams confirmed that participation agreements are written in accessible language and explained to participating farmers prior to signature in order to ensure informed and voluntary participation. The contracts additionally incorporate risk-sharing provisions, including application of reserve and buffer mechanisms designed to protect farmers from liabilities associated with uncontrollable reversal events and long-term permanence risks. Interviews conducted with participating farmers during the site visit confirmed awareness and understanding of contractual obligations, monitoring requirements, and participation conditions. Based on the documentation reviewed and interviews conducted, the validation and verification teams concluded that the participation agreements provide a robust, transparent, and auditable framework for stakeholder engagement and contractual accountability /140/150/152/162/168/169/170/171/203/204/208/.

11.2 Training and Capacity Building

The validation and verification teams reviewed the Farmer Training Policy and Programme, agronomic recommendations, Individual Strategies (PR0103), training materials, consultation records, attendance logs, and annual advisory documentation to assess implementation of farmer capacity-building activities and technical support measures. The assessment confirmed that Carbonsafe JSC implements a structured training programme consisting of regular online training sessions, annual in-person trainings, continuous agronomic consultations, and individualized technical support provided by project agronomists and, where necessary, external experts /170/171/172/173/174/175/196/208/.

The training and advisory programme covers regenerative agricultural practices, soil carbon management, crop rotation planning, fertilizer optimization, tillage reduction, microbial fertilizer application, cover crop management, monitoring and reporting obligations, carbon credit fundamentals, data submission procedures, and risk prevention measures. Annual agronomic recommendations were issued for the 2023–2024 and 2024–2025 agricultural seasons and were tailored to local agronomic conditions and plot-specific soil characteristics /15/21/25/28/35/41/50/60/71/82/92/196/. The verification team reviewed consultation records and confirmed that Carbonsafe agronomists conducted on-site visits, technical consultations, remote support activities, and ongoing monitoring support throughout the reporting period. Participating farmers further confirmed during interviews that these consultations contributed positively to improved understanding of regenerative agriculture practices, monitoring procedures, and long-term soil management strategies. Based on the evidence reviewed, the validation and verification teams concluded that the training and capacity-building framework is comprehensive and provides participating farmers with adequate technical support to effectively implement and sustain project activities /170/171/172/173/174/175/196/208/.

Auditor Assessment's Farmer Consultations and Agronomic Support

Date / Period	Location / Format	Target Group	Topic Purpose	Auditor Verification Assessment
29/04/2024; 01/05/2025	PR0103 Individual Strategies; Annex I documentation	APLEND BULGAR IA EOOD	Individual strategy implementation and regenerative agriculture principles; plot performance and nutrient efficiency recommendations.	Verified through PR0103 Individual Strategies, agronomic recommendation records, and participant monitoring documentation /13/14/15/16/17/18/19/20/21/22/23/24/25/.

29/04/2024; 01/05/2025	PR0103 Individual Strategies; Annex I documentation	SEKAPP BULGAR IA EOOD	Individual strategy implementation and agronomic nutrient management support.	Verified through agronomic recommendations, PR0103 records, and monitoring reports /26/27/28/29/30/31/32/33/34/35/.
18/10/2023; 29/11/2024	PR0103 Individual Strategies; Annex I documentation	ZK BEZMER	Regenerative agriculture principles and plot nutrient efficiency optimization.	Verified through participant strategy documents and agronomic recommendation records /36/37/38/39/40/41/42/43/44/45/.
06/03/2024; 17/03/2025	PR0103 Individual Strategies; Annex I documentation	APIS AGRO 98 OOD	Organic farming optimization, reduced tillage, and nutrient efficiency evaluation.	Verified through agronomic recommendation files, monitoring records, and on-site visit documentation /47/48/49/50/51/52/53/54/55/56/.
14/02/2024; 01/04/2025	PR0103 Individual Strategies; Annex I documentation	MAPI 96 EOOD	Regenerative agriculture implementation and soil fertility management.	Verified through PR0103 documentation and agronomic recommendation records 57/58/59/60/61/62/63/64/65/66/.
15/03/2024; 01/04/2025	PR0103 Individual Strategies; Annex I documentation	ET TIASO-DOBRO MIR VALCHEV	Reduced tillage, diversification, and nutrient management consultations.	Verified through technological maps, agronomic records, and consultation documentation 68/69/70/71/72/73/74/75/76/77/.
29/03/2024; 01/05/2025	PR0103 Individual Strategies; Annex I documentation	ET RUMEN NATSEV	Implementation of regenerative agriculture measures and plot-level	Verified through participant strategy records and agronomic recommendation documentation 89/90/91/92/93/94/95/96/97/98/.

			agronomic support.	
15/03/2024; 01/05/2025	PR0103 Individual Strategies; Annex I documentation	NATSEVI 2019 OOD	Crop rotation management, reduced tillage, and nutrient efficiency consultations.	Verified through agronomic recommendations, PR0103 records, and monitoring evidence 79/80/81/82/83/84/85/86/87/88/.

11.3 Farmer Consultations and Monitoring Visits

The validation and verification teams reviewed structured farmer consultation records, agronomic advisory reports, monitoring inspection reports, photographic evidence, and field observation records generated during the monitoring period. The assessment confirmed that consultations were systematically conducted for all participating entities, including Aplend Bulgaria EOOD, Sekapp Bulgaria EOOD, ZK Bezmer, Apis Agro 98 OOD, Mapi 96 EOOD, ET Tiaso-Dobromir Valchev, ET Rumen Natsev, and Natsevi 2019 OOD. Consultation activities included discussion of regenerative agriculture principles, plot performance evaluation, nutrient efficiency optimization, implementation of Individual Strategies, and adaptation of agronomic practices to local climatic and operational conditions /15/21/25/28/35/41/50/60/71/82/92/178/196/.

The verification team additionally reviewed monitoring inspection reports and confirmed that all participating farms received field inspections aimed at verifying implementation of recommended regenerative practices, evaluating field conditions relevant to soil carbon sequestration, and identifying opportunities for continuous improvement. Inspection reports documented observations relating to tillage intensity, residue management, crop cover, microbial fertilizer use, and maintenance of soil protection measures. Corrective recommendations were issued where appropriate. For example, Sekapp Bulgaria EOOD received recommendations to reduce intensive tillage practices, increase residue retention, and improve maintenance of continuous soil cover following identification of deviations from prescribed regenerative practices. Other participating farms generally demonstrated satisfactory implementation of recommended practices, with advisory recommendations focused primarily on optimization of biological soil management approaches and maintenance of continuous crop cover. Based on the inspection reports, field observations, and farmer interviews reviewed, the validation and verification teams concluded that the consultation and monitoring visit framework was effectively implemented and provided a robust mechanism for technical oversight, stakeholder support, and continuous improvement /178/196/208/.

Auditor's Assessment of on-Site Inspections Conducted

Date	Participant	Purpose of Visit	Key Findings	Corrective Action	Evidence Reference	Auditor Assessment
24.01.2025	Aplend / Agro Kim (GF)	Assessment of actual field conditions and implementation of project practices.	Farm implements minimal tillage, strip-till, and microbial fertilizers in line with individual strategy.	Recommendation to introduce annual cover crops for continuous soil cover.	Monitoring report, photos, software records.	Verified through on-site monitoring reports and agronomic documentation. /178/208/
24.01.2025	Sekapp Bulgaria	Assessment of actual field conditions and implementation of project practices.	Plowing and insufficient ground cover identified; only partial implementation of recommended practices.	Increase plant residues, reduce intensive tillage, establish year-round soil cover.	Monitoring report, photos, software records.	Verified deviation from recommended practices. Corrective agronomic recommendations issued. /178/208/
14.10.2024	ZK Bezmer	Assessment of actual field conditions and implementation of project practices.	Farm applies minimal tillage and strip-till technology.	Recommendations for year-round soil cover and transition toward organic fertilizers.	Monitoring report, photos, software records.	Verified implementation of reduced tillage practices and continued agronomic support./208/
29.11.2024	Apis Agro 98 OOD	Assessment of organic lavender production practices.	Certified organic methods and minimal tillage implemented with residue management.	None required.	Monitoring report, photos, software records.	Verified through on-site observations and organic management documentation. /208/
29.11.2024	Mapi 96 EOOD	Assessment of organic lavender production practices.	Organic farming practices observed with minimal tillage and mulch retention.	None required.	Monitoring report, photos, software records.	Verified through monitoring documentation and field inspection records. /208/

17.12.2024	ET Tiasso-Dobromir Valtchev	Assessment of implementation of regenerative agricultural practices.	Reduced tillage and microbial fertilizer application confirmed.	Recommendation to maintain year-round soil cover.	Monitoring report, photos, software records.	Verified implementation of regenerative practices and advisory support. /208/
13.01.2025	ET Rumen Natsev	Assessment of actual field conditions and implementation of project practices.	Farm follows individual strategy with reduced tillage and microbial fertilizers.	Recommendation to establish annual cover crops.	Monitoring report, photos, software records.	Verified through field inspection records and agronomic recommendations. /208/
13.01.2025	Natsevi 2019 OOD	Assessment of actual field conditions and implementation of project practices.	Farm follows individual strategy with reduced tillage and microbial fertilizers.	Recommendation to establish annual cover crops.	Monitoring report, photos, software records.	Verified through monitoring reports and implementation evidence. /208/

11.4 Communication and Transparency

The validation and verification teams reviewed the communication framework implemented by Carbonsafe JSC, including operation of the ISACO2 platform, public disclosure procedures, direct communication channels, stakeholder notification procedures, and registry transparency mechanisms. The assessment confirmed that participating farmers were provided access to the ISACO2 platform through which monitoring data, sampling results, and performance indicators were made available in near real-time, thereby supporting transparency and informed participation in the project /147/191/209/.

Internal communication with participating farmers was conducted through digital platform notifications, email correspondence, telephone consultations, field visits, and direct agronomic consultations. External communication and public disclosure activities were maintained through the official Carbonsafe website, which publicly disclosed non-confidential project information including Project Design Documents, governance procedures, grievance mechanisms, stakeholder engagement policies, and registry information. The verification team additionally reviewed municipal notifications and regulatory engagement records and confirmed that relevant municipalities and local authorities were formally informed regarding project implementation activities and public disclosure periods. The assessment further confirmed that the Ministry of Environment and Water determined that implementation of the project did not require a formal environmental impact assessment under applicable Bulgarian legislation /197/. Based on the evidence reviewed, the validation and verification teams concluded that the project's communication and transparency framework was implemented consistently with BCCS stakeholder

engagement requirements and supported transparent stakeholder participation throughout the monitoring period /147/162/163/164/165/166/167/203/204/209.

11.5 Grievances and Complaints

The validation and verification teams reviewed the project grievance mechanism, stakeholder communication procedures, grievance registers, complaint resolution procedures, and stakeholder engagement records to assess implementation and effectiveness of the project's grievance management framework. The assessment confirmed that Carbonsafe JSC maintains a formal grievance mechanism through which stakeholders, including participating farmers, landholders, local communities, and other interested parties, may submit grievances relating to project implementation, contractual obligations, environmental concerns, or social impacts through email communication, website-based feedback channels, postal correspondence, or direct consultations /162/203/204/.

The grievance framework includes documented procedures for registration, acknowledgment, assessment, investigation, corrective action, escalation, and closure of grievances. The verification team reviewed grievance registers and confirmed that no formal grievances or complaints were received during the monitoring period. Informal feedback received during routine consultations and field visits related primarily to agronomic optimization and operational support matters and was addressed through ongoing advisory activities and technical consultations /168/169/170/171/178/208/. Based on the procedures and records reviewed, the validation and verification teams concluded that the grievance mechanism remained operational, transparent, accessible, and consistent with BCCS stakeholder engagement and safeguard requirements /162/203/204/.

11.6 No Displacement Declaration

The validation and verification teams reviewed the No Displacement Declaration, land tenure due diligence procedures, participation requirements, stakeholder safeguard provisions, and land-use documentation to assess whether project implementation could result in physical or economic displacement of individuals or communities. The assessment confirmed that participation in the project is voluntary and restricted to farmers and landholders possessing verified and uncontested legal rights over enrolled agricultural land parcels. The project does not involve land acquisition, compulsory leasing, physical relocation, or restrictions on access to communal or customary resources.

The validation and verification teams additionally reviewed stakeholder engagement records, GIS boundary analyses, leakage assessments, and field observations and confirmed that project activities were implemented exclusively on existing croplands without evidence of physical displacement, economic displacement, land appropriation, or restrictions on community access to land or resources /125/131/132/133/134/145/158/159/194/205/208/. The assessment further confirmed that the project is designed to improve rather than reduce farm productivity and economic resilience through soil health improvements, agronomic support, and supplementary carbon credit revenues. Based on the evidence reviewed, the validation and verification teams concluded that the project is not expected to cause physical or economic displacement and that adequate safeguards are implemented to protect land rights, livelihoods, and community well-being /125/145/158/159/162/203/204/205/208/.

11.7 Stakeholder Inclusiveness

The validation and verification teams reviewed participation records, consultation activities, contractual arrangements, and stakeholder engagement procedures to assess inclusiveness and fairness of stakeholder participation within the project. The assessment confirmed that participation remained open to eligible farms throughout North Bulgaria that satisfied project eligibility criteria /145/162/. The project includes participation from small- and medium-scale farms as well as larger agricultural enterprises, thereby supporting a balanced and inclusive project structure.

Interviews conducted during site visits confirmed that participation was voluntary and based on transparent contractual arrangements and that participating farmers received equal access to monitoring services, agronomic recommendations, technical consultations, and carbon credit-related information regardless of farm size or operational structure. Based on the evidence reviewed, the validation and verification teams concluded that the stakeholder engagement framework demonstrates effective communication, active farmer participation, inclusive stakeholder representation, and responsive project management practices consistent with the requirements of the BCCS, BCCR, and approved methodology /162/168/169/170/171/172/173/174/175/203/204/208/..

Based on the review of the Project Design Document, Monitoring Report, stakeholder engagement policies, participation agreements, training records, consultation documentation, grievance procedures, monitoring visit reports, public disclosure evidence, and interviews conducted with participating farmers and project representatives, the validation and verification teams concluded that the stakeholder engagement framework for the Carbonsafe Carbon Farming Project – North Bulgaria has been implemented transparently, effectively, and consistently with the validated Project Design Document, approved methodology, Balkan Carbon Credit Standard (BCCS), and Balkan Carbon Credit Registry (BCCR). The assessment confirmed active farmer participation, effective communication mechanisms, accessible grievance procedures, comprehensive training and capacity-building support, and robust safeguards protecting land rights and community interests, all supported by sufficient and appropriate evidence

12.0 QA/QC and Data Management

12.1 QA/QC and Data Management Overview

The verification team reviewed the Monitoring Report (MR), MRV Protocols, QA/QC procedures, laboratory documentation, ISACO2 platform records, data retention procedures, and calculation files to assess the adequacy and implementation of the project's Quality Assurance and Quality Control (QA/QC) and data management framework. The assessment confirmed that the project applied a structured and traceable QA/QC system designed to ensure transparency, consistency, reliability, and verification readiness of all monitoring data used for greenhouse gas quantification.

The verification included assessment of field sampling controls, laboratory quality assurance procedures, calculation review workflows, database traceability systems, document retention procedures, corrective action mechanisms, and governance controls. Based on the evidence reviewed, the verification team concluded that the QA/QC framework was implemented

consistently during the monitoring period and fulfilled the requirements of the approved CSBG-AGRI methodology, the validated Project Design Document (PDD), and the Balkan Carbon Credit Standard (BCCS) /183/184/185/186/187/188/189/190/191/198/199/200/207/.

12.1.1 Field Data QA/QC

The verification team reviewed field sampling protocols, geo-referencing procedures, ISACO2 records, GPS traces, and monitoring reports to assess the quality control measures applied during field data collection activities.

The assessment confirmed that all sampling teams followed standardized procedures established within the MRV Protocol and approved methodology, including the collection of 25 stiches per sampling depth for each monitoring cell. Geo-referenced sampling traces and GPS coordinates were uploaded into the ISACO2 platform and cross-checked against cadastral boundaries and GIS records to confirm spatial consistency and prevent overlap or duplication of project areas.

The verification team further reviewed the project's field QA/QC control framework, including verification of land eligibility, sampling trace validation, error checking procedures, and consistency checks performed during each sampling campaign. Monitoring records and archived reports confirmed that field QA/QC reviews were periodically conducted by the MRV team and integrated into the project's monitoring governance system /178/183/184/185/186/187/188/189/190/191/.

12.1.2 Geo-Referencing and Sampling Controls

The verification team reviewed GeoJSON files, GPS trace records, monitoring cell identifiers, and sampling reports generated within the ISACO2 ERP system to verify implementation of geo-referencing controls.

The assessment confirmed that each monitoring plot was assigned a unique identifier and linked to geo-referenced sampling traces, laboratory records, and project calculations /120/121/122/158/159/183/184/185/186/187/188/189/190/191/. Cross-checking procedures were implemented to ensure that enrolled plots remained within validated project boundaries and that overlapping or ineligible parcels were excluded from monitoring and carbon accounting /145/158/159/200/.

Error-checking procedures addressing potential data loss resulting from internet outages, power interruptions, or technical failures were also reviewed during the assessment. The verification team confirmed that contingency controls and backup procedures were operational throughout the monitoring period.

12.2 Laboratory and Third-Party Quality Control

The verification team reviewed laboratory accreditation certificates, analytical protocols, sample custody records, and laboratory reports to assess implementation of laboratory QA/QC procedures.

The assessment confirmed that all soil samples were analyzed by independent accredited laboratories operating under ISO/IEC 17025 standards using the dry combustion method for Soil Organic Carbon (SOC) determination. Each soil sample was assigned a barcode identifier linking

field collection, transportation, laboratory processing, and data integration within the ISACO2 system.

The verification team reviewed supporting evidence including valid laboratory accreditation certificates, chain-of-custody records, analytical reports, and archived laboratory documentation. Based on the evidence reviewed, the verification team concluded that laboratory QA/QC controls provided appropriate assurance regarding the accuracy, consistency, and traceability of analytical results used within project calculations /3/103/104/120/121/122/207/.

12.2.1 Chain-of-Custody and Traceability

The verification team reviewed sample tracking procedures and chain-of-custody controls implemented from field collection through laboratory processing and data entry.

The assessment confirmed that barcode-based traceability systems linked each soil sample to the corresponding monitoring cell, sampling team, GPS trace, and laboratory analysis result. Chain-of-custody records were archived within the ISACO2 platform and remained fully traceable during the verification assessment.

The verification team concluded that the chain-of-custody framework provided robust controls against sample misidentification, data substitution, or loss of traceability during monitoring operations /120/121/122/183/184/185/186/187/188/189/190/191/.

12.3 Data Processing and Calculation QA/QC

The verification team reviewed the internal data validation workflow, calculation review procedures, version control systems, and governance arrangements implemented within the ISACO2 platform and associated MRV procedures.

The assessment confirmed that laboratory results and monitoring data were entered into the ISACO2 system and linked to parcel identifiers, project boundaries, and monitoring records. Agronomic teams reviewed SOC results and associated field information for plausibility, consistency, and alignment with observed site conditions prior to aggregation and reporting.

Administrative and IMS functions subsequently performed cross-checks between source documentation, laboratory protocols, and calculation records. The verification team reviewed evidence of internal review workflows, calculation verification, and approval procedures and confirmed that responsibilities were appropriately separated between agronomic, administrative, and management functions to avoid single-point control over issuance-relevant data.

Final monitoring results were reviewed and approved by the Executive Director prior to inclusion within the Monitoring Report. The verification team concluded that the project's internal governance framework provided an appropriate level of assurance regarding the integrity and consistency of project calculations /183/184/185/186/187/188/189/190/191/192/193/194/195/.

12.3.1 Version Control and System Governance

The verification team reviewed document management procedures, system controls, and version tracking mechanisms implemented within the ISACO2 platform and associated internal registries.

The assessment confirmed that all project data and monitoring records were maintained within controlled systems with version histories, timestamping, and restricted access permissions. The system architecture prevented unauthorized modification of issuance-relevant data and maintained traceability between source records, calculations, and reporting outputs.

Based on review of system procedures and archived records, the verification team concluded that the data governance and version control framework was implemented effectively during the monitoring period /155/183/184/185/186/187/188/189/190/191/.

12.4 Data Archiving and Retention

The verification team reviewed the Data Retention Policy, backup procedures, digital archiving systems, and storage controls associated with project documentation and monitoring data.

The assessment confirmed that all key project documentation, including the Project Design Document (PDD), Monitoring Reports (MRs), verification reports, soil sampling records, laboratory analyses, activity data, calculation files, and issuance records, were digitally archived within controlled server environments for a minimum retention period of 40 years /1/2/155/183/184/185/186/187/188/189/190/191/.

Data were stored within an MS SQL database environment hosted on internal servers with restricted access controls and automated backup procedures, including weekly full backups and daily differential backups. The verification team reviewed evidence of backup logs, server controls, and retention procedures and confirmed that the project maintained appropriate safeguards for long-term preservation and accessibility of monitoring records.

12.4.1 Traceability and Auditability

The verification team reviewed traceability controls linking field data, laboratory analyses, agronomic recommendations, monitoring reports, and issuance calculations.

The assessment confirmed that all datasets were timestamped, version-controlled, and linked through unique identifiers within the ISACO2 platform, enabling full traceability from field sampling to final Monitoring Report aggregation. Monitoring data and supporting evidence were also made available to participating farmers and the Validation and Verification Body (VVB) during the audit process.

The verification team concluded that the project maintained a transparent and auditable data management system consistent with BCCS and BCCR requirements /178/208/.

12.5 Corrective Actions and Continuous Improvement

The verification team reviewed records relating to corrective actions, Requests for Corrective Action, Requests for Improvement, and internal QA/QC reviews implemented during the monitoring period /198/199/200/.

The assessment confirmed that identified issues were formally documented, classified according to materiality, and addressed through corrective measures including data correction, recalculation, implementation of additional controls, and procedural improvements. Evidence reviewed included implementation of the Stakeholder Engagement Policy, Leakage Framework, N₂O emissions

calculations, Correction Mechanism Policy, Remote Sensing framework, Farmer Training Policy, Data Retention Policy, and uncertainty quantification procedures /131/132/133/134/149/155/162/172/177/193/194/195/198/199/.

The verification team also reviewed corrective measures relating to bulk density measurement improvements, issuance policy revisions, and correction of topological GIS errors identified during internal reviews. All corrective actions were documented, approved within the project governance framework, and archived for auditability.

Based on the evidence reviewed, the verification team concluded that the project maintained an effective continuous improvement process integrated within the QA/QC framework.

Based on the review of MRV procedures, field QA/QC records, laboratory documentation, ISACO2 system controls, calculation workflows, archiving procedures, and corrective action records, the verification team concludes that the QA/QC and data management framework of the Carbonsafe Carbon Farming Project – North Bulgaria was implemented in accordance with the approved methodology, validated Project Design Document, and the requirements of the Balkan Carbon Credit Standard (BCCS) and Balkan Carbon Credit Registry (BCCR) /1/2/4/5/6/7/207/209/. The monitoring data, calculation systems, and record management procedures were found to be transparent, traceable, conservative, and supported by sufficient and appropriate evidence.

13.0 Registration, Validation, Verification and Verification Readiness

The validation and verification teams jointly reviewed Section 12 of the Project Design Document (PDD), Monitoring Report (MR), Monitoring, Reporting and Verification (MRV) procedures, registry procedures, issuance policies, ISACO2 platform records, laboratory documentation, project archives, and supporting evidence to assess whether the project has established an effective framework for registration, validation, verification, issuance, and long-term verification readiness consistent with the requirements of the Balkan Carbon Credit Standard (BCCS), Balkan Carbon Credit Registry (BCCR), and the approved methodology /1/2/4/5/6/7/147/183/ 184/185/186/187/188/189/190/191/209/. The assessment activities included document review, independent recalculation of monitoring results, review of system traceability functions, interviews with project personnel and participating farmers, and evaluation of evidence management procedures and registry alignment controls. Based on the evidence reviewed, the validation and verification teams confirmed that the project has established a comprehensive, transparent, and auditable framework supporting high-integrity carbon credit issuance and independent third-party verification /4/5/6/7/147/191/209/.

13.1 Registry Framework

The validation and verification teams reviewed the registry procedures, issuance policies, registry integration controls, and associated contractual provisions to assess whether the project has established an appropriate registry framework for issuance, transfer, retirement, and traceability of carbon credits /135/140/147/152/209/. The assessment confirmed that all verified carbon credits generated under the project are issued and tracked through the Balkan Carbon Credit Registry (BCCR), which serves as the official registry and accounting system for the project. Each

issued carbon credit is assigned a unique serialized identifier linked to the specific participating farm, enrolled parcels, monitoring period, methodology version, and associated verification report, thereby ensuring full traceability and preventing duplicate issuance or unauthorized reuse of credits.

The validation and verification teams additionally reviewed the project's registry access arrangements and stakeholder reporting procedures. Although registry accounts are administratively managed by Carbonsafe JSC, participating farmers receive periodic reports detailing credits generated from their enrolled lands, applicable deductions, reserve allocations, and associated revenue distributions. Buyers receive registry retirement certificates confirming that retired credits cannot be transferred, reused, or claimed again. The verification team further confirmed that participating farms and monitoring plots are fully digitized and geo-referenced within the ISACO2 platform and cross-checked against cadastral records in accordance with BCCR transparency requirements /145/158/159/183/184/185/186/187/188/189/190/191/. Based on the evidence reviewed, the validation and verification teams concluded that the registry arrangements are transparent, traceable, auditable, and fully consistent with BCCR and BCCS requirements.

13.2 Validation Framework

The validation and verification teams reviewed the project's validation framework and associated validation procedures to assess whether the project design, additionality demonstration, monitoring plan, safeguards, and governance arrangements were subject to appropriate ex-ante assessment. The assessment confirmed that the project undergoes independent validation by an accredited Validation and Verification Body (VVB) prior to issuance of any carbon credits. The purpose of validation is to evaluate conformity of the project design and implementation framework with the requirements of the Balkan Carbon Credit Standard and the approved methodology before greenhouse gas removals become eligible for issuance.

The evidence reviewed during validation included the PDD, methodology applicability assessment, GIS records, land tenure documentation, sampling protocols, laboratory procedures, participation agreements, stakeholder engagement documentation, and environmental and social safeguard procedures /1/7/103/104/145/158/159/162/203/204/205/207/. These records were cross-checked through interviews with project management, technical personnel, agronomic staff, and participating farmers together with field inspections conducted at representative participating farms /178/208/. Any identified non-conformities were documented through Clarification Requests (CLs) and resolved prior to issuance of the final validation opinion (Appendix 3). Based on the procedures and supporting evidence reviewed, the validation and verification teams concluded that the project has established appropriate institutional, operational, and technical controls necessary to generate real, measurable, additional, and verifiable greenhouse gas removals.

13.3 Verification Framework

The validation and verification teams reviewed the project's verification procedures, monitoring documentation, calculation protocols, sampling records, laboratory evidence, safeguard monitoring procedures, and associated verification controls to assess whether ongoing project performance can be independently verified with a high level of assurance. The assessment

confirmed that verification is conducted ex post for each monitoring period by an independent accredited Validation and Verification Body in accordance with the requirements of the BCCS and the approved methodology. Verification activities include assessment of the Monitoring Report and supporting evidence including farmer practice records, geospatial datasets, soil sampling logs, chain-of-custody documentation, laboratory analyses, calculation files, and safeguard monitoring records /2/103/104/120/121/122/149/178/192/193/194/195/208/.

The verification process includes risk-based sampling of participating farms and monitoring plots, on-site inspections, farmer interviews, cross-checking of digital monitoring records against source documents, and independent recalculation of greenhouse gas removals and associated deductions. Material findings identified during verification are addressed through Clarification Requests (CLs) and Corrective Action Requests (CARs) prior to issuance of a positive verification opinion (Appendix 4). The verification team further confirmed that all required supporting records, including geo-referenced sampling data, laboratory analyses, monitoring reports, calculation sheets, agronomic documentation, and safeguard evidence, were compiled, archived, and made accessible for independent review throughout the verification process. Based on the evidence reviewed, the validation and verification teams concluded that the verification procedures are sufficiently rigorous, transparent, and conservative to provide a high level of assurance regarding the accuracy and integrity of reported greenhouse gas removals.

13.4 Verification Readiness

The validation and verification teams reviewed the project's verification readiness framework, evidence inventory, digital archive systems, ISACO2 platform architecture, and supporting governance arrangements to assess preparedness for independent third-party verification activities. The assessment confirmed that the project maintains a comprehensive and organized evidence framework supporting efficient verification of greenhouse gas removals and implementation activities throughout the monitoring cycle /183/184/185/186/187/188/189/190/191/209/.

The evidence inventory reviewed by the verification team included soil sampling logs, GPS traces, photographic evidence, barcode-based chain-of-custody documentation, laboratory certificates, bulk density measurement records, fuel consumption references, emission reduction calculation sheets, annual farm reports, technological maps, Individual Strategies (PR0103), agronomic recommendations, monitoring reports from on-the-spot inspections (PR0107), annual periodic reports (PR0211), and safeguard monitoring documentation. Supporting evidence was maintained digitally and remained accessible throughout the verification process through the ISACO2 platform and associated project archives. All five MR annexes (Annex I: Detailed data tables; Annex II: Maps and coordinates; Annex III: Laboratory reports; Annex IV: Safeguards and stakeholder evidence; Annex V: Other supporting documentation) were verified as available and complete. [MR Sec. 12; MR Table 18] 3/120/121/122/158/159/. During site visits, sampled records were cross-checked against field conditions, farmer interviews, monitoring datasets, and calculation files. Based on the evidence reviewed, the validation and verification teams concluded that the site-level and centralized documentation systems provide sufficient and traceable evidence to support verification of project implementation and greenhouse gas accounting results.

The validation and verification teams additionally reviewed the ISACO2 platform architecture, traceability systems, access controls, and system governance arrangements to assess digital

verification readiness and integrity of the MRV data management framework. The assessment confirmed that all monitoring, laboratory, sampling, and calculation data are integrated within the ISACO2 platform using cross-referenced identifiers linking plots, samples, laboratory analyses, and greenhouse gas calculations. The platform operates under a role-based access control structure restricting data modification rights according to defined user responsibilities. The verification team reviewed system logs, timestamp records, document traceability functions, and audit trails and confirmed that system activities, including data entry, uploads, modifications, and approvals, are auditable, reproducible, and traceable. The assessment further confirmed that the project's monitoring data structure is aligned with BCCR registry requirements and supports transparent issuance tracking and registry integration /3/120/121/122/158/159/178/183/184/185/186/187/188/189/190/191/208/.

13.5 Issuance Model

The validation and verification teams reviewed the project's issuance framework, carbon accounting procedures, deduction mechanisms, and staged issuance controls to assess consistency with recognized good practice for voluntary carbon markets and the approved methodology. The assessment confirmed that the project applies a strictly ex-post issuance model under which carbon credits are generated only after greenhouse gas removals have been physically measured, independently verified, and formally approved for issuance. This issuance approach ensures that each issued unit represents a real, quantified, and verified climate benefit that has already occurred.

The assessment further confirmed that all issued credits remain fully traceable to individual farms, monitoring plots, and monitoring periods through the ISACO2 platform and Balkan Carbon Credit Registry. Prior to issuance, deductions are applied for uncertainty, project emissions, reserve allocations, and the project-wide buffer pool in accordance with the approved methodology and BCCR requirements. Participating farmers receive statements indicating the number of credits generated from their enrolled land together with corresponding deductions and revenue allocations. Based on the evidence reviewed, the validation and verification teams concluded that the issuance model is conservative, transparent, and consistent with internationally recognized principles governing environmental integrity and traceability within voluntary carbon markets /135/140/147/150/152/176/192/193/194/209/.

13.6 Double Counting and Double Claim Prevention

The validation and verification teams reviewed the project's legal, operational, geospatial, and registry-based controls established to prevent double issuance, double counting, and double claiming of carbon credits. The assessment confirmed that the project applies exclusive participation agreements, geo-referenced delineation of all enrolled plots, unique project identifiers, version-controlled monitoring systems, registry serialization procedures, and registry retirement requirements designed to ensure uniqueness and integrity of issued credits. Participating farmers are additionally required to declare that enrolled lands and associated carbon benefits are not registered under any other greenhouse gas programme or environmental crediting mechanism /205/.

The validation and verification teams further confirmed that buyer claims are governed by registry rules requiring retirement of credits prior to use of any offset claim. Retired serial numbers cannot

subsequently be transferred, reused, or claimed again /147/209/. Contractual remedies and registry controls are additionally established to address intentional misuse or duplicate claims where applicable. Based on the registry controls, contractual arrangements, monitoring systems, and geospatial procedures reviewed, the validation and verification teams concluded that the project has implemented robust safeguards sufficient to prevent double issuance, duplicate claiming, and unauthorized reuse of carbon credits and to ensure that each issued credit remains unique, traceable, and used only once /140/145/147/150/152/158/159/209/.

13.7 Updates to the MRV Framework

The validation and verification teams reviewed updates implemented within the project's Monitoring, Reporting and Verification (MRV) framework during the reporting period, including migration activities associated with implementation of a specialized software environment initiated during 2025 /139/. The assessment confirmed that the migration process related exclusively to improvements in data management, system integration, digital traceability, and operational efficiency and did not alter the approved quantification methodology, greenhouse gas accounting logic, emission factors, or calculation procedures defined within the validated PDD and approved methodology. The migration was limited to the ISACO2 ERP platform and covered transfer of agronomic recommendation data and laboratory result records. Deviation protocols were prepared for any discrepancies identified and are archived in the evidence package. [MR Sec. 10.4] 139/183/184/185/186/187/188/189/190/191/

The verification team reviewed migration controls, deviation management procedures, internal review records, and system testing documentation and confirmed that no material deviations affecting integrity, reproducibility, transparency, or conservativeness of monitoring results were identified during the migration process. Any discrepancies identified during migration activities were subject to documented deviation protocols, internal review procedures, and corrective action controls. Based on the evidence reviewed, the validation and verification teams concluded that the software migration constituted a non-material MRV update that remained fully consistent with the approved monitoring framework and BCCS requirements.

13.8 Consistency with Methodology and PDD

The validation and verification teams reviewed monitoring activities, greenhouse gas calculations, uncertainty deductions, reserve allocations, issuance controls, and monitoring records to assess consistency between project implementation, the approved CSBG-AGRI methodology Version 3.1/22.08.2025, and the validated Project Design Document. The assessment confirmed that monitoring activities and greenhouse gas accounting procedures were implemented consistently with the approved methodology and that conservative accounting controls, including uncertainty deductions, reserve allocations, staged issuance provisions, and project-wide buffer deductions, were transparently documented and correctly reflected within project calculations.

The verification team independently recalculated selected monitoring samples and cross-checked monitoring records against calculation spreadsheets, laboratory analyses, GeoJSON datasets, and source documentation and confirmed consistency between reported results and supporting evidence /103/104/120/121/122/158/159/177/192/193/194/195/. Based on the evidence reviewed, the validation and verification teams concluded that the project implementation, monitoring framework, issuance controls, and greenhouse gas accounting procedures remain fully

consistent with the approved methodology, validated PDD, BCCS requirements, and BCCR registry procedures.

Based on the review of the Project Design Document, Monitoring Report, registry procedures, verification protocols, ISACO2 platform records, monitoring files, archive systems, issuance controls, and supporting evidence, the validation and verification teams concluded that the Carbonsafe Carbon Farming Project – North Bulgaria has established a comprehensive and transparent framework for registration, validation, verification, verification readiness, and carbon credit issuance. The assessment confirmed implementation of a conservative ex-post issuance model, robust traceability systems, effective registry integration, transparent governance controls, and comprehensive safeguards preventing double counting and double claiming. Accordingly, the validation and verification teams concluded that the project’s registration, verification readiness, and issuance framework are fully consistent with the requirements of the Balkan Carbon Credit Standard (BCCS), Balkan Carbon Credit Registry (BCCR), approved methodology, and validated Project Design Document and provide a robust basis for issuance of high-integrity carbon credits supported by sufficient and appropriate evidence.

14.0 Grouped Structure Details

14.1 Sub-project Definition

The validation team reviewed Section 13 of the Project Design Document (PDD), sample participation agreements, the sub-project register, GIS records, and MRV procedures to assess whether the grouped project structure is clearly defined and consistent with the requirements of the Balkan Carbon Credit Standard (BCCS), the Balkan Carbon Credit Registry (BCCR), and the approved methodology. The review confirmed that the Carbonsafe Carbon Farming Project – North Bulgaria is structured as a grouped project in which each participating farm constitutes a separate sub-project, also referred to as a project participant. Each sub-project is the smallest accountable unit for eligibility assessment, baseline establishment, monitoring, verification, and attribution of carbon credits.

Each sub-project consists of one or more clearly delineated agricultural parcels under the legal control of a farmer, tenant, or group of farmers operating under a valid contractual arrangement with Carbonsafe JSC. Every enrolled parcel is assigned a unique identifier and linked to the participant’s legal identity, cadastral references, and monitoring records /145/158/159/182/. The validation team reviewed sample farm records, contracts, and GIS shapefiles and confirmed that the project maintains full traceability from individual plots to sub-projects and ultimately to project-level credit issuance.

The PDD allows small landholders to participate through grouped contractual arrangements. Where farmers combine only to meet minimum area thresholds, each farmer remains separately registered in the MRV system and receives individual recommendations, carbon certificates, and invoicing /139/. Where land is actively exchanged among farmers, such as for crop rotation, one designated Lead Farmer may act as the principal contracting party and receive consolidated recommendations and reporting on behalf of the group. The validation team reviewed these arrangements and confirmed that the legal responsibilities, monitoring obligations, and benefit-sharing provisions remain clearly defined.

Each sub-project must satisfy the same eligibility, additionality, and safeguard requirements as the original participants. Participating farmers are responsible for maintaining field records, facilitating soil sampling, and complying with all monitoring and verification requirements. The project maintains a sub-project register containing unique identifiers, contract status, parcel inventories, and verification histories, enabling cross-checks against issued and retired credits. Based on the evidence reviewed, the validation team concluded that the grouped structure is transparent, scalable, and fully consistent with the accounting and governance principles of the BCCS and BCCR /145/158/159/182/.

14.2 Addition of New Participants

The validation team reviewed the procedures governing the inclusion of new participants after project registration. The PDD states that new farmers and parcels may be added to the grouped project provided they meet the same eligibility criteria, land tenure requirements, additionality tests, and safeguard conditions applied to all existing participants /1/145/182/. Baseline establishment for new entrants is carried out through historical management review and geo-referenced soil sampling at the time of enrolment /09/10/11/137/182/. No new participants were added outside the validated project boundary during the current monitoring period. Area changes for Aplend Bulgaria EOOD/Agro Kim Bulgaria EOOD (from 761.28 ha to 707.24 ha) and Natsevi 2019 OOD (from 159.72 ha to 158.12 ha) were due to lost legal rights for certain plots; these changes are non-material and comply with PDD Sections 5.1.1 and 8.3.3. SOC gains attributable to excluded parcels are not credited [MR Sec. 2.4.1; MR Sec. 2.4.8] /2/106/110/145/151/161/181/.

The validation team confirmed that the onboarding procedures are standardized and integrated into the project's MRV system. The addition of new participants does not require full revalidation of the entire project, provided the new entrants fall within the validated project boundary and do not introduce material changes to the methodology, geographic scope, or risk profile. Where significant changes occur, targeted review by the Validation and Verification Body (VVB) is required before credits from the new participants may be issued. Based on the evidence reviewed, the validation team concluded that the procedures for adding new participants are conservative and maintain the integrity of the grouped project.

14.3 PDD Amendment Rules

The validation team reviewed the Project Design Document amendment procedures and confirmed that Carbonsafe JSC has established formal controls to manage changes to the project design. Amendments are classified as material, substantive but non-material, or minor editorial changes, depending on their potential impact on project boundaries, eligibility rules, quantification methods, safeguards, or credit issuance outcomes.

Material amendments require prior review by the Validation and Verification Body and, where applicable, revalidation before implementation. Substantive but non-material changes are documented in formal amendment memoranda and reviewed during the subsequent verification cycle. Minor editorial changes are recorded internally and disclosed in project reporting. The amendment process includes initiation, technical screening, stakeholder consultation where relevant, VVB review, management approval, and registry updates.

The validation team reviewed the documented workflow and change-control responsibilities and concluded that the amendment procedures provide an effective governance mechanism to ensure that any future modifications are assessed, approved, and transparently disclosed in accordance with BCCS and BCCR requirements.

Based on the review of the PDD, participation agreements, sub-project registers, onboarding procedures, and amendment controls, the validation team concludes that the grouped project structure is clearly defined and operationally robust. Each participating farm is treated as an independent sub-project with clearly assigned responsibilities, complete spatial traceability, and transparent accounting of carbon removals and credit allocations. Procedures for adding new participants and amending the PDD are well documented and include appropriate oversight by the Validation and Verification Body. The validation team therefore concludes that the grouped structure complies with the requirements of the Balkan Carbon Credit Standard (BCCS), the Balkan Carbon Credit Registry (BCCR), and the approved methodology.

15.0 Project Developer Sustainability, Scale and Financial Analysis

15.1 Organizational Capacity and Growth

The validation team reviewed Section 15 of the Project Design Document (PDD), organizational records, project implementation procedures, and business planning information to assess whether Carbonsafe JSC has the technical and operational capacity to manage the project over its intended duration. The review confirmed that Carbonsafe has established a scalable operating model combining farmer onboarding, agronomic support, soil sampling, laboratory coordination, data management, and carbon credit issuance within a centralized Monitoring, Reporting and Verification (MRV) platform /168/169/170/171/172/173/174/.

According to the PDD /1/, as of 2025 Carbonsafe projects have enrolled more than 100 farmers across Bulgaria, covering approximately 50,000 hectares of agricultural land, with a reported retention rate of 99% of enrolled plots. The project developer's growth strategy targets expansion to more than 100,000 hectares by 2029 and up to 150,000 hectares in the longer term. The validation team reviewed this information and concluded that Carbonsafe has demonstrated an established operational foundation and a credible strategy for scaling the project while maintaining methodological and governance controls.

15.2 Estimated Emission Reductions and Removals

The validation team reviewed the projected carbon removal estimates presented in the PDD and the assumptions underlying these projections. The project quantifies removals through direct measurement of Soil Organic Carbon (SOC) using georeferenced soil sampling and accredited laboratory analysis /103/104/120/121/122/. Based on aggregated field data and conservative accounting, Carbonsafe projects are expected to generate more than 175,000 verified carbon credits by 2027, with potential to reach approximately 350,000 credits annually as enrolled land expands to 100,000 hectares /1/192/193/194/.

For the current monitoring period, actual net verified removals of 45,480 tCO₂e have been independently confirmed, with 11,368 tCO₂e eligible for issuance in this cycle /2/. The validation team confirmed that these projections are indicative business estimates and do not constitute guaranteed issuance volumes. Actual credit issuance will depend exclusively on independently verified net carbon removals. Based on the evidence reviewed, the validation team considers the projected scale of removals to be consistent with the project's intended growth and the conservative ex-post issuance approach described in the PDD.

15.3 Financial Sustainability

The validation team reviewed the project's financial framework, revenue assumptions, benefit-sharing arrangements, and market positioning to assess whether the project is financially sustainable. The PDD indicates that participating farmers receive revenue linked to verified carbon removals, while Carbonsafe retains a portion of carbon credit revenues to cover project development, monitoring, verification, registry, and administrative costs.

The project's financial model is based on the sale of premium, registry-backed carbon removal credits into voluntary carbon markets /140/147/152/156/176/. The PDD notes that these credits are differentiated by their ex-post measurement approach and direct soil-based quantification, which are expected to support stronger market demand and pricing. The validation team reviewed the financial assumptions and concluded that the project has established a credible commercial model that supports both farmer incentives and long-term operational sustainability.

15.4 Long-Term Viability

The validation team reviewed the project developer's assessment of long-term viability and market risks. The PDD acknowledges that voluntary carbon markets are subject to price fluctuations, regulatory changes, and evolving buyer preferences. To address these uncertainties, the project applies conservative issuance rules, reserve and buffer mechanisms, and diversified participation across multiple farms and geographic areas.

The project's long-term viability is further supported by recurring monitoring, strong farmer retention, transparent benefit-sharing, and increasing demand for high-quality carbon removal credits. Based on the documentation reviewed and interviews conducted during the validation, the assessment team concluded that Carbonsafe JSC has established an organizational and financial framework that is capable of sustaining project implementation over the long term /135/152/.

Based on the review of the PDD, business planning information, organizational procedures, and financial assumptions, the validation team concludes that Carbonsafe JSC has demonstrated adequate technical capacity, operational systems, and financial planning to implement and expand the Carbonsafe Carbon Farming Project – North Bulgaria. The project developer has established a scalable business model, a transparent revenue-sharing framework, and conservative market assumptions that support long-term viability. The validation team therefore concludes that the project developer possesses the organizational and financial capacity necessary to manage the project in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS), the Balkan Carbon Credit Registry (BCCR), and the approved methodology.

16.0 Validation and Verification Summary and Opinion

16.1 Validation and Verification Summary

Earthood Services Limited (Earthood) conducted the joint validation and verification of the grouped project activity “Carbonsafe Carbon Farming Project – North Bulgaria” in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS), the Balkan Carbon Credit Registry (BCCR), and the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector” (CSBG-AGRI Version 3.1 dated 22 August 2025) /1/2/4/5/6/7/. The validation assessment was conducted based on the Project Design Document (PDD) Version 2.1 dated 02 July 2026 and associated supporting documentation submitted by Carbonsafe JSC, while the verification assessment covered the monitoring period from 23 March 2024 to 15 May 2025 based on Monitoring Report (MR) Version 2.0 dated 02 July 2026 and associated monitoring evidence. The assessments were undertaken to determine whether the project design, implementation framework, monitoring system, greenhouse gas quantification procedures, safeguard controls, and reported greenhouse gas removals conform to the applicable requirements of the BCCS, BCCR, and approved methodology.

Earthood conducted the validation and verification using a risk-based assessment approach designed to evaluate the integrity of the greenhouse gas accounting framework, the robustness of the Monitoring, Reporting and Verification (MRV) system, and the effectiveness of project controls established to prevent material misstatement of reported greenhouse gas removals. The assessment activities included detailed desk review of the PDD, Monitoring Report, GIS records, soil sampling procedures, laboratory analyses, calculation sheets, agronomic documentation, safeguard records, stakeholder engagement documentation, land tenure records, and registry procedures. The assessment additionally included independent recalculation of selected greenhouse gas removal data, on-site inspections of representative participating farms, interviews with project management personnel, technical staff, agronomists, and participating farmers, together with review of the ISACO2 monitoring platform and supporting evidence archives /178/183/184/185/186/187/188/189/190/191/192/193/194/208/.

During validation and verification, the assessment team reviewed geo-referenced soil sampling data, laboratory accreditation records, barcode-based chain-of-custody documentation, monitoring datasets, calculation spreadsheets, technological maps, Individual Strategies, annual farm reports, and supporting environmental and social safeguard evidence to assess conformity with the approved methodology and validated monitoring framework. The assessment confirmed that the project applies regenerative agricultural practices including reduced tillage, crop diversification, residue management, cover cropping, and optimized nutrient management practices designed to increase Soil Organic Carbon (SOC) stocks across participating agricultural lands in North Bulgaria. The project quantifies greenhouse gas removals through a direct measure–remeasure methodology using annual geo-referenced soil sampling and accredited laboratory analysis in accordance with the approved methodology /7/103/104/120/121/122/192/207/.

The validation and verification assessments further confirmed that the project has established and implemented appropriate controls relating to eligibility, additionality, baseline establishment, greenhouse gas quantification, uncertainty management, permanence provisions, leakage assessment, stakeholder engagement, environmental and social safeguards, registry traceability,

and prevention of double counting and double claiming /131/132/133/134/135/145/147/149/150/162/192/203/204/209/. All Clarification Requests (CLs) and Corrective Action Requests (CARs) identified during the validation and verification processes were satisfactorily resolved prior to issuance of the final assessment conclusions (Appendix 3 and Appendix 4). Based on the evidence reviewed, Earthood obtained sufficient and appropriate evidence to achieve a reasonable level of assurance that the reported greenhouse gas removals were fairly stated, transparent, conservative, and free from material misstatement.

The verification assessment confirmed that the project implemented the approved monitoring activities and regenerative agricultural practices throughout the monitoring period from 23 March 2024 to 15 May 2025 and that greenhouse gas removals were quantified consistently with the validated Project Design Document, approved methodology, and applicable BCCS and BCCR requirements. Independent recalculation and cross-checking of monitoring records against supporting evidence confirmed consistency between reported monitoring results, laboratory analyses, calculation sheets, and project documentation.

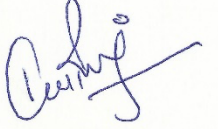
16.2 Validation and Verification Opinion

Based on the evidence obtained during the validation assessment, Earthood concludes that the “Carbonsafe Carbon Farming Project – North Bulgaria,” as described in the Project Design Document Version 2.1 dated 02 July 2026, has been designed in accordance with the requirements of the Balkan Carbon Credit Standard (BCCS), the Balkan Carbon Credit Registry (BCCR), and the approved methodology “Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector” (CSBG-AGRI Version 3.1 dated 22 August 2025). In Earthood’s opinion, the project is appropriately designed to generate real, measurable, additional, transparent, and durable carbon dioxide removals through enhancement of Soil Organic Carbon stocks and is therefore recommended for registration under the Balkan Carbon Credit Registry.

Based on the verification activities performed and the evidence obtained during the verification assessment, Earthood further concludes that the greenhouse gas removals reported for the monitoring period from 23 March 2024 to 15 May 2025 in Monitoring Report Version 2.0 dated 02 July 2026 are fairly stated and have been quantified correctly in accordance with the validated Project Design Document, approved methodology, and applicable BCCS and BCCR requirements. The verification assessment confirmed verified net greenhouse gas removals of 45,480 tCO₂e during the monitoring period.

In accordance with the project’s staged issuance framework, permanence provisions, reserve allocations, uncertainty deductions, and project-wide buffer requirements, Earthood confirms that 11,368 verified carbon removal credits are eligible for issuance under the Balkan Carbon Credit Registry for the current issuance cycle. The remaining 34,112 verified carbon removal credits are eligible for issuance under the Balkan Carbon Credit Registry in accordance with Section 5.1.2 (Conditions for Release of Reserved Credits) of the Issuance Policy /217/. Based on the overall assessment findings, Earthood concludes that the project has established a robust, transparent, and conservative framework for implementation, monitoring, quantification, reporting, and issuance of high-integrity soil carbon removals supported by sufficient and appropriate evidence and consistent with the requirements of the Balkan Carbon Credit Standard, Balkan Carbon Credit Registry, and approved methodology.

Approved by



Dr. Kaviraj Singh

CEO
Earthood Services Limited

Date: 07-07-2026
Place: Gurugram

APPENDIX 01: Competence Statement

Competence Statement			
Name	Nepolion Borah		
Education	M.Sc. in Ecology & Environmental Science, Ph.D. in Forest Ecology		
Experience	15 Years +		
Field	Forest Ecology and Climate Change		
Approved Roles			
Team Leader	YES		
Validator	YES		
Verifier	YES		
Local expert	YES (India)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	YES (TA 14.1 & TA 15.1)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	03/06/2025
Approved by	Deepika Mahala (Technical Manager)	Date	03/06/2025

Competence Statement			
Name	Merin Menachery		
Education	Post Graduate Diploma in Remote Sensing and GIS (Specialization: Forestry and Ecology) Master of Science in Forestry (Specialization: Natural Resource Management) Bachelor of Science in Forestry		
Experience	1+ Years		
Field	Remote Sensing, GIS and Forestry		
Approved Roles			
Team Leader	NO		
Validator	YES		
Verifier	YES		
Local expert	YES (India)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	YES (RS and GIS Expert)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	04/11/2025
Approved by	Deepika Mahala (Technical Manager)	Date	04/11/2025

Competence Statement	
Name	Pranav Chazhiyill Dilip Kumar
Education	M.S. Agricultural and Resource Economics

	B.Sc. Agricultural Marketing and Cooperation		
Experience	NIL		
Field	NIL		
Approved Roles			
Team Leader	NO		
Validator	NO		
Verifier	NO		
Methodology Expert	NO		
Local expert	NO		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	NO		
Trainee	YES (Trainee Validator/Verifier)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	05/08/2025
Approved by	Deepika Mahala (Technical Manager)	Date	05/08/2025

Competence Statement			
Name	Atulya Dhar		
Education	M. Tech in Remote Sensing and GIS; Bachelor of Engineering in Electronics and Communication Engineering		
Experience	1+ Yr		
Field	Remote Sensing and GIS & Information Technology and Engineering		
Approved Roles			
Team Leader	NO		
Validator	NO		
Verifier	NO		
Local expert	YES (INDIA)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	YES (Remote Sensing and GIS Expert)		
Trainee	YES (Validator/Verifier)		
Reviewed by	Shifali Guleria, (Quality Manager)	Date	07/11/2025
Approved by	Deepika Mahala, (Technical Manager)	Date	07/11/2025

Competence Statement	
Name	Ashok Gautam

Country	India		
Education	M. Sc. (Environmental Sciences) M. Tech. (Energy & Environmental Management)		
Experience	16 Years +		
Field	Energy, Climate Change & Environment		
Approved Roles			
Team Leader	YES		
Validator	YES		
Verifier	YES		
Local expert	YES (India)		
Financial Expert	YES		
Technical Reviewer	YES		
TA Expert	YES (TA 1.1, TA 1.2, TA 3.1, TA 13.1 & 14.1)		
Other expert	Yes (Plastic Expert)		
Reviewed by	Shifali Guleria	Date	18/10/2024
Approved by	Deepika Mahala	Date	18/10/2024

Competence Statement			
Name	Sugandha		
Education	PhD Forestry (Silviculture) MSc Forestry		
Experience	5+ Years		
Field	Agroforestry		
Approved Roles			
Team Leader	NO		
Validator	NO		
Verifier	NO		
Methodology Expert	NO		
Local expert	YES (India)		
Financial Expert	NO		
Technical Reviewer	NO		
TA Expert (X.X)	YES (TA 14.1 & TA 15.1)		
Trainee	YES (Trainee Validator / Verifier)		
Reviewed by	Shifali Guleria (Quality Manager)	Date	06/03/2026
Approved by	Deepika Mahala (Technical Manager)	Date	06/03/2026

APPENDIX 02: References

Sl. No.	Author	Title	Reference to the Document	Provider
1	PP	Carbonsafe Carbon Farming Project - North Bulgaria: Project Design Document	Version 2.1	PP
2	PP	Carbonsafe Carbon Farming Project - North Bulgaria: Monitoring Report	Version 2.0	PP
3	PP	CSBG-BG-N: Annex I, II, III, IV, V, and VI to the Monitoring Report		PP
4	PP	Balkan Carbon Credit Standard	Version 1.0	PP
5	PP	Balkan Carbon Credit Registry: PDD Template		PP
6	PP	Balkan Carbon Credit Registry: MR Template		PP
7	PP	Methodology for Improving and Reporting the Level of Sequestered Carbon in the Soil in the Agricultural Sector	Version 3.1	PP
8	PP	Balkan Carbon Credit Registry: Stakeholder Engagement Policy		PP
9	AGviser	Balkan Carbon Credit Registry: PR01 - Procedure for Preparation of Agronomical Prescriptions, Recommendations, and an Individual Strategy	Version 2.1	PP
10	PP	Balkan Carbon Credit Registry: PR02 - Registration, Monitoring, and Reporting of Carbon Sequestration Project	Version 3.0	PP
11	PP	Balkan Carbon Credit Registry: PR03 - Procedure for Automated Georeferenced Soil Sampling Under a Project	Version 2.1	PP
12	PP	SDG_CS tool_CSBG-BG-N-DOB: SDG Contributions in the Dobrich region		PP

13	PP	APLEND BULGARIA EOOD: PR0101- Checklist for the Assessment of Farm Suitability		PP
14	PP	APLEND BULGARIA EOOD: PR0202- Administrative Contract		PP
15	PP	APLEND BULGARIA EOOD: PR0103- Individual Strategy		PP
16	PP	APLEND BULGARIA EOOD: Additional Agreement to Contract		PP
17	PP	APLEND BULGARIA EOOD: Additional Agreement to the Contract (Annex 2-1)		PP
18	PP	APLEND BULGARIA EOOD: Additional Agreement_Trading and Registry		PP
19	PP	APLEND BULGARIA EOOD: Additional Agreement to the Contract (Annex 3)		PP
20	PP	APLEND BULGARIA EOOD: Annual Re-registration		PP
21	PP	APLEND BULGARIA EOOD: PR0104- Technological Map		PP
22	PP	APLEND BULGARIA EOOD: Monitoring Report from on-spot inspection		PP
23	PP	APLEND BULGARIA EOOD: PR0211- Annual Periodic Report	Version 2.0	PP
24	PP	APLEND BULGARIA EOOD: PR0205- ER Calculation_SOC	Version 3.0	PP
25	PP	APLEND BULGARIA EOOD: Agronomic Recommendations		PP
26	PP	SEKAPP BULGARIA EOOD: PR0101- Checklist for the Assessment of Farm Suitability		PP
27	PP	SEKAPP BULGARIA EOOD: PR0202- Administrative Contract		PP
28	PP	SEKAPP BULGARIA EOOD: PR0103- Individual Strategy		PP
29	PP	SEKAPP BULGARIA EOOD: Additional Agreement_Trading and Registry		PP
30	PP	SEKAPP BULGARIA EOOD: PR0213 - Annual Re-registration		PP

31	PP	SEKAPP BULGARIA EOOD: PR0104-Technological Map		PP
32	PP	SEKAPP BULGARIA EOOD: PR0107 - Monitoring Report from on-spot inspection		PP
33	PP	SEKAPP BULGARIA EOOD: PR0211-Annual Periodic Report		PP
34	PP	SEKAPP BULGARIA EOOD: PR0205-ER Calculation_SOC		PP
35	PP	SEKAPP BULGARIA EOOD: Agronomic Recommendations		PP
36	PP	ZK Bezmer: Agronomic Recommendations		PP
37	PP	ZK Bezmer: ER Calculation_SOC		PP
38	PP	ZK Bezmer: PR0101-Checklist for the Assessment of Farm Suitability		PP
39	PP	ZK Bezmer: Administrative Contract		PP
40	PP	ZK Bezmer: Additional Agreement to the Contract (Annex 2)		PP
41	PP	ZK Bezmer: PR0103-Individual Strategy		PP
42	PP	ZK Bezmer: PR0104-Technological Map		PP
43	PP	ZK Bezmer: PR0107-Monitoring Report from on-spot inspection		PP
44	PP	ZK Bezmer: PR0213-Annual Re-registration		PP
45	PP	ZK Bezmer: PR0211-Annual Periodic Report		PP
46	PP	SDG_CS tool_CSBG-BG-N-VRC: SDG Contributions in the Vrata region		PP
47	PP	APIS AGRO 98 OOD: PR0101 - Checklist for the Assessment of Farm Suitability		PP
48	PP	APIS AGRO 98 OOD: PR0202-Administrative Contract		PP
49	PP	APIS AGRO 98 OOD: Additional Agreement to the Contract (Annex 1)		PP
50	PP	APIS AGRO 98 OOD: PR0103-Individual Strategy		PP

51	PP	APIS AGRO 98 OOD: PR0213-Annual Re-registration		PP
52	PP	APIS AGRO 98 OOD: PR0104-Technological Map		PP
53	PP	APIS AGRO 98 OOD: PR0107-Monitoring report for on-spot inspection		PP
54	PP	APIS AGRO 98 OOD: PR0211-Annual Periodic Report		PP
55	PP	APIS AGRO 98 OOD: PR0205-ER Calculation_SOC		PP
56	PP	APIS AGRO 98 OOD: Agronomic Recommendations		PP
57	PP	MAPI 96 EOOD: PR0101 - Checklist for the Assessment of Farm Suitability		PP
58	PP	MAPI 96 EOOD: PR0202-Administrative Contract		PP
59	PP	MAPI 96 EOOD: Additional Agreement to the Contract (Annex 1)		PP
60	PP	MAPI 96 EOOD: PR0103 - Individual Strategy		PP
61	PP	MAPI 96 EOOD: PR0213 - Annual Re-registration		PP
62	PP	MAPI 96 EOOD: PR0104 - Technological Map		PP
63	PP	MAPI 96 EOOD: PR0107 - Monitoring report for on-spot inspection		PP
64	PP	MAPI 96 EOOD: PR0211 - Annual Periodic Report		PP
65	PP	MAPI 96 EOOD: PR0205 - ER Calculation_SOC		PP
66	PP	MAPI 96 EOOD: Agronomic Recommendations		PP
67	PP	SDG_CS tool_CSBG-BG-N-VAR: SDG Contributions in the Varna region		PP
68	PP	ET Tiaso: PR0101 - Checklist for the Assessment of Farm Suitability		PP
69	PP	ET Tiaso: PR0202-Administrative Contract		PP

70	PP	ET Tiaso: Additional Agreement to the Contract (Annex 1)		PP
71	PP	ET Tiaso: PR0103 - Individual Strategy		PP
72	PP	ET Tiaso: PR0213 - Annual Re-registration		PP
73	PP	ET Tiaso: PR0104 - Technological Map (Wheat and Maize)		PP
74	PP	ET Tiaso: PR0107 - Monitoring report for on-spot inspection		PP
75	PP	ET Tiaso: PR0211 - Annual Periodic Report		PP
76	PP	ET Tiaso: PR0205 - ER Calculation_SOC		PP
77	PP	ET Tiaso: Agronomic Recommendations		PP
78	PP	SDG_CS tool_CSBG-BG-N-LOV: SDG Contributions in the Lovech region		PP
79	PP	Natsevi 2019 OOD: PR0101 - Checklist for the Assessment of Farm Suitability		PP
80	PP	Natsevi 2019 OOD: PR0202- Administrative Contract		PP
81	PP	Natsevi 2019 OOD: Additional Agreement to the Contract (Annex 2)		PP
82	PP	Natsevi 2019 OOD: PR0103 - Individual Strategy		PP
83	PP	Natsevi 2019 OOD: PR0213 - Annual Re-registration		PP
84	PP	Natsevi 2019 OOD: PR0104 - Technological Map (Wheat, Maize, Barley, and Sunflower)		PP
85	PP	Natsevi 2019 OOD: PR0107 - Monitoring report for on-spot inspection		PP
86	PP	Natsevi 2019 OOD: PR0211 - Annual Periodic Report		PP
87	PP	Natsevi 2019 OOD: PR0205 - ER Calculation_SOC		PP
88	PP	Natsevi 2019 OOD: Agronomic Recommendations		PP

89	PP	ET Rumen Natsev: PR0101 - Checklist for the Assessment of Farm Suitability		PP
90	PP	ET Rumen Natsev: PR0202- Administrative Contract		PP
91	PP	ET Rumen Natsev: Additional Agreement to the Contract (Annex 1)		PP
92	PP	ET Rumen Natsev: PR0103 - Individual Strategy		PP
93	PP	ET Rumen Natsev: PR0213 - Annual Re-registration		PP
94	PP	ET Rumen Natsev: PR0104 - Technological Map (Wheat, Alfalfa, and Sunflower)		PP
95	PP	ET Rumen Natsev: PR0107 - Monitoring report for on-spot inspection		PP
96	PP	ET Rumen Natsev: PR0211 - Annual Periodic Report		PP
97	PP	ET Rumen Natsev: PR0205 - ER Calculation_SOC		PP
98	PP	ET Rumen Natsev: Agronomic Recommendations		PP
99	PP	Carbonsafe: Short CVs of the Team		PP
100	PP	Contract: AGVISER - Nik Agro Service		PP
101	PP	Contract: AGVISER - Carbonsafe (01.04.25)		PP
102	PP	Contract: AGVISER - Carbonsafe (03.01.23)		PP
103	PP	Lab Accreditation Certificate (AGVISER and Eurofins)		PP
104	PP	Lab Accreditation Order (AGVISER and Eurofins)		PP
105	PP	APIS AGRO 98 OOD: Registration Details and Land Parcels		PP
106	PP	APLEND BULGARIA EOOD: Registration Details and Land Parcels		PP
107	PP	ET RUMEN NATSEV: Registration Details and Land Parcels		PP

108	PP	ET TIASO: Registration Details and Land Parcels		PP
109	PP	MAPI 96 EOOD: Registration Details and Land Parcels		PP
110	PP	NATSEVI 2019 OOD: Registration Details and Land Parcels		PP
111	PP	SEKAPP BULGARIA EOOD: Registration Details and Land Parcels		PP
112	PP	ZK Bezmer: Registration Details and Land Parcels		PP
113	PP	Bulgaria: National and Regional Policies		PP
114	Bulgaria Ministry of Agriculture, Food, and Forestry	Guidelines for Implementation of the Statutes Management Requirements		PP
115	Bulgarian Ministry of Agriculture	Methodology for Determining the Intensity of Greenhouse Gas Emissions from the Entire Life Cycle of Fuels and Energy of Non-Biological Origin in Transport		PP
116	Bulgarian Ministry of Agriculture	Methodology for Determining the Individual Annual Quotas in Connection with the Implementation of a State Aid Scheme "Aid Under the Form of Discount from the Value of the Excise Duty On Gas Oil, Used in Primary Agricultural Production"		PP
117	Minister of Agriculture, Forestry and Agrarian Reform, Bulgaria	ORDER No. 3 OF JANUARY 29, 1999 on the Creation and Maintenance of a Register of Farmers		PP

118	Ministry of Transport, Information Technology, and Communications	Ordinance No H-18 of August 2016 laying down the methodology for calculating specified life-cycle costs for road vehicles		PP
119	Bulgarian Ministry of Agriculture	National Programme for the Protection, Sustainable Use, and Restoration of Soil Functions (2020–2030)		PP
120	PP	Nik Agro Service Lab Protocols_SOC: 2023 and 2024		PP
121	PP	Soil Analysis Reports: All Farms		PP
122	PP	Bulk Density Measurement Results: All farms		PP
123	PP	Carbonsafe: Risk Assessment Report		PP
124	PP	Carbonsafe: Risk Calculations		PP
125	PP	Carbonsafe: No Displacement Declaration		PP
126	PP	Carbonsafe: Announcement of Public Consultation		PP
127	PP	Carbonsafe: Summary of Public Consultation Process		PP
128	PP	Farmer Feedback Survey		PP
129	PP	Carbonsafe: Employment Contracts		PP
130	PP	SDG_CS tool_Template		PP
131	PP	Leakage Risk Assessment		PP
132	PP	Market Leakage Calculation		PP
133	PP	Official Notice: Justification for Assessment of Emission Leakage and Calculation of Nitrous Oxide Emissions		PP
134	PP	Email: Justification for Assessment of Emission Leakage and Calculation of Nitrous Oxide Emissions		PP
135	PP	Carbonsafe: Issuance Policy		PP
136	PP	Carbonsafe Letter to BCCR regarding Inconsistencies in the Methodology		PP

137	BCCR	Procedure for Automated and Georeferenced Soil Sampling under a Project		PP
138	PP	AGVISER: Proposal to Amend Methodology		PP
139	PP	Carbonsafe: MRV Protocol - Processes, Governance, and Accountability		PP
140	PP	All Farms: Power of Attorney Documents granting Carbonsafe the authority to manage credits on behalf of the farmers		PP
141	PP	PRO204: Register of Unfaithful Projects		PP
142	National Institute of Meteorology and Hydrology	Monthly Hydrometeorological Bulletin: July 2025		PP
143	National Institute of Meteorology and Hydrology	Data for 2025 in Bulgaria	January 9, 2026	PP
144	Ministry of Agriculture, Food, and Forestry	Farmer Registration and Activity Record		PP
145		Bulgaria's Integrated Administration and Control System (IACS): Application for Assistance (All Farms)		PP
146	Republic of Bulgaria: Registry Agency	Carbonsafe: Commercial Registration		PP
147	Republic of Bulgaria: Registry Agency	Balkan Carbon Credit Registry: Commercial Registration		PP
148	PP	Carbonsafe: Dispute Resolution Policy and Procedure		PP
149	PP	Uncertainty Model Determination		PP
150	PP	GeoJSON Attribute Table		PP

151	PP	Incorporation of Aplend Bulgaria EOOD and Sekapp Bulgaria EOOD into the Program: Request to Registry and Registry Response		PP
152	PP	All Farms: Addendum to Contracts, Credit Issuance		PP
153	Ministry of Agriculture, Food, and Forestry	Integrated Statistics on Agricultural Holdings in Bulgaria in 2023		PP
154	Ministry of Agriculture, Food, and Forestry	Bulgarian Agricultural National Statistics and Indicators Collection: 2022		PP
155	PP	Carbonsafe: Project Data Retention Policy		PP
156	PP	Carbonsafe: Financial Sustainability		PP
157	BCCR	BCCR: Monitoring Period Clarification		PP
158	PP	Geospatial Files of Farms		PP
159	PP	Geospatial Files of Project Boundaries and Farms		PP
160	PP	Carbonsafe: Carbon Credits Corrections and Adjustments Mechanism		PP
161	PP	Register of changes in areas under the CarbonSafe Program as of 15.04.2026.xlsx		PP
162	PP	Carbonsafe: Stakeholder Engagement Policy		PP
163	PP	Carbonsafe: Notification to the Ministry of Environment and Water regarding Environmental Assessment		PP
164	PP	Carbonsafe: Notification about the project to Municipalities and City Halls		PP
165	PP	Carbonsafe: List of Announcements		PP
166	Republic of Bulgaria: Ministry of e-Governance	Carbonsafe: Notification to the Ministry of Environment and Water regarding Environmental Assessment		PP

167	PP	Carbonsafe Mail to Apis and Mapi		PP
168	PP	APIS AGRO 98 LTD: Motivating Statement		PP
169	PP	MAPI 96 LTD: Motivating Statement		PP
170	PP	Carbonsafe: Invitation for a Training Seminar		PP
171	PP	Seminar Training Attendance Sheet		PP
172	PP	Carbonsafe: Farmer Training Policy and Programme		PP
173	PP	North Bulgaria: Annual Farmers Training Plan		PP
174	PP	North Bulgaria: Farmers Onboarding Training		PP
175	PP	North Bulgaria: Machinery Use		PP
176	PP	Carbonsafe: Mechanism for the allocation of carbon credits		PP
177	PP	Remote Sensing Analysis for Verification of Management Practices: Geospatial Files and Code Scripts		PP
178	PP	Carbonsafe: Report on Monitoring and an on-site visit		PP
179	PP	SDG_CS tool_CSBG-N_North_new		PP
180	PP	Farms locations_Revised		PP
181	PP	Project Boundaries and Farm Polygons		PP
182	PP	All Farms PR0201: Application for registration programme		PP
183	PP	ERP - ISAC02_Protocol: Software Data Migration - Soil Sampling Request		PP
184	PP	ERP - ISAC02_Protocol: Software Data Migration - Sampling Schedule		PP
185	PP	ERP - ISAC02_Protocol: Software Data Migration - Sampling Task		PP
186	PP	ERP - ISAC02_Protocol: Software Data Migration - Company Data		PP
187	PP	ERP - ISAC02_Protocol: Software Data Migration - Plots Cells-shape		PP
188	PP	ERP_Protocol: Software Data Migration - Acceptance Protocol for Sampling		PP

189	PP	ERP - ISACO2_Protocol: Software Data Migration - Sampling Protocol		PP
190	PP	ERP_Protocol: Software Data Migration - create Agronomic Recommendation		PP
191	PP	ERP - ISACO2_Protocol: Software Data Migration - Lab Result		PP
192	PP	All Farms: ER Calculation Sheet_SOC		PP
193	PP	All Farms: ER Calculation Sheet_N2O		PP
194	PP	All Farms: ER Calculation Sheet_Leakage		PP
195	PP	Methodology for the Calculation of Nitrous Oxide Emissions in Agricultural Systems		PP
196	PP	All Farms: Agronomic Recommendations		PP
197	Republic of Bulgaria: Ministry of the Environment and Water	Letter from the Ministry to Carbonsafe clarifying that EIA is not mandatory		PP
198	PP	Carbonsafe: Request for Improvements	No.1/Date: 09/02/2026	PP
199	PP	Carbonsafe: Request for Corrective Action due to Non-Conformity	No.1/Date: 09/02/2026	PP
200	PP	Carbonsafe: Request for Improvements	No.2/Date: 27/04/2026	PP
201	PP	Methodology for determining the intensity of greenhouse gas emissions		PP
202	PP	Methodology_MA_individual annual quotas		PP
203	PP	Carbonsafe: Mechanism for Receiving and Addressing Complaints and Grievances		PP
204	PP	Carbonsafe: Grievance Register		PP
205	PP	Farmer Declarations		PP
206	PP	All Farms: Revised PR 0211		PP
207	PP	ISO 14064		PP

208	PP	Site Visit Observations and Interviews		PP
209	PP	Balkan Carbon Credit Registry: https://bccregistry.org/		PP
210	PP	Geospatial Data: Final HTML report and figures		PP
211	PP	Geospatial Data: Raw Sentinel Hub source data - Aggregated JSON exports - Per-parcel SOC V4 exports(PER_PARCEL/) - DEM terrain analysis (XLSX+JSON) - Extreme weather + NVZ zones		PP
212	PP	Geospatial Data: Sentinel Hub evalscripts NDVI, NDTI, GPP, SOC, SOC_Proxy_v4 with server-side bare-soil gate NDVI<0.40 + SCL(4, 5)), N20, SAR VV, SAR VH		PP
213	PP	Geospatial Data:)IQR-filtered time series(04_FILTERED_DATA/) 9 indicators × 3 zones (farm/control/belt) + SOC_PROXY_V4 per-parcel CSVs (FARM, CP, BELT)		PP
214	PP	Monitored Data: Processing + statistics scripts		PP
215	PP	Geospatial Data: Authoritative statistics - Including SoilGrids/HWSD2 baseline (.gpkg)		PP
216	PP	Geospatial Data: One-click verification runner(run_audit.py)		PP
217	PP	Carbonsafe: Issuance Policy	Version 2.0	PP

APPENDIX 03: Audit Findings (Validation)

Table 1: Remaining FAR from Previous Audit/Preliminary Review

FAR ID	00	Section no.	Date: DD/MM/YYYY
Description of FAR			
No FAR as this is the first joint validation and verification			
Project participant response			Date: DD/MM/YYYY
Documentation provided by project participant			
VVB assessment			Date: DD/MM/YYYY

Table 2: CL from this Validation

CL ID	01	Section no.	Date: 20/01/2026
Description of CL			
Section 1. Project Overview References: 1. PDD Template, Section 1.1 – Project Summary 2. PDD Template, Section 1.2 Issues: 1. While the PD provides a general narrative describing the project purpose (soil carbon sequestration), sector (agriculture), location (Republic of Bulgaria), start date, and crediting period, it does not explicitly and concisely articulate the “core climate outcome” as required. The expected outcome (e.g., quantified CO₂ removals through SOC stock increase) is implied but not clearly stated in outcome-oriented terms. 2. The PD lists relevant stakeholders (project developer, farmers, laboratories, VVBs, methodology developer, registry); however, their roles and responsibilities are not described, contrary to the requirement to “list and describe” key stakeholders. For example, laboratories and VVBs are named generically without clarification of their functions within MRV, validation, or verification processes. Required Action: 1. Revise Section 1.1 to explicitly state the core climate outcome, such as the generation of verified CO₂ removal credits through measurable increases in soil organic carbon stocks, expressed in alignment with BCCS outcome terminology. 2. Expand Section 1.2 to include a brief functional description of each stakeholder category, clearly explaining their role in project implementation, MRV, validation, verification, and registry interaction.			
Project participant response			Date: 10/02/2026
Section Project summary 1.1– revised Section Project stakeholders 1.2 – revised			
Documentation provided by project participant			
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf			
VVB assessment			Date: 29/04/2026

1. The PP has satisfactorily revised Section 1.1 of the PDD to explicitly articulate the core climate outcome of the project. The updated text clearly states that the project delivers “verified CO₂ removal credits through measurable and monitored increases in Soil Organic Carbon (SOC) stocks,” with removals quantified ex-post, independently verified, and issued in alignment with the Balkan Carbon Credit Standard (BCCS). This formulation is outcome-oriented, specific, and consistent with the expectations of the PDD template. Accordingly, the previous ambiguity regarding the core climate outcome has been fully resolved, and no further action is required.
2. The PP has adequately revised Section 1.2 to include both a comprehensive list of key stakeholders and clear descriptions of their respective roles and responsibilities. The updated section now defines the functions of the project developer, participating farmers, soil sampling and laboratory partners, validation and verification bodies (VVBs), methodology developer, and the BCCS registry/standard, with explicit linkage to project implementation, MRV processes, validation, verification, and credit issuance. The level of detail provided meets the requirement to “list and describe” stakeholders and ensures sufficient transparency regarding institutional responsibilities within the project framework. Therefore, the issue is considered fully addressed, and no further clarification is required.

Finding is closed.

CL ID	02	Section no.		Date: 20/01/2026
Description of CL				

Section 2.1 Project Overview Project Description & Activities

References:

1. PDD Template, Section 2.1.
2. BCCS Standard, Transparency and Governance Principles
3. Soil Carbon Program, Project Activity Definition

Issues:

1. The PD provides a high-level synopsis of the project's objective and general approach but does not sufficiently describe how activities are implemented in practice. The requirement calls for a "general narrative of project activities and implementation model," including how farmers are engaged, how practices are introduced or supported, and how activities progress from enrollment to credit issuance. These elements are implied but not narratively described.
2. While the PD states that Carbonsafe is a national carbon farming project, it does not explain who performs which activities within the project lifecycle. The roles of the project proponent, farmers, sampling contractors, and verification bodies in implementing project activities are not articulated in this section.
3. The PD lists regenerative practices (reduced tillage, cover crops, etc.) but frames them primarily as an expected outcome ("accelerates adoption") rather than as defined project activities. It is unclear whether these practices are mandatory, incentivized, recommended, or simply observed within the project boundary.
4. The description strongly emphasizes measurement, verification, and registry issuance, but provides limited information on the operational context preceding measurement, such as baseline establishment, plot delineation, or integration of sampling into the annual project cycle. This creates an imbalance between MRV elements and activity description.

Required Action:

1. Expand Section 2.1 to include a clear narrative of the implementation model, describing the sequence of activities (e.g., farmer onboarding, eligibility screening, baseline establishment, practice adoption, monitoring, verification, and credit issuance).
2. Revise Section 2.1 to clearly identify responsibilities for key activities, such as farmer engagement, practice implementation, soil sampling, data management, and coordination with VVBs.
3. Clarify whether listed regenerative practices constitute explicit project activities, eligibility conditions, or monitoring variables, and explain how the project actively supports or enforces their adoption.
4. Supplement Section 2.1 with a brief explanation of how measurement activities fit within the broader project implementation cycle, including baseline definition and ongoing activity management.

Project participant response

Date: 10/03/2026

Section 2.1 Project Description & Activities is expanded as per required action No. 1
 Section 2.1 Project Description & Activities is revised as per required action No. 2
 Sections 2.1 Project Description & Activities and 2.3 Agronomic objectives are revised as per required action No. 3
 Section 2.1 Project Description & Activities is supplemented as per required action No.4 – 10.03.2026

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

VVB assessment

Date: 29/04/2026

1. The PP has adequately expanded Section 2.1 to include a clear and structured narrative of the project implementation model. The revised section now explicitly describes the full lifecycle of activities, including farmer onboarding, eligibility screening, baseline establishment, implementation of agricultural practices, monitoring, verification, and credit issuance. The sequence is logically presented and demonstrates how the project progresses from enrolment through to issuance of verified carbon credits. This directly addresses the requirement for a “general narrative of project activities and implementation model,” and no further gaps are identified.
2. The updated Section 2.1 clearly identifies the roles and responsibilities of all key actors within the project lifecycle. The responsibilities of the project developer, participating farmers, soil sampling contractors and laboratories, and validation and verification bodies (VVBs) are explicitly defined in relation to farmer engagement, implementation of practices, soil sampling, data management, and verification processes. This provides sufficient clarity on “who does what” within the project and aligns with transparency and governance requirements. Therefore, this issue is considered fully resolved.
3. The PP has clarified that regenerative practices are not merely aspirational outcomes but constitute defined project activities. Section 2.1 now presents these practices as part of the operational framework, supported by a structured “chronology of implementation” and a defined list of included practices. Furthermore, the PDD specifies that participating farmers are required to implement or improve at least one eligible practice as a condition of participation, thereby clearly establishing these practices as enforceable project requirements rather than optional or observational elements. This adequately resolves the ambiguity identified in the finding.
4. The revised section appropriately integrates measurement activities within the broader project implementation cycle. It clearly explains that baseline SOC is established through initial soil sampling and that subsequent monitoring cycles are conducted through repeated sampling, with results feeding into carbon accounting, project management, and credit issuance. This demonstrates a coherent linkage between operational activities and MRV processes, addressing the previous imbalance between measurement emphasis and activity description. Accordingly, the requirement is fully met.

The PP has comprehensively addressed all elements of the audit finding. The revised Section 2.1 is now consistent with PDD template requirements, BCCS transparency principles, and soil carbon program expectations. **Findings are closed now.**

CL ID	03	Section no.	Date: 20/01/2026
Description of CL			

Section: 2.2 Climate Objective

References:

1. BCCS Standard, Permanence and Reversal Risk Provisions
2. PDD section 2.3 – *“The project achieves this by increasing the stock of Soil Organic Carbon (SOC) in agricultural soils through the implementation of regenerative agricultural practices across Bulgaria.”*

Issue:

1. The PD asserts that SOC storage is “expected to last decades” and references conservative issuance and contractual obligations, but it does not explicitly link these claims to the permanence requirements and risk mitigation mechanisms defined under BCCS. This weakens the traceability of permanence claims to the governing standard.
2. The section alternates between references to “across Bulgaria” and “North region, Bulgaria,” creating inconsistency in the stated geographic scope of the climate objective. This may lead to ambiguity when assessing alignment with the registered project boundary.

Required Action:

1. Clarify how the project’s climate objective regarding durability and permanence aligns explicitly with BCCS permanence requirements, referencing contractual controls, monitoring duration, and any applicable risk mitigation measures.
2. Align the geographic scope of the climate objective consistently with the defined project boundary, clearly stating whether the objective applies exclusively to the North region or nationally within Bulgaria under the grouped framework.

Project participant response

Date: 10/02/2026

Required action No. 1 - clarification added in Section: 2.2 Climate Objective

Required action No. 2 – clarification added in Section: 2.2 Climate Objective

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

Required action No. 1

Contracts with farmers already provided, please see additional agreements to those contracts in subfolder VAL-CL 03.1

Risk Assessment and mitigation measures already provided in Earthlink Desk Review section - 2-LoD-North-06.01.26.zip, folder PD-8-Durability, files 8-10-Risk Assessment Document-North_05.11.25.pdf and 8-10-Risk Assessment-North_05.11.25.pdf

VVB assessment

Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by revising Section 2.2 to clearly articulate how the project’s durability and permanence align with BCCS requirements. The updated section now explicitly references long-term contractual commitments with participating farmers, a 40-year project duration, continued post-crediting monitoring, and the application of risk mitigation measures such as buffer reserves and reversal management mechanisms. These elements are consistent with BCCS permanence provisions and are further supported by contractual arrangements demonstrating enforceability of these controls. Accordingly, the issue is considered fully resolved.
2. The PP has partially addressed this issue by clarifying that the climate objective applies to the North region of Bulgaria under the defined project boundary. However, the section still contains inconsistent references to implementation “**across Bulgaria**,” which creates ambiguity in the stated geographic scope. While the intent is largely clear, the presence of mixed terminology within the same section indicates that the issue is not fully resolved and requires further editorial correction to ensure consistency. **Therefore, this issue remains open.**

Issue 2 remains open.

Project participant response

Date: 04/05/2026

Required action for issue 2 is implemented in Section 2.2 Climate Objective

Documentation provided by project participant

2-PDD-CS-BG-NORTH_v2.1_Commented_Round 2_CS080526

VVB assessment	Date: 18/05/2026
Based on the revised Section 2.2 and the Project Developer's response, the previously identified issue regarding the geographic scope of the climate objective can be considered closed. The updated Project Design Document clearly states that the climate objective applies to the approved project boundary and is implemented for participating agricultural lands located in the North region of Bulgaria. It further confirms that any future inclusion of additional sub-projects is limited to North Bulgaria and subject to the same methodology, eligibility criteria, and BCCS requirements. Finding is closed.	

CL ID	04	Section no.		Date: 20/01/2026
Description of CL				
Section: 2.3 Agronomic Objective References: 1. Soil Carbon Program, Agronomic Co-benefits and Monitoring Principles 2. BCCS Standard, Claims and Transparency Requirements Issues: 1. The PD describes improvements in fertility, yields, biodiversity, and resilience, but these objectives are expressed qualitatively. There is no indication of how agronomic objectives are tracked, monitored, or evidenced, even at a high level, despite the program's emphasis on measurement-based outcomes. 2. The PD states that regenerative practices can improve yields by "5–15%" and reduce fertilizer costs by "10–50%," attributing these figures to early project data and global best practices. However, no contextualization or caveat is provided to clarify that these are indicative, non-guaranteed outcomes, which may create the impression of assured agronomic performance. Required action: 1. Qualify quantitative agronomic performance statements as indicative or context-dependent and clarify that such outcomes are not guaranteed and may vary by farm, crop type, and baseline conditions. 2. Clarify which agronomic objectives are qualitatively stated co-benefits and which are intended to be monitored or evidenced, and briefly reference the indicators (e.g., SOM, nutrient profiles, yield trends) used to support these claims.				
Project participant response				Date: 10/03/2026
<i>Required action No. 1 implemented in Section: 2.3 Agronomic Objective</i> <i>Required action No. 2 implemented in Section: 2.3 Agronomic Objective</i>				
Documentation provided by project participant				
<i>PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf</i>				
VVB assessment				Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by clarifying how agronomic objectives are tracked and evidenced within the project. The revised Section 2.3 now explicitly links agronomic outcomes to measurable indicators derived from the project's monitoring system, including annual soil sampling outputs such as soil organic matter (OM), nutrient profiles (N, P, K, etc.), and supporting data from technological maps and N₂O calculations. In addition, the section distinguishes between qualitatively described co-benefits (e.g., biodiversity, resilience) and those supported by measurable parameters, thereby improving transparency and alignment with monitoring principles. This provides sufficient clarity on how agronomic claims are substantiated within the project framework.
2. The PP has adequately revised the section to qualify previously stated quantitative performance ranges. The updated text now clearly states that improvements in yield (5–15%) and reductions in fertilizer costs (10–50%) are indicative, context-dependent, and not guaranteed. It further clarifies that actual outcomes may vary based on farm-specific conditions such as soil type, crop selection, climate, and management practices, and that no ex-ante performance guarantees are made beyond verified SOC outcomes. This effectively resolves the risk of overstatement and aligns with BCCS claims and transparency requirements.

Finding is closed.

CL ID	05	Section no.	Date: 20/01/2026
Description of CL			
Section: 2.4 Community Objective			
References:			
1. BCCS Standard, Transparency and Benefit-Sharing Principles 2. Soil Carbon Program, Social Co-benefits and Safeguards			
Issues:			
1. The PD states that 50–60% of revenues are allocated to farmers “or as specified in individual agreements,” which introduces variability without clarity on minimum safeguards. This may raise concerns regarding consistency, transparency, and equitable benefit-sharing across participants. 2. Community benefits such as improved livelihoods, resilience, health, and food security are described qualitatively, but the PD does not clarify whether any of these outcomes are monitored, reported, or verified, even at a high level. This limits auditability of social claims.			
Required Action:			
1. Clarify whether there is a minimum guaranteed revenue share for farmers under the project framework and describe how transparency and fairness are ensured when individual agreements deviate from the stated range. 2. Clarify which community and social benefits are aspirational co-benefits and which, if any, are tracked or evidenced, and reference the relevant sections where monitoring or grievance mechanisms are described.			
Project participant response			Date: 10/03/2026
<i>Required action No. 1 implemented in Section: 2.4 Community Objective – clarification added</i> <i>Required action implemented in Section: 2.1 and 2.3</i>			
Documentation provided by project participant			
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf			
VVB assessment			Date: 29/04/2026

1. The PP has adequately addressed this issue by clarifying the benefit-sharing framework in Section 2.4. The revised text explicitly states that no fixed minimum percentage is guaranteed; instead, benefit-sharing is determined through individual contractual agreements tailored to farm-specific conditions. It further explains that transparency and fairness are ensured through formal written agreements, clear documentation of terms, and consistent application of project principles across participants. While the variability remains, the governance approach and contractual safeguards are now sufficiently described to demonstrate transparency and equitable intent. Accordingly, this issue is considered resolved.
2. The PP has only partially addressed this issue. While the revised section introduces more cautious language (e.g., “may be strengthened,” “could be improved”) and references related sections (including grievance mechanisms), it still does not clearly distinguish which social and community benefits are actively monitored, reported, or evidenced versus those that remain aspirational. Apart from indirect references to agronomic data and general stakeholder engagement, there is no explicit identification of indicators, monitoring processes, or reporting mechanisms for social outcomes such as livelihoods, health, or food security. This limits the auditability and verifiability of the stated community co-benefits.
3. The PD states that farmers retain 100% ownership of the carbon credits generated on their land, while a conservative issuance approach is applied whereby only 25% of verified net removals are issued and 75% held in reserve. The PD further states that farmers receive 50-60% of revenues from credit sales. However, the relationship between credit ownership, issuance, and the distribution of revenues is not clearly explained. The PP shall clarify the benefit sharing mechanism, including the flow of credits and revenues among stakeholders.

The finding remains open and requires further clarification.

Project participant response	Date: 05/05/2026
Required action for issue 2 is implemented in section 2.4.1 Stakeholder Identification and Engagement Required action for issue 3 is implemented in section 2.4. Community Objective.	
Documentation provided by project participant	
2-PDD-CS-BG-NORTH_v2.1_Commented_Round 2_CS080526 Required action 3 Folder VAL-CL 05.3, file: Механизъм за дялово разпределение на въглеродните кредити_v1_05.05.26-EN.pdf	
VVB assessment	Date: 18/05/2026

1. The PD has satisfactorily addressed this issue by revising Section 2.4 to clearly distinguish between social and community benefits that are actively monitored and those that are indicative only. The updated PDD introduces a dedicated subsection identifying monitored outcomes such as stakeholder engagement, farmer participation, knowledge transfer, grievance management, and proxy indicators of farm resilience, while explicitly stating that broader outcomes such as food security, health, and long-term income improvements are not quantitatively verified. The PDD also defines specific indicators, monitoring methods, and reporting frequencies for each monitored social outcome, thereby providing an auditable and transparent framework for assessing community co-benefits. Accordingly, this issue is considered fully resolved.
2. The PD has satisfactorily addressed this issue by clarifying the benefit-sharing mechanism in Section 2.4 and providing a separate documented mechanism for the allocation of carbon credits. The revised documentation explains that only 25% of verified removals are initially issued as credits, while 75% are retained in reserve until subsequent confirmation. Of the issued credits, a defined portion is allocated to a buffer fund, Carbonsafe, and the participating farmer according to contractually agreed percentages. The supporting mechanism further confirms that farmers retain ownership of their allocated share and receive 100% of the revenue from the sale of that share, while Carbonsafe's remuneration is covered by its own allocated portion. These revisions clearly explain the relationship between ownership, issuance, and revenue distribution and provide sufficient transparency and contractual traceability. Accordingly, this issue is considered fully resolved.

Finding is closed.

CL ID	06	Section no.		Date: 20/01/2026
Description of CL				

Section 4.2 Baseline Scenario

References:

1. PDD Template, Section 4.2 – Baseline Scenario
2. PDD Template, Section 4.2.2 – Cropping Systems and Rotations
3. PDD Template, Sections 4.2.4 and 4.2.7
4. PDD Template, Section 4.2.7 – GHG Profile in the Baseline

Issues:

1. Section 4.2.1 of the PDD, provides a detailed and well-substantiated regional BAU narrative for Northern Bulgaria. However, it does not explicitly confirm that this narrative constitutes the applicable baseline for all enrolled farms, nor does it clarify how farm-level deviations from the regional narrative are treated within baseline determination.
2. The PD qualitatively describes dominant crops and simplified rotations but does not provide quantitative indicators (e.g., approximate percentage of land under major rotations or prevalence of monocultures). While not strictly mandatory, such indicators are expected to substantiate baseline claims.
3. Mineral fertilizer uses and N₂O emissions are described in section 4.2.4 of the PD, but it does not clarify how baseline fertilizer-related emissions are treated in the accounting framework, especially given that non-CO₂ gases are excluded from crediting.
4. Section 4.2.7 of the PD describes baseline sources and sinks (SOC, N₂O, CO₂ from operations, CH₄) but does not explicitly distinguish between narrative baseline GHG context and the GHG sources included in formal accounting, which may cause confusion.

Required Action:

1. Add a clarifying statement with supporting evidence that the described BAU conditions represent the default regional baseline, with farm-specific management histories used to confirm alignment or identify deviations, as required by the methodology.
2. Where feasible, include indicative quantitative data (even approximate ranges) on the prevalence of dominant cropping systems to strengthen baseline substantiation.
3. Clarify that fertilizer-related N₂O emissions are acknowledged in the baseline narrative but excluded from accounting by methodological design, confirming that this exclusion is conservative and compliant.
4. Add a clarifying statement distinguishing baseline GHG context from the formal accounting boundary, confirming that only SOC-related CO₂ removals are credited under the methodology.

Project participant response

Date: 10/02/2026

Required action implemented in Section: 2.1 and 2.3 – clarification for BAU conditions is added, supporting evidence is cited as underline note 1. Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data. The RS analysis will be provided with the verification findings. Required action No 2 is implemented in PDD Section 4.2.2. Cropping systems and rotations. Required action No. 3 implemented in Section: 4.2.7 GHG profile in the baseline– N₂O emissions will be calculated and reported. The PDD text has been updated accordingly. N₂O calculations will be incorporated into the farm-level ER calculation sheets and will be submitted as part of the response to the verification findings. Additionally, the Standard and the Methodology developer have been formally notified regarding the introduction of these updates related to N₂O emissions and leakage assessment. Required action No. 4 implemented in Section: 4.2.7 GHG profile in the baseline–	
Documentation provided by project participant	
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf Required action 1: PDD, Underline note 1 Integrated Farm Statistics in Bulgaria 2023 (IFS2023): Main indicators. Sofia, Bulgaria: Ministry of Agriculture and Food. https://www.mzh.government.bg/media/filer_public/2025/09/05/ifs2023publicationaugust2025.pdf Folder Supporting documents, subfolder VAL-CL 06.1, file ifs2023publicationaugust2025.pdf Required action 2: PDD, Underline note 28 Ministry of Agriculture of the Republic of Bulgaria, Department “Agro-statistics”. (October 2022). https://www.mzh.government.bg/media/filer_public/2022/12/14/publication_bancik_2022.pdf Folder Supporting documents, subfolder VAL-CL 06.2, file publication_bancik_2022.pdf Required action 3: Carbonsafe’s notification to the Standard and the Methodology developer: Folder Supporting documents, subfolder VAL-CAR 5.1, file OUT-26.04.14-Уведомление N2O и теч.pdf	
VVB assessment	Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by strengthening the regional BAU narrative for Northern Bulgaria and supporting it with robust statistical evidence and contextual justification. The baseline description is now sufficiently representative of prevailing conditions in the project region and provides an adequate basis for application across enrolled farms. Accordingly, the issue is considered resolved.
2. The PP has adequately addressed this issue by incorporating quantitative data on cropping systems and rotations, including crop area distribution and rotation patterns supported by national statistics. These additions strengthen the credibility and evidentiary basis of the baseline scenario and meet the expectations of the PDD template. The issue is therefore considered closed.
3. The PP has addressed this issue by introducing N₂O emissions into the accounting framework and applying a conservative approach whereby increases are deducted from net benefits and decreases are not credited. This enhances the environmental integrity of the project. However, this represents a methodological update relative to the initial expectation. A Forward Action Request (FAR 1) is therefore raised to confirm formal approval and acceptance of this approach by the standard and methodology developer in the next monitoring/verification period.
4. **This issue remains open.** While the revised section improves the description of baseline GHG sources and accounting treatment, it does not clearly distinguish between (i) the broader baseline GHG context (including SOC, N₂O, CO₂, CH₄) and (ii) the formal crediting scope of the project. The current wording may lead to ambiguity regarding which components are credited versus only assessed for conservativeness.
Required Action: Revise Section 4.2.7 to explicitly differentiate between the full baseline GHG context and the accounting/crediting boundary, clearly confirming that only eligible components (as per the approved methodology) are credited, while others are included for completeness and conservativeness.

Issue 4 remains open

Project participant response	Date: 05/05/2026
Required action for issue 4 is implemented in Section 4.2.7. GHG profile in the baseline.	
Documentation provided by project participant	
2-PDD-CS-BG-NORTH_v2.1_Commented_Round 2_CS080526	
VVB assessment	Date: 18/05/2026
The PP has satisfactorily addressed this issue by revising Section 4.2.7 to explicitly distinguish between the broader greenhouse gas context and the formal crediting scope of the project. The updated section clearly explains that the baseline and project accounting boundary includes soil organic carbon (SOC) stock changes as well as relevant emission sources such as N ₂ O, CO ₂ , and CH ₄ to ensure completeness and conservativeness. It further clarifies that increases in N ₂ O emissions are deducted from net greenhouse gas benefits, while any reductions in N ₂ O emissions are treated only as environmental co-benefits and are not credited. Most importantly, the section now explicitly states that the formal crediting scope is strictly limited to net increases in SOC stocks expressed as CO ₂ removals, in accordance with the approved methodology, and that all other emission sources are included solely for conservative accounting purposes and are not eligible for crediting. These revisions fully resolve the ambiguity identified in the audit findings. Accordingly, this issue is considered fully resolved and closed .	

CL ID	07	Section no.		Date: 20/01/2026
Description of CL				

Section 13. Grouped Structure Details

References:

1. PDD Template, Section 13.1 Sub-Project Definition
2. PDD Template, Section 13.1.1 Addition of New Participants
3. PDD Template, Section 13.1 MRV and sampling consistency

Issues:

1. Section 13.1 of the PDD defines a sub-project broadly as “all farms participating” and allows for multiple legal forms (single farms, tenant operators, grouped farms under one contract). However, it does not clearly distinguish whether a sub-project is a legal counterparty, an operational unit, or a carbon-accounting unit. This creates ambiguity over who legally owns the credits, who carries reversal liability, and who is subject to sanctions in case of non-compliance.
2. The project allows new farms to join without full re-validation, but it does not specify how baselines are established for late-joining participants, nor how baseline dates are “frozen” to prevent cherry-picking of high-SOC-gain years.
3. Although the PD notes that additions or removals of parcels are evaluated, it does not specify how sampling strata, confidence intervals, or uncertainty calculations are protected when the project population changes.

Required Actions:

1. The PD must explicitly define whether a sub-project is: (a) the legal contracting entity, (b) the MRV accounting unit, and (c) the credit-holding unit in the registry and clarify how these roles interact when multiple farms operate under one contract.
2. The PDD shall specify baseline establishment rules for new entrants, including cut-off dates, historical data windows, and how baseline integrity is protected from strategic timing of enrolment.
3. The PDD shall define how MRV statistics (sample size, stratification, error margins) are recalculated when new sub-projects or parcels are added.

Project participant response

Date: 10/02/2026

*Required action No. 1 implemented in Section: 13.1 Sub-project (Project participant) Definition
Required action No. 2 implemented in Section: 13.1.1 New participants addition
Required action No. 3 implemented in Section: 13.1 Sub-project (Project participant) Definition -
When new sub-projects or parcels are added they follow documented procedures and undergo the
same eligibility screening and baseline logic as defined in the PDD. The section is revised to avoid
confusion.*

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

VVB assessment

Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by clearly defining the sub-project as the MRV and carbon-accounting unit, while distinguishing it from the legal contracting entity and the project-level credit issuance structure. The revised section further clarifies the allocation of legal responsibilities, including reversal liability and compliance obligations, and explains how traceability to sub-project level is maintained within the registry. The interaction between grouped contractual arrangements and individual responsibilities is now sufficiently transparent. Accordingly, this issue is considered resolved.
2. The PP has adequately addressed this issue by specifying that baselines for new participants are established using historical management data and soil sampling within a defined reference window at enrolment, with the baseline date fixed at the first sampling event. The revised text also confirms that consistent rules are applied across all late-joining participants to prevent strategic timing of enrolment. This provides sufficient assurance on baseline integrity and alignment with methodological requirements. The issue is therefore considered closed.
3. The PP has addressed this issue by clarifying that additions or removals of parcels and sub-projects follow documented procedures, undergo the same eligibility and baseline logic, and are subject to evaluation of their impact on sampling strata and statistical robustness prior to the next monitoring cycle. While the description remains high-level, it establishes that MRV consistency and statistical integrity are actively managed within the project's governance and change-control framework. This is considered sufficient at the PDD level. Accordingly, the issue is considered resolved.

Finding is closed.

CL ID	08	Section no.	Date: 20/01/2026
Description of CL			
Section 14. Data Management and IT Infrastructure References: 1. PDD Template, Section 14.1 Data Collection and Storage 2. PDD Template, Section 14.6 Data Security and Privacy Issues: 1. Section 14.1 of the PDD describes the existence of an “integrated software platform” but does not specify where data are physically or logically stored, whether in a cloud environment, on-premises servers, or third-party hosting. The absence of defined data residency, redundancy, and backup architecture creates a risk to data permanence, recoverability, and regulatory compliance. 2. Section 14.6 the PDD refers to role-based access but does not describe encryption, intrusion detection, penetration testing, or breach response procedures, exposing high-value carbon and land data to cyber risk. Required Actions: 1. Section 14.1 of the PDD shall identify the data hosting model, including primary storage location(s), backup frequency, disaster-recovery arrangements, and data retention periods. 2. The PDD shall include a cybersecurity framework covering encryption, incident response, monitoring, and breach notification.			
Project participant response			Date: 10/02/2026
<i>Required action No. 1 implemented in Section: 14. Data Management and IT Infrastructure</i> <i>Required action No. 2 implemented in Section: 14. Data Management and IT Infrastructure</i>			
Documentation provided by project participant			
<i>Required actions 1 and 2:</i> <i>Project Data Retention Policy – folder Supporting documents, subfolder VAL-CL 08, file Политика за съхранение на данни по проект_v1_20.03.26-EN.pdf</i>			
VVB assessment			Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by clearly defining the data hosting architecture in Section 14.1. The PDD now specifies that data are stored on dedicated on-premises infrastructure, with logical management through an MS SQL database, controlled access, and system isolation via containerized environments. It further describes an automated backup regime, including weekly full backups and daily differential backups, ensuring data redundancy and recoverability. These elements provide sufficient assurance on data permanence and integrity. Accordingly, the issue is considered closed.
2. The PP has adequately addressed this issue by establishing a comprehensive cybersecurity framework within the PDD. The revised section includes role-based access controls, firewall protection, VPN-secured access, multi-factor authentication, encrypted data transmission (SSL/HTTPS), API security mechanisms, and regular penetration testing using industry-recognized tools. These controls collectively demonstrate a robust approach to data security, monitoring, and risk mitigation appropriate for the project context. Accordingly, this issue is considered closed.

Finding is closed.

CL ID	09	Section no.	Date: 20/01/2026
Description of CL			
Section 15. Project Developer Sustainability, Scale & Financial Analysis. References: 1. PDD Template, Section 15.1- Growth Strategy 2. PDD Template, Section 15.3- Financial Sustainability 3. PDD Template, Section 15.3- Financial Sustainability 4. PDD Template, Section 15.3 and 15.4- Financial Sustainability and Long-Term Viability Issues: 1. The PD states that Carbonsafe will scale from 50,000 ha to 150,000 ha but provides no operational or commercial roadmap explaining how this will occur (e.g., farmer acquisition strategy, regional expansion plan, capital requirements, onboarding capacity, verifier throughput). Growth is presented as ambition rather than as an executable plan. 2. The PDD describes revenue drivers (credit sales, premium pricing) but does not disclose the cost base of operating the project, including MRV costs, lab analysis, IT infrastructure, agronomy, VVB fees, registry fees, buffer pool capitalization, and working capital requirements. Without this, financial sustainability cannot be independently assessed. 3. The PDD does not state whether Carbonsafe has sufficient capital, reserves, or financing to fund upfront costs (sampling, labs, verification, IT, farmer onboarding) before carbon credit revenues are realized. This is critical given the ex-post crediting model. 4. The PDD assumes sustained premium carbon credit pricing driven by market growth but does not analyze risks such as price volatility, demand contraction, regulatory changes, or competition. This creates a material financial viability risk. Required Actions: 1. The PP shall provide a scaling plan outlining how additional hectares and participants will be recruited, onboarded, sampled, verified, and paid, including key operational constraints and mitigation measures. 2. The PP shall provide a high-level financial model showing expected revenues, operating costs, and margins at current scale and at projected scale. 3. The PP shall disclose funding sources or financing arrangements that support pre-financing of MRV and operations. 4. The PDD shall include a market risk assessment describing how Carbonsafe remains viable under lower prices, slower demand, or policy shifts.			
Project participant response			Date: 16/02/2026

Details regarding required actions 1, 2, 3 and 4 are provided with the Financial sustainability document. Confidential information note.	
Documentation provided by project participant	
Please see folder Supporting documents, subfolder VAL-CL 09.1-4, file CONFIDENTIAL-Financial sustainability.pdf	
VVB assessment	Date: 29/04/2026
1. The PP has satisfactorily addressed this issue through the supplementary Financial Sustainability document, which provides a clear and structured scaling strategy. The plan outlines growth targets (from 50,000 ha to 150,000 ha), supported by defined mechanisms such as digital farmer onboarding, satellite-based monitoring, and expansion through existing farmer networks. It also identifies key operational constraints (e.g., dependency on credit sales and farmer payments) and corresponding mitigation measures, such as securing long-term offtake agreements. This demonstrates that scaling is based on an executable operational model rather than a purely aspirational target. 2. The PP has provided a breakdown of cost components, however, the basis and justification for these cost assumptions are not clearly explained. Similarly, on the revenue side, while the assumptions regarding the carbon credit sale price are included, there is no clear explanation of how revenues from administrative fees and loan agreements are calculated. Furthermore, the 'Carbon Credit Forecast' section is not clearly explained. It is unclear how the percentage values have been or what these shares represent, and how they relate to the issuance, reserve, and subsequent release of credits. While the PP states that approximately 35% of the credits are contractually obligated to CarbonSafe, the values presented appear to reflect a different applied share (31.75%). The PP shall clarify the basis of this percentage and ensure consistency of the values. 3. The PP has satisfactorily addressed this issue by disclosing funding mechanisms used to cover upfront costs prior to credit revenue realization. The financial documentation confirms the use of loan agreements, administrative fees, and early-stage revenue streams to finance operations, including MRV and onboarding activities. It also explains that financing arrangements for early years (e.g., 2025–2026) are structured to bridge the ex-post crediting gap. This provides adequate assurance that the project has access to sufficient liquidity to sustain operations. 4. The PP has adequately addressed this issue by incorporating a market risk assessment within the financial documentation. The analysis acknowledges risks related to price volatility, demand fluctuations, regulatory changes, and competition, and demonstrates resilience through conservative financial planning, diversified revenue streams, and cost reductions driven by scaling. The document explicitly states that the project remains viable under lower price and demand scenarios, supported by cost-efficiency gains and long-term offtake agreements. This provides sufficient evidence of risk awareness and mitigation.	
Finding remains OPEN.	
Project participant response	Date: 05/05/2026

Required action 2

The numbers in PDD section 15.2. Estimated Emission Reductions or Removals are corrected to match the financial sustainability document.

The cost structure is based on real data expenses on an annual basis according to current operating expenses and contractor agreements.

Administrative fee revenues are stipulated in the contractual agreements concluded with participating farmers and are calculated based on the agreed fee structure applicable to enrolled project participants.

Financing derived from concluded loan agreements is based on the annual budget planning of Carbonsafe, taking into account current and forecasted annual expenses. All loan agreements are formally documented, declared, and subject to review during ongoing accounting procedures and audits performed by the National Revenue Agency (NRA).

The percentage values related to the issuance, reserve allocation, and subsequent release of carbon credits are described in detail in the Benefit-sharing Mechanism document.

The percentage value of 31.75% applies only to the projected number of credits for the year 2025, as specified in the document "Financial Sustainability.pdf". Table 2 ("Cost by Year") in the same document contains projected values calculated based on a 35% assumption applied for subsequent years.

Documentation provided by project participant

Folder VAL-CL 05.3, file:

Механизъм за дялово разпределение на въглеродните кредити_v1_05.05.26-EN.pdf

VVB assessment

Date: 18/05/2026

The PP has satisfactorily addressed this issue by providing additional clarification on the basis of the financial assumptions used in the sustainability analysis. The response explains that cost estimates are derived from actual annual operating expenses and contractor agreements, while administrative fee revenues are based on contractual arrangements with participating farmers. The PP also clarifies that financing from loan agreements is determined through annual budget planning and supported by formally documented agreements subject to accounting and tax review. In addition, the explanation reconciles the carbon credit forecast assumptions by confirming that the 31.75% value applies only to the 2025 projection, whereas a 35% share is used for subsequent years, and references the Benefit-Sharing Mechanism for a detailed explanation of issuance, reserve allocation, and credit release. This clarification resolves the previously identified inconsistencies and provides a coherent basis for the financial projections.

Finding is closed.

CL ID	10	Section no.	Date: 20/01/2026
Description of CL			

Section 3. Project Boundary and Geographic Scope

References:

1. PDD Template, Section 3.2.7- Conservativeness

Issues:

1. In Section 3.2.7 of the PD, the PP's statement addresses conservativeness from a credit-issuing standpoint (e.g., holding back credits in reserve) but does not demonstrate how conservative assumptions are applied in SOC quantification. Specifically, the response does not clarify how uncertainty deductions, conservative parameter selection (SOC stock changes, bulk density, carbon fraction), and sampling variability are incorporated to avoid overestimation of removals.
2. In Section 3.4.2 of the PD, the PP states that farmers enter into individual agreements with the buyer/investor. However, other sections of the PD indicate that the PP acts as the aggregator and is responsible for the registration of the credits generated, creating a lack of clarity regarding roles and responsibilities.

Required Actions:

1. The PP is requested to demonstrate how conservativeness is applied in the quantification process itself, including parameter selection, treatment of sampling uncertainty, and application of fixed deductions, in addition to issuance safeguards.
2. The PP is requested to clarify how farmers are able to enter into individual agreements with investors while the PP retains responsibility as the aggregator for credit registration, including how roles, rights, and responsibilities are defined and managed.

Project participant response

Date: 11/02/2026

Required action No. 1 implemented in Section: 3.2.7 Conservativeness

Required action No. 2 implemented in Section: 3.4.2. Farmer Participation Agreements.

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

VVB assessment

Date: 29/04/2026

1. The PP has satisfactorily addressed this issue by revising Section 3.2.7 to demonstrate that conservativeness is embedded within the quantification process. The updated section confirms that SOC measurements are conducted by accredited laboratories under recognized standards, that measurement uncertainty is assessed as part of the MRV system, and that uncertainty deductions are systematically applied prior to credit issuance. It further clarifies that only net removals remaining after these deductions are eligible for crediting. While the description remains at a high level, it provides sufficient assurance at the PDD stage that conservativeness is applied to avoid overestimation of removals. Accordingly, the issue is considered resolved.
2. The PP has satisfactorily addressed this issue by clarifying in Section 3.4.2 that, although farmers may enter into individual agreements with buyers or investors, the Project Proponent retains its role as the aggregator responsible for MRV, credit issuance, and registry interaction. The revised text clearly distinguishes between commercial arrangements at farmer level and centralized responsibilities for credit management, ensuring transparency of roles, rights, and obligations. This resolves the ambiguity identified in the finding.

Finding is closed.

CL ID	11	Section no.		Date: 30/01/2026
Description of CL				

- (i) The PP is requested to differentiate between the usage of terms like Farm name and Plot names in the provided “**Farm locations-details**” excel file.
- (ii) The PP has used the term “**EKATTE**” in the column attributes of the provided eight (8) individual farm names’ KML Files. However, in Sheet Tab 2 of the provided “**Farm locations-North**” excel file, column names titled “**EKATTE name**” and “**EKATTE on land**”.
- (iii) The PP has used the Farm Names “**APIS AGRO 98 OOD_N**” and “**APLEND BULGARIA**” synonymously to one another in the PD and MR respectively. The PP is requested to clarify in complete depth and detail as to whether “**APIS AGRO 98 OOD_N**” and “**APLEND BULGARIA**” are the same farm names or different farms. If they are the same, then it’s only 7 individual farms and not 8 individual farm names.
- (iv) The PP is requested to explain in depth about the different project implementation periods (22/27 and 23/28).

Project participant response
Date: 15/04/2026

- (i) In the provided “Farm locations-details” excel file column “B” corresponds to Farm name. column “I” corresponds to Plot name
- (ii) Column “F” corresponds to “EKATTE on land” this is the unique identification number of the populated area, and column “E” corresponds to “EKATTE name” which is the name of the populated area
- (iii) After review, Carbonsafe was unable to identify where these two names were used synonymously. These are two separate farms and are correctly reflected in the documentation.
- (iv) Project implementation periods were corresponding with the farms time of enrollment (agronomic year) and their 5 year participation period. Following the data optimization process, a clarification was sought from the Standard regarding the applicable monitoring periods. Based on their guidance, it was confirmed that the predefined monitoring periods must be strictly followed.

In line with this, the dataset has been harmonized into a single monitoring period, within which all farms are included that:

- have completed two measurement cycles; and
- have sufficient data available for verification.

All corresponding corrections have been duly reflected in the Monitoring Report (MR) and corresponding documents and will be submitted to the VVB together with the responses to the verification findings.

Documentation provided by project participant

- (iv) BCCR reply on monitoring periods clarification
Folder Supporting documents, subfolder VAL-CL 11(iv), file IN-26.03.11_Структуриране на мониторингови периоди_Карбонсейф АД.pdf

VVB assessment
Date: 29/04/2026

While the VVB acknowledges the response provided by the PP. However, the supporting document provided to the VVB is found to be in Bulgarian. The PP is requested to provide an English translated document for the same. Until then, CL#11 continues to stand OPEN.

Project participant response
Date: 05/05/2026

Machine English translation is provided with this round in folder VAL-CL 11(iv).

Documentation provided by project participant

IN-26.03.11_Структуриране на мониторингови периоди_Карбонсейф АД en-GB.pdf

VVB assessment	Date: 18/05/2026
The VVB confirms that the PP has now provided the VVB with the English translated version of the document previously provided in Bulgarian. This document is an official statement from the Balkan Carbon Credits Registry (BCCR) to CARBONSafe AD, providing guidance on how to structure monitoring periods for soil carbon projects. This provides project developers with flexibility in reporting and verification while strictly maintaining principles of accuracy, traceability, and the avoidance of double counting. The key takeaways from the sources regarding these structuring options include: (i) Flexibility in Monitoring Periods: It is permissible to transition from "rolling" to "fixed" calendar monitoring periods (annual or half-yearly) for future periods, provided there is no overlap or double counting and the change is documented in an updated Monitoring Plan. Projects may also split a calendar year into multiple reports to align with agronomic cycles. (ii) Verification and Aggregation: The Standard does not impose a minimum volume of credits or a specific number of participants to initiate verification. Partial verification by groups of holdings is allowed as long as each holding has individual calculations and traceability is maintained at the plot level. Aggregation of holdings with different cycles is also permitted, provided no internal offsetting occurs between participants. (iii) Sampling Dynamics: Sampling is allowed to begin before the formal monitoring period starts, provided the data remains traceable and avoids double counting. Additionally, a single project can apply monitoring periods of varying durations for different reporting units, as long as each calculation is based on two actual measurements. (iv) Reporting Models: When preparing a Monitoring Report (MR), which should typically occur every 10–14 months, project developers have two main options: (a) Option 1: Include all participants regardless of their current implementation phase (e.g., those with only one measurement). (b) Option 2: Include only participants who have completed a full monitoring cycle (two measurements), with others being included retrospectively in subsequent reports. Ultimately, the BCCR confirms that all proposed flexible options are acceptable as long as they are transparently described in the project's Monitoring Plan and do not result in retroactive changes to already verified credits. Hence, CL#11 now stands Closed.	

CL ID	12	Section no.		Date: 30/01/2026
Description of CL				
The PP is requested to explain the purpose of having two separate PDD's and MR documents. The usual nomenclature is that of having a singular PDD and MR document.				
Project participant response				Date: 25/03/26
<i>The Project Design Document and the Monitoring Report are prepared in accordance with BCCS templates provided for two separate documents.</i>				
Documentation provided by project participant				
VVB assessment				Date: 29/04/2026
While the VVB has received the revised PDD from the PP, however the VVB is still waiting for the revised MR from the PP. Also, the PP is requested to clarify as to whether a single PD and a single MR will now be sent to the VVB for assessment. Until then, CL#12 stands OPEN.				
Project participant response				Date: 08/05/2026
Revised MR is provided together with the revised PDD.				
Documentation provided by project participant				

2-PDD-CS-BG-NORTH_v2.1_Commented_Round 2_CS080526 2-MR_CS-BG-NORTH_v2_08.05.26	
VVB assessment	Date: 18/05/2026
The PP has provided the revised MR to the VVB for assessment. Since, the PDD and MR documents have now been individually provided to the VVB, Hence, CL#12 now stands Closed.	

CL ID	13	Section no.		Date: 30/01/2026
Description of CL				
(i) A consolidated KML File is required to be provided to the VVB which justifies the area of 1,985 hectares(ha) which is showcased in Sheet Tab 1 titled “Farm Locations” of the “Farm Locations-North Bulgaria” excel file.				
(ii) The PP is requested to provide concrete and consistent physical evidence to justify that the North Bulgarian Project Area doesn’t overlap with that of any other Project Area whether of the Balkan Carbon Credit Registry (BCCR) or any other cross-registry.				
Project participant response				Date: 15/04/2026
(i) A consolidated GeoJSON file to justify the area of 1.985 (ha) provided				
(ii) North Bulgaria Project area boundaries together with the polygons of all enrolled 8 farms were sent to the Registry for check. Registry’s reply - that no overlap of areas has been identified and the polygons fall within the scope and boundaries of the project "Carbonsafe - a project for carbon agriculture in Northern Bulgaria" - is provided.				
Documentation provided by project participant				
(i) Folder Supporting documents, subfolder VAL-CI 13(i), files: North_Carbonsafe_polygon_farms_15.04.2026.csv North_Carbonsafe_polygon_farms_15.04.2026.geojson North_Carbonsafe_polygon_farms_15.04.2026.xlsx				
(ii) Folder Supporting documents, subfolder VAL-CI 13(ii), files: Registry reply: IN-26.04.03_БРВК-проверка на граници.pdf				
GeoJSON with project boundaries and the polygons of all enrolled 8 farms: North_Carbonsafe_polygon_project_boundary_and_farms_15.04.2026.geojson North_Carbonsafe_polygon_project_boundary_and_farms_15.04.2026.csv North_Carbonsafe_polygon_project_boundary_and_farms_15.04.2026.xlsx				
VVB assessment				Date: 29/04/2026
The closure of this document is dependent upon the closure of CL#17. Also, the registry reply document appears to be in Bulgarian. The PP is requested to translate the contents of this document to English and provide to the VVB for assessment. Until then, CL#13 stands OPEN.				
Project participant response				Date: 05/05/2026
Please see response to CL#17 Machine translation of the Registry reply is provided with this round in folder VAL-CI 13(ii)				
Documentation provided by project participant				
IN-26.04.03_БРВК-проверка на граници en-GB.pdf				
VVB assessment				Date: 18/05/2026
The VVB has thoroughly assessed CL#17, and since the closure of CL#13 is dependent on CL#17. Hence, CL#13 now stands Closed .				

CL ID	14	Section no.		Date: 30/01/2026
Description of CL				
Lack of Integrated GIS Data for Project Boundary Delineation: In Section 3.1 (Geographic Boundary), the PDD describes the project scope as covering North Bulgaria, including specific provinces (e.g., Dobrich, Varna, Shumen, etc.), but does not provide or reference any GIS shapefiles, KML files, or maps to precisely delineate the project areas. This creates an internal anomaly, as Section 3.2.2 (Spatial Boundary of Measurement) emphasizes georeferenced plots (cells) linked to cadastral maps, yet no visual or data-based evidence (e.g., overlay with satellite imagery) is included to confirm boundary accuracy or homogeneity, potentially leading to unverifiable spatial overlaps or exclusions during auditing.				
Project participant response				Date: 15/04/2026
Section 3.1 Geographic Scope in PDD is revised, and annex 16.2 GEOGRAPHICAL COORDINATES OF THE NORTHERN BULGARIA PROJECT is also added				
Documentation provided by project participant				
GeoJSON with project boundaries and the polygons of all enrolled 8 farms. Folder Supporting documents, subfolder VAL-Cl 13(ii), files: North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.geojson North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.csv North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.xlsx				
VVB assessment				Date: 29/04/2026
The closure of this document is dependent upon the closure of CL#17 and CL#20. Until then, CL#14 stands OPEN.				
Project participant response				Date: 05/05/2026
Please see response provided to CL#17				
Documentation provided by project participant				
VVB assessment				Date: 18/05/2026
Since, the closure of this finding is largely dependent on CL#17 and CL#20, and since CL#17 and CL#20 have been sufficiently addressed and CLOSED, CL#14 now stands Closed .				

CL ID	15	Section no.		Date: 30/01/2026
Description of CL				
Inconsistent Description of GIS Integration for Sampling Design: Section 6.1 (Sampling Design) mentions geo-referencing of sampling points using GPS and integration with the ISACO2 system, but there is no mention of using GIS tools (e.g., ArcGIS or QGIS) for stratifying sampling based on soil variability or land cover heterogeneity. This is anomalous with Section 4.1.4 (Sampling Design and Field Execution), which implies spatial unit definition, as it could result in non-representative sampling without RS-derived layers (e.g., NDVI from Sentinel-2 for vegetation variability), risking biased SOC estimates.				
Project participant response				Date: 15/04/2026

The methodology does not require additional stratification beyond the defined cell size and sampling approach applied to arable agricultural land. The sampling cells are delineated taking into account the land use category- annual crops, permanent grasslands, and perennial crops.

However, Carbonsafe is currently implementing RS. RS analysis demonstrating representativeness and statistical robustness for all of the farms will be provided for VVB review with the verification findings.

The RS analysis operates at the farm entity level, aggregating all registered parcels into a single spatial unit per zone (farm, control, belt). This approach is consistent with the MRV framework for result-based carbon farming schemes, where the unit of certification is the farm entity (EU Carbon Removals and Carbon Farming Regulation, CRCF, adopted December 2024). Farm-level aggregation captures the net effect of all management activities across the enrolled area, including parcels at different stages of practice implementation or in crop rotation transition. The Sentinel Hub Statistical API integrates all satellite pixels within each zone polygon, providing complete spatial coverage of the entire enrolled area – unlike point-based sampling, the satellite-derived indicators represent every square meter of each zone.

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

The VVB acknowledges the PP's response and the intention to adopt an aggregated, farm-entity-level MRV framework aligned with the CRCF Regulation adopted in late 2024. However, the commitment to use Sentinel Hub Statistical API for RS analysis to demonstrate "representativeness and statistical robustness" requires rigorous validation. The PP is requested to do the following:

(i) Provide evidence that aggregating all parcels (different crops/practices) into a single farm-entity zone (farm, control, belt) does not hide significant variability. If a farm has highly heterogeneous soil types (e.g., sandy vs. clay soil), the PP must provide a rationale for why a single average RS indicator is sufficient.

(ii) The PP must provide a statistical analysis (e.g., Pearson correlation, PCA) comparing the soil sampling results with the Sentinel-2-derived indices (NDVI/BI/CI) within the 30cm depth.

(iii) The PP must demonstrate how Sentinel-2 spectral indices correlate with ground-truth SOC to confirm the representativeness of the sampling points.

(iv) The final monitoring report must include GIS maps showing the sampling points overlaid with the RS-derived variability layers (e.g., stratified NDVI map) to visually demonstrate that the "representative" points cover both high- and low-performing areas.

Until the above pointers are addressed, CL#15 continues to stand OPEN.

Project participant response

Date: 07/05/2026

(i), (ii), (iii), (iv) The RS report is an independent tool for remote monitoring within the project's MRV framework, providing spatially explicit, time-continuous verification of the implementation of practices and trend-level verification of indicators that correspond to the practices in the project registry. It is designed to serve as a separate line of evidence from the project's field campaign and therefore uses only data sources not provided by the project developer: Copernicus Sentinel-1 / Sentinel-2 for spectral and SAR indicators, Copernicus DEM and SAGA-derived terrain attributes for stratification, and FAO HWSD2 v2 and SoilGrids 2.0 for the absolute SOC baseline. No field measurements are used as input data for any indicator or stratification step. The methodological separation of the satellite and field-laboratory streams preserves the independence of the two streams of evidence and is standard verification practice according to IPCC 2019 Refinement (Vol. 4, Ch. 2), ISO 14064-3:2019, and established carbon crediting programs (CDM Tool24; Schneider & Kollmuss, 2014); when the two streams are merged, despite the use of non-overlapping input data, the overall assurance of the verification increases beyond what either could establish on its own.

The quantitative basis for issuing carbon units—specifically soil organic carbon stocks and nitrous oxide emissions—is established through an on-site measurement, verification, and validation (MRV) program and accredited laboratories (EN ISO/IEC 17025). The methodology, accredited sampling and testing protocols, and emission factors applied within this program are determined by the Project Owner in accordance with the rules of the relevant carbon credit framework and are outside the scope of this remote monitoring and verification tool.

The satellite indicators used, based on proxies (SOC spectral proxy, GPP proxy, N₂O indicator), provide targeted, spatially resolved signals that complement but do not replace these measurements. Directly measured indicators (NDVI, NDTI, SAR VV, SAR VH) provide physically interpretable evidence of surface conditions and the implementation of management practices and are treated here as a primary verification layer for identifying practices. This distinction between indicators based on direct measurements and those modeled using proxies is maintained throughout the RS report and is fundamental to interpreting the uncertainty structure of the evidence base.

The accompanying databases submitted with RS reports include GeoJSON boundaries, raw Sentinel statistics, filtered time-series, pre/post statistics, Difference-in-Differences outputs, parcel-level tables and map layers, providing finding-by-finding traceability for RS-based baseline land-use verification, leakage monitoring, safeguards/permanence monitoring and retrospective start-date validation.

Documentation provided by project participant

RS Analyses provided with verification findings in folder VER-CL 10_RS

VVB assessment

Date: 18/05/2026

The Remote Sensing (RS) report acts as an independent, spatially explicit, and time-continuous verification tool within the project's MRV framework. It provides a separate line of evidence from the field campaign by relying exclusively on independent data sources (Copernicus Sentinel-1/2, Copernicus DEM, and global soil datasets) rather than project-provided measurements, aligning with international standards (IPCC, ISO 14064-3, CDM).

While on-site, accredited measurements remain the basis for calculating soil organic carbon (SOC) and nitrous oxide emissions, the RS report provides a critical, independent layer of verification. By combining direct physical indicators (NDVI, SAR) with proxy-based indicators, the report delivers a transparent, traceable assessment of practices, leakage, and permanence, strengthening the overall verification assurance. Hence, CL#15 now stands **Closed**.

CL ID	16	Section no.	Date: 30/01/2026
Description of CL			
Absence of RS-Based Baseline Land Use Verification: In Section 4.2 (Baseline Scenario), the PDD describes prevailing land use (e.g., cropping systems, tillage), but provides no RS evidence (e.g., time-series satellite imagery from Landsat or Sentinel) to verify historical land cover trends or SOC degradation under BAU. This internal gap contradicts Section 5.2.1 (Regional Agronomic Context), which discusses soil conditions, as GIS/RS could be used to substantiate claims without relying solely on narrative descriptions.			
Project participant response			Date: 15/04/2026
<i>Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.</i> <i>Regarding the RS framework: A standardised Remote Sensing methodology is under development and will be integrated into the MRV system. It will define key elements such as data sources, monitoring frequency, core indicators.</i> <i>The Project Proponent confirms that the RS framework will be applied across the full Project Area in future monitoring cycles.</i> <i>At this stage, the completed RS analysis for the eight farms demonstrates the practical application of satellite-based monitoring.</i> <i>RS analysis results will be provided for VVB review together with the reply of the verification findings.</i>			
Documentation provided by project participant			
VVB assessment			Date: 29/04/2026
While the VVB acknowledges the response provided by the PP that the Remote Sensing (RS) monitoring framework of Carbonsafe is still in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. Additionally, the PP mentions that currently a Remote Sensing Analysis has already been conducted for the eight (8) farms, which have, as per the PP been included in the current verification cycle, covering the Project Area subject to verification. The PP mentions the analysis including the initial verification of land use, crop presence, and consistency with the reported practices based on satellite data. However, no geospatial evidence or any other detailed physical evidence substantiating the same has been provided to the VVB. Additionally, the PP also confirms regarding the application of the RS framework across the full Project Area in future monitoring cycles. However, considering that the scope of this project is already a Joint Validation and Verification (JVVB). The first monitoring cycle is going to be covered in the current scenario only. The PP is requested to explain in complete depth about the same and the exact time period for the incorporation of the RS framework for the future monitoring cycles. Also, the PP is requested to take note of one thing: If the PP has mentioned anywhere in their response the usage of Remote Sensing Analysis in this document, it is imperative that the PP incorporates this Remote Sensing Analysis here itself. This ensures complete trackability and traceability of the response mentioned. Hence, until the above pointers are addressed, CL#16 continues to stand OPEN.			

Project participant response	Date: 05/05/2026
Remote Sensing (RS) analyses and supporting RS reports for the verified farms included in the current JVV cycle have been prepared and provided as evidence. Regarding the implementation of the RS monitoring framework, the PP confirms the following: For all farmers who have signed participation agreements in the project by 07/05/2026, RS analyses will be prepared covering: • historical pre-project land conditions; • initial verification of land use and crop presence; • assessment of consistency with reported practices based on satellite data; and • current land status within the monitoring period. Subsequent RS monitoring reports will be conducted periodically between two soil sampling events as part of the MRV monitoring cycle. For all farmers joining the project after 07/05/2026, one RS report covering historical pre-project conditions will be prepared upon project onboarding, followed by one RS report covering the current land status between two soil sampling events. RS framework forms an integral part of the MRV system and will be progressively implemented across the entire project area in all future monitoring cycles.	
Documentation provided by project participant	
RS Analyses provided with verification findings in folder VER-CL 10_RS	
VVB assessment	Date: 18/05/2026
The VVB confirms that all the Remote Sensing evidences and supporting documentation for the current monitoring cycle and verified farms have been provided to the VVB by the PP. The Project Proponent (PP) further confirms the following monitoring framework: For farmers signed by 07/05/2026, RS analyses will cover pre-project conditions, initial land/crop verification, practice consistency, and current status. Subsequent reports will occur periodically between soil sampling events. For farmers joining after 07/05/2026, reports will include a historical review at onboarding and a current status update between soil sampling events. This RS framework is integral to the MRV system and will be implemented across all future cycles. Hence, CL#16 now stands Closed.	

CL ID	17	Section no.		Date: 30/01/2026
Description of CL				
Mismatch in Spatial Boundary Definition and GIS Requirements: The Methodology (IV. PROJECT BOUNDARIES, 1) Spatial boundary) requires project boundaries to be defined by cadastral maps and georeferenced, emphasizing precise area delineation for eligibility. However, the PDD (Section 3.1) only narratively describes North Bulgaria without providing GIS coordinates or referencing RS data for boundary validation (e.g., against EU Copernicus land cover datasets). This discrepancy could lead to unverifiable project expansion in grouped projects, as the Methodology implies GIS traceability for monitoring cells.				
Project participant response				Date: 15/04/2026
Section 3.1 Geographic Scope in PDD is revised, and annex 16.2 GEOGRAPHICAL COORDINATES OF THE NORTHERN BULGARIA PROJECT is also added				
Documentation provided by project participant				
GeoJSON with project boundaries and the polygons of all enrolled 8 farms. Folder Supporting documents, subfolder VAL-CL 13(ii), files: North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.geojson North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.csv North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.xlsx				
VVB assessment				Date: 29/04/2026

Upon inspecting the provided KML File, the VVB has made the following observations:

(i)The row-wise attributes of the BZS_ID “Север-UTM-35_im” contains “NULL” attributes, the screenshot of the same has been showcased below:

North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026 — North_Carbonsafe_project_boundary_and farms_15 — Features Total: 120, Filtered: 120, Selected: 0

	BZS_ID	PRC_UIN	EKATTE	calculated	officialId	campaign	CROPNAME	CROP CODE	cultivated	layer	Coordinate
1	Север-UTM-35...	Геодезия прое...	56722	NULL	NULL	NULL	NULL	NULL	NULL	NULL	MultiPolygon ([...

(ii)Also, this BZS_ID “Север-UTM-35_im” is very different from the BZS_IDs mentioned after “Север-UTM-35_im”. The PP is requested to provide complete clarity over the same.

(iii)Additionally, the provided “North_Carbonsafe_polygon_project_boundary” geojson file still showcases a multi-part feature error; the screenshot of the same has been showcased below:

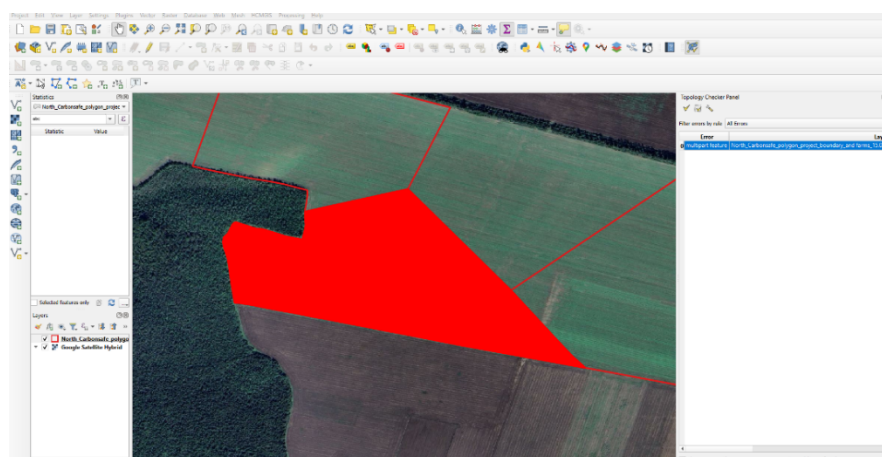


Figure 1

(iv)The VVB also found that certain delineations/demarcations of the provided KML File are found to be line delineations/demarcations, instead of Polygonal Delineations/Demarcations:

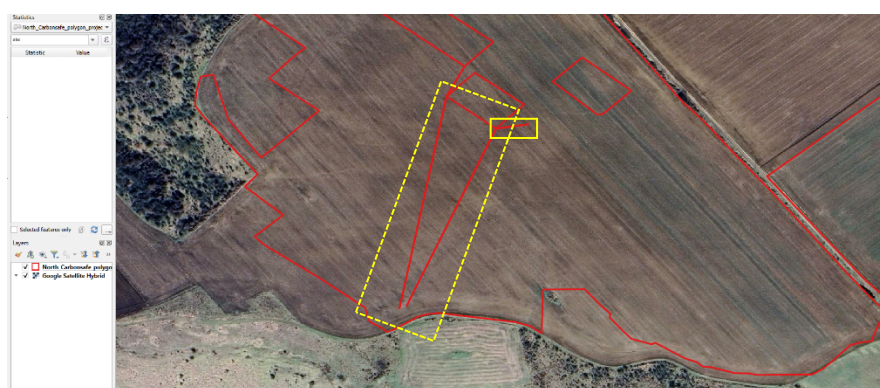
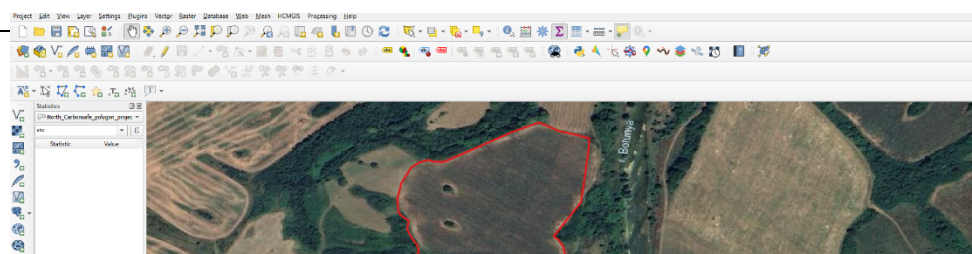


Figure 2

(v)In the screenshot showcased below, the PP has specifically delineated/ demarcated out a comparatively dense vegetation, however, the other dense vegetation portions have not been separately delineated/demarcated. The screenshot of the same has been showcased below:



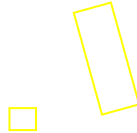


Figure 3

(vi) Certain Non-Eligible Areas have also been identified. The screenshots of the same have been showcased below:

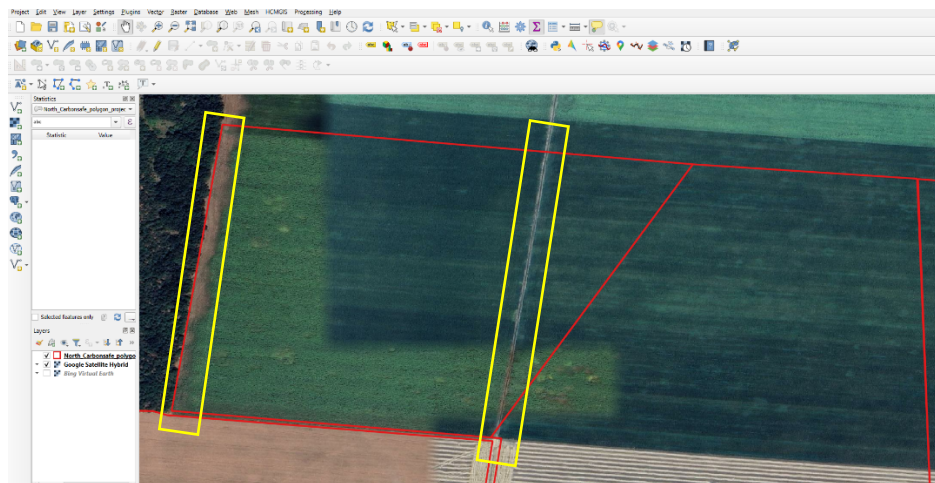
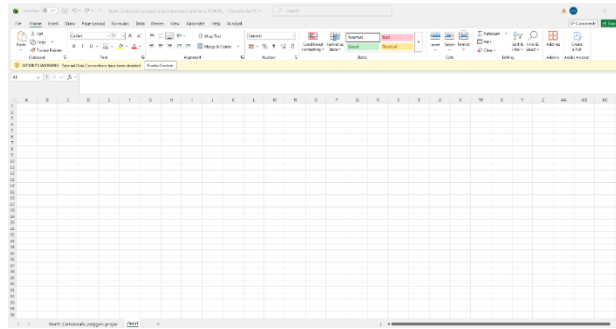


Figure 4: Certain Portions of Unmetalled Roads and Metalled Roads are found to be a part of these Project Polygons

NOTE: The PP is requested to correct and remove all the improper delineations/demarcations and Non-Eligible Areas provided from the Project Area KML File.

(vii) The PP is requested to revise the provided Excel and CSV files, likewise.

(viii) Also, the corresponding Excel File consists of a sheet tab written in Bulgarian. However, there is nothing as such present in this sheet tab of the excel file. The screenshot of the same has been showcased below:



(ix) There are also two documents IN and OUT in the PDF Format in the VAL-CL13(ii) Folder, which have been written in Bulgarian. The PP is requested to translate the contents of these PDF Files and provide the same to the VVB.

Until the above pointers are sufficiently addressed, CL#17 continues to remain OPEN.

Project participant response	Date: 05/05/2026
(i), (ii) Project boundaries provided in separate GIS Data (GeoJSON, CSV and EXCEL Reference) (iii), (iv), (v), (vi), (vii), (viii) Corrections have been applied to the polygons, and ineligible areas (such as utility poles, agricultural roads, and similar features) have been excluded. These adjustments have been consistently reflected in both the calculation sheets and the Monitoring Report. Discrepancies in area calculations may arise when processing GIS data across different software platforms. Any discrepancies exceeding 0.4 ha per cell are explicitly documented in the calculation sheets. Minor discrepancies below 0.4 ha (representing less than 1% of the total area) are attributed to software-specific processing variations and have been incorporated into the software uncertainty percentage within the calculation sheets. The column "Plot area (ha)" in the QGIS files is provided for reference purposes only and should not be used for verification or identification of areas. It represents supplementary internal information. As linestrings do not generate area, the indicated values correspond to the sampling grid cells at the time of soil sampling, while the generated linestrings remain within the boundaries of each respective cell. (ix) Machine translation of the file provided	
Documentation provided by project participant	

(i), (ii), (iii), (iv), (v), (vi), (vii), (viii) *The following files are provided with verification findings in folder VER-CL 02.3:*

GIS Data (GeoJSON, CSV and EXCEL Reference) with project boundaries, files:

North_Carbonsafe_polygon_project_bounderes_30.04.2026.csv

North_Carbonsafe_polygon_project_bounderes_30.04.2026.json

North_Carbonsafe_polygon_project_bounderes_30.04.2026.xlsx

GIS Data (GeoJSON, CSV and EXCEL format) all farms polygons, files::

North_Carbonsafe_polygon_farm_30.04.2026.csv

North_Carbonsafe_polygon_farm_30.04.2026.json

North_Carbonsafe_polygon_farm_30.04.2026.xlsx

GIS Data (GeoJSON and CSV) for each farm separately is provided in folder VER-CL 02.3, files:

K1_API AGRO 98_26.03.13_4 _polygons.csv

K1_API AGRO 98_26.03.13_4 _polygons.json

K1-ET RUMEN NATSEV_26.03.13_12 _polygons.csv

K1-ET RUMEN NATSEV_26.03.13_12 _polygons.json

K1-ET TIASO-DOBROMIR VALCHEV_26.03.13_9 _polygons.csv

K1-ET TIASO-DOBROMIR VALCHEV_26.03.13_9 _polygons.json

K1-MAPI 96_26.03.13_12 _polygons.csv

K1-MAPI 96_26.03.13_12 _polygons.json

K1-NATSEVI 2019_26.03.13_8 _polygons.csv

K1-NATSEVI 2019_26.03.13_8 _polygons.json

K1-ZK BEZMER_26.03.13_18 _polygons.csv

K1-ZK BEZMER_26.03.13_18 _polygons.json

K2-APLEND BULGARIA_26.03.13_55 _polygons.csv

K2-APLEND BULGARIA_26.03.13_55 _polygons.json

K2-SEKAPP BULGARIA_26.03.13_5 _polygons.csv

K2-SEKAPP BULGARIA_26.03.13_5 _polygons.json

GIS Data (GeoJSON, CSV and EXCEL Reference) for each sampling event for each farm, files:

North_farm_poligon_linestring_MD1_29.04.26_audit.xlsx

QGIS-North_linestring_API AGRO 98_BASE-K1_25.04.2026.json

QGIS-North_linestring_API AGRO 98_BASE-K1_25.04.2026.csv

QGIS-North_linestring_APLEND_K1-K2_27.04.2026.json

QGIS-North_linestring_APLEND_K1-K2_27.04.2026.csv

QGIS-North_linestring_ET RUMEN NATSEV_BASE-K1_27.04.2026.json

QGIS-North_linestring_ET RUMEN NATSEV_BASE-K1_27.04.2026.csv

QGIS-North_linestring_ET TIASO_BASE-K1_27.04.2026.json

QGIS-North_linestring_ET TIASO_BASE-K1_27.04.2026.csv

QGIS-North_linestring_MAPI 96_BASE-K1_27.04.2026.json

QGIS-North_linestring_MAPI 96_BASE-K1_27.04.2026.csv

QGIS-North_linestring_NATSEVI 2019_BASE-K1_27.04.2026.json

QGIS-North_linestring_NATSEVI 2019_BASE-K1_27.04.2026.csv

QGIS-North_linestring_ZK BEZMER_BASE-K1_27.04.2026.json

QGIS-North_linestring_ZK BEZMER_BASE-K1_27.04.2026.csv

(ix) folder VAL-CL13(ii), file: OUT-26.04.03-граници на проекти към БРБК en-GB.pdf	
VVB assessment	Date: 18/05/2026
The PP has now provided the VVB with the revised geojson files, CSV files and xlsx files for the various project boundaries. Also, their attribute tables are found to be geocoded. Additionally, the geojson and csv file formats for each of the individual farms have also been provided to the VVB. Non-Eligible Areas such as utility poles, agricultural roads, etc. have now been removed. These corrections made, have been also showcased in both the calculation sheets and the Monitoring Report (MR). The PP has also documented the discrepancies exceeding 0.4 hectares(ha) in the calculation sheets as well as discrepancies falling below 0.4 hectares(ha), which are very minor, have also been included in the calculation sheets to indicate the software-specific processing variations. The PP has also confirmed on linestrings not really generating area, but the indicated values actually corresponding to the sampling grid cells at the time of soil sampling. The generated linestrings remain within the boundaries of each respective cell. Also, the PP has provided the English translated PDF of the document presented in Bulgarian prior-The response of the same has been documented in CL#11 in reference to this document. Hence, CL#17 now stands Closed.	

CL ID	18	Section no.		Date: 30/01/2026
Description of CL				
Omission of RS for Leakage Monitoring: The Methodology (5. Leakage) discusses potential displacement of activities outside boundaries, requiring monitoring to ensure no leakage. The PDD (Section 9.1 Leakage Risk Analysis) assesses likelihood but does not incorporate RS/GIS methods (e.g., monitoring adjacent lands via satellite change detection) for verification, creating a gap. This is anomalous, as the Methodology's emphasis on spatial boundaries suggests RS integration for leakage detection, especially in grouped projects.				
Project participant response				Date: 15/04/2026
<i>Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.</i> <i>Regarding the RS framework: A standardised Remote Sensing methodology is under development and will be integrated into the MRV system. It will define key elements such as data sources, monitoring frequency, core indicators.</i> <i>The Project Proponent confirms that the RS framework will be applied across the full Project Area in future monitoring cycles.</i> <i>At this stage, the completed RS analysis for the eight farms demonstrates the practical application of satellite-based monitoring.</i> <i>RS analysis results will be provided for VVB review together with the reply of the verification findings.</i>				
Documentation provided by project participant				
VVB assessment				Date: 29/04/2026

While the VVB notes the Project Proponent's (PP) statement that the Remote Sensing (RS) monitoring framework is currently under development for the MRV system, we observe that the reported RS analysis for the eight farms in this verification cycle lacks supporting geospatial evidence. Furthermore, while the PP intends to apply this framework across the entire project area in future cycles, this Joint Validation and Verification (JV) covers the initial monitoring period, necessitating immediate clarification. The PP is requested to provide a detailed, in-depth explanation of the current analysis and a timeline for future implementation. Additionally, any reference to the use of RS analysis must be supported by including the actual data within this response to ensure full traceability. Until then, CL#18 continues to stand OPEN.	
Project participant response	Date: 07/05/2026
Remote Sensing (RS) analyses and supporting RS reports for the verified farms included in the current JV cycle have been prepared and provided as evidence. Regarding the implementation of the RS monitoring framework, the PP confirms the following: For all farmers who have signed participation agreements in the project by 07/05/2026, RS analyses will be prepared covering: • historical pre-project land conditions; • initial verification of land use and crop presence; • assessment of consistency with reported practices based on satellite data; and • current land status within the monitoring period. Subsequent RS monitoring reports will be conducted periodically between two soil sampling events as part of the MRV monitoring cycle. For all farmers joining the project after 07/05/2026, one RS report covering historical pre-project conditions will be prepared upon project onboarding, followed by one RS report covering the current land status between two soil sampling events. RS framework forms an integral part of the MRV system and will be progressively implemented across the entire project area in all future monitoring cycles.	
Documentation provided by project participant	
RS Analyses provided with verification findings in folder VER-CL 10_RS	
VVB assessment	Date: 18/05/2026
The VVB has already detailed their response in CL#16. Hence, CL#18 now stands Closed .	

CL ID	19	Section no.		Date: 30/01/2026
Description of CL				
Depth Sampling and GIS Stratification Inconsistency: The Methodology (VI. CONTROL AND REPORTING, 1. CONTROL AND REPORTING OF SEQUESTERED SOIL CARBON) focuses on SOC measurement without specifying depths, but implies spatial representativeness. The PDD (Section 3.2.2) specifies sampling at 0–30 cm, 30–60 cm, 60–90 cm, yet lacks GIS-based stratification (e.g., using soil maps from FAO or RS-derived soil moisture variability) to justify depth-specific boundaries, potentially violating the Methodology's conservativeness principle (6. Uncertainty) for spatial accuracy.				
Project participant response				Date: 15/04/2026

The Methodology explicitly defines soil sampling at three fixed depth intervals (0–30 cm, 30–60 cm, and 60–90 cm), applied consistently across all project activities through a standardized, georeferenced sampling protocol .

Spatial representativeness is ensured through a cell-based sampling design, where plots are divided into defined sampling units (cells) and all samples are georeferenced and managed within an integrated GIS-based system (ISACO₂). This approach ensures traceability and consistency across the project area.

While the Methodology does not require external GIS stratification layers (e.g. FAO soil maps), the current approach is based on direct measurement (measure–remeasure) and is considered conservative, as it relies on actual field data rather than modeled assumptions.

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

While the response provided by the PP is largely sufficient. However, the PP is requested to demonstrate that the number of samples per “cell” is statistically significant. And the calculation of Standard Error is prevalent. The PP is requested to provide complete clarity over the Sampling Approach within the ISACO2 system description. Until then, CL#19 continues to stand OPEN.

Project participant response

Date: 07/05/2026

1. Statistical basis and representativeness of plot-based sampling

The sampling design within the project follows a plot-based, stratified, and georeferenced approach, consistent with best practices for soil carbon monitoring in agricultural projects and the principles of statistical representativeness and uncertainty management required by conservative carbon accounting frameworks. Each cell represents a relatively homogeneous unit in terms of land use, crops grown, and agrotechnical practices applied, which are the main factors influencing the dynamics of soil organic carbon, while accounting for the presence of intra-cell spatial heterogeneity of soil characteristics through the sampling design and subsequent statistical analysis

Within each cell:

- The number of samples is determined in advance based on the expected spatial variability of SOC and project requirements;
- The minimum number of samples is defined to ensure a statistically significant estimate of the mean and variability;

This approach ensures that intracellular variability is adequately accounted for and that the resulting estimates are representative of the respective spatial unit, in accordance with the principle of sufficient sampling to achieve a reliable estimate of the mean value at an acceptable level of uncertainty (95% confidence interval, where applicable).

2. Calculation of the standard error (SE) and treatment of uncertainty

The standard error is calculated at the cell level and integrated into the project's uncertainty framework.

For each cell:

$$SE = \frac{\sigma}{\sqrt{n}}$$

Where:

- σ = standard deviation of SOC measurements within the cell
- n = number of valid samples in the cell

This approach corresponds to standard statistical practice for estimating the uncertainty of the mean value and is consistent with the conservative principles of carbon accounting.

Calculated standard error:

- Used to quantify the uncertainty around the mean SOC value at the plot level;
- Applied when aggregating to the project level;
- Used to apply conservative corrections when uncertainty thresholds are exceeded according to the methodology or internal QA/QC procedures.

This ensures that the final reported values remain conservative according to the methodology.

3. ISACO₂ System – Sampling Design and Data Processing

The ISACO₂ system is an integrated GIS-based MRV (Monitoring, Reporting, and Verification), ensuring full traceability of sampling and calculations.

The workflow includes:

- Spatial definition of sampling cells based on project boundaries and management homogeneity;
- Georeferenced placement of sampling points, ensuring spatial traceability of all measurements;
- In-depth SOC sampling at standardized intervals (0–30 cm, 30–60 cm, 60–90 cm) in accordance with the methodology;
- Automated statistical calculation, including mean, standard deviation, and standard error at the cell level;
- Uncertainty propagation and aggregation, ensuring a consistent transition from the cell to the project level;

- Data integrity control, including validity checks and audit trails for all calculations.

This structure ensures compliance with key MRV principles: transparency, reproducibility, traceability, and conservativeness.

4. Statement of Compliance and Conclusion

Based on the above explanations, Carbonsafe confirms that:

- The sampling intensity at the cell level is statistically sound and provides representative SOC estimates at an appropriate confidence level;
- The ISACO₂ system provides a fully traceable, GIS-integrated, and statistically robust framework for SOC sampling, processing, and reporting;
- The overall approach is consistent with the principles of conservative carbon accounting and best practices for soil carbon quantification

Documentation provided by project participant

VVB assessment

Date: 18/05/2026

The PP has clearly explicitly detailed and mentioned that the project employs a stratified, plot-based, and georeferenced sampling design to monitor soil organic carbon (SOC), ensuring statistical representation and robust uncertainty management. Cells are stratified by land use and management practices, with the number of samples pre-determined to account for spatial variability, ensuring reliable, high-confidence (95%) estimates of the mean SOC within each unit. Standard error is calculated for each cell and integrated into a conservative framework. This enables precise quantification of uncertainty at the plot level, allowing for rigorous aggregation and necessary deductions to ensure conservative reporting in compliance with MRV standards. The GIS-integrated ISACO₂ system ensures full traceability from sampling to reporting through:

- Stratified cell definition.
- Georeferenced, standardized sampling.
- Automated statistical calculations.
- Data integrity checks and transparent audit trails.

Further, Carbonsafe certifies that the sampling intensity and the ISACO₂ system provide a statistically robust, transparent, and conservative framework for SOC quantification, adhering to best practices. Hence, CL#19 now stands **Closed**.

CL ID	20	Section no.		Date:	30/01/2026
Description of CL					
Insufficient GIS Documentation for Grouped Project Eligibility: BCCS (5. Project eligibility requirements, 5.1 Grouped Projects) requires clear spatial expansion criteria for grouped projects. The PDD (Section 2.1.1 Grouped project architecture) mentions scalable enrolment but provides no GIS maps or RS-based plans (e.g., suitability analysis using multi-criteria GIS overlays) for future inclusions, creating a discrepancy. This could hinder verification of exclusivity (3.3 Exclusivity) without georeferenced evidence.					
Project participant response					Date: 15/04/2026

The Project Proponent confirms that a georeferenced GeoJSON defining the Project Area boundary has been developed and is provided as part of the project documentation.

This GeoJSON establishes the spatial framework for the grouped project, within which all current and future participating farms must be located. The shapefiles of newly arrived farmers are checked to ensure they are within the project boundaries and do not overlap with other participants.

Documentation provided by project participant

GeoJSON with project boundaries and the polygons of all enrolled 8 farms.
Folder Supporting documents, subfolder VAL-CI 13(ii), files:
North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.geojson
North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.csv
North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.xlsx

VVB assessment **Date:** 29/04/2026

The closure of this finding is dependent on CL#17. Until then, CL#20 continues to stand OPEN.

Project participant response **Date:** 05/05/2026

Please see response provided to CL#17

Documentation provided by project participant

VVB assessment **Date:** 18/05/2026

Since the closure of this finding is dependent on the closure of CL#17. And since, CL#17 stands CLOSED now, CL#20 now stands **Closed**.

CL ID	21	Section no.		Date: 30/01/2026
Description of CL				
Lack of RS Integration for Safeguards and Permanence: BCCS (8.1 Buffer mechanism and project permanence) and (11. Safeguards, SD Tool and Social and Environmental Guarantees) emphasize monitoring for environmental sustainability, including land use changes. The PDD (Section 8. Durability, Permanence & Risk Mitigation) discusses reversals but omits RS methods (e.g., annual NDVI monitoring for land cover stability), which is anomalous with BCCS's quantification principles (6.2 Quantification Principles and Conservatism) requiring transparent spatial data for risk assessment.				
Project participant response				Date: 15/04/2026

The PDD Section 8. Durability, Permanence & Risk Mitigation defines a reversal as a verified net loss of the overall farm carbon balance at the end of the crediting period. In addition, risk mitigation is supported through continuous monitoring of land use and management practices.

To strengthen monitoring related to permanence and safeguards, the Project Proponent confirms that Remote Sensing (RS) will be integrated as a supporting tool within the MRV system.

Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.

Regarding the RS framework: A standardised Remote Sensing methodology is under development and will be integrated into the MRV system. It will define key elements such as data sources, monitoring frequency, core indicators.

The Project Proponent confirms that the RS framework will be applied across the full Project Area in future monitoring cycles.

At this stage, the completed RS analysis for the eight farms demonstrates the practical application of satellite-based monitoring.

RS analysis results will be provided for VVB review together with the reply of the verification findings.

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

The VVB acknowledges the PP's clarification that a Remote Sensing (RS) analysis was conducted for the eight farms in this verification cycle and commitment to integrate a standardized RS framework in the future. However, the PP's response states that "RS analysis results will be provided for VVB review together with the reply of the verification findings." To close this finding, the VVB requires this evidence immediately to verify the statement that the analysis was indeed completed and supports the reported land use, crop presence, and management practices for the current monitoring period. Until this is provided, CL#21 continues to stand OPEN.

Project participant response

Date: 05/05/2026

RS Analyses provided.

Documentation provided by project participant

RS Analyses provided with verification findings in folder VER-CL 10_RS

VVB assessment

Date: 18/05/2026

The VVB has detailed their response in CL#16. Hence CL#21 now stands **Closed**

CL ID	22	Section no.	Date: 30/01/2026
Description of CL			
No GIS/RS for Retrospective Start Date Validation: BCCS (9. Projects with Retrospective or Backdated Start Dates) allows backdating with evidence. The PDD (Section 3.3.2 Project Start and Duration) sets a start date of 18/01/2023, but provides no RS time-series (e.g., pre-2023 satellite imagery) to verify no prior changes, discrepant with BCCS's review process (4.f Review Process and Documentation) for spatial integrity.			
Project participant response			Date: 15/04/2026

Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.

Regarding the RS framework: A standardised Remote Sensing methodology is under development and will be integrated into the MRV system. It will define key elements such as data sources, monitoring frequency, core indicators.

The Project Proponent confirms that the RS framework will be applied across the full Project Area in future monitoring cycles.

At this stage, the completed RS analysis for the eight farms demonstrates the practical application of satellite-based monitoring.

RS analysis results will be provided for VVB review together with the reply of the verification findings.

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

The VVB acknowledges that the PP is still developing their Remote Sensing (RS) monitoring framework. While the PP claims that an RS analysis for the eight farms in this verification cycle was conducted—covering land use, crop presence, and practice consistency—no geospatial or supporting evidence was provided. Furthermore, as this is a Joint Validation and Verification (JVV) for the first monitoring cycle, the PP must provide a detailed explanation and a timeline for implementing the full RS framework in future cycles. Any reference to RS analysis in the response must be accompanied by the actual data to ensure traceability and trackability. Until then, CL#22 continues to stand OPEN.

Project participant response

Date: 05/05/2026

Remote Sensing (RS) analyses and supporting RS reports for the verified farms included in the current JVJ cycle have been prepared and provided as evidence.

Regarding the implementation of the RS monitoring framework, the PP confirms the following:

For all farmers who have signed participation agreements in the project by 07/05/2026, RS analyses will be prepared covering:

- historical pre-project land conditions;
- initial verification of land use and crop presence;
- assessment of consistency with reported practices based on satellite data; and
- current land status within the monitoring period.

Subsequent RS monitoring reports will be conducted periodically between two soil sampling events as part of the MRV monitoring cycle.

For all farmers joining the project after 07/05/2026, one RS report covering historical pre-project conditions will be prepared upon project onboarding, followed by one RS report covering the current land status between two soil sampling events.

RS framework forms an integral part of the MRV system and will be progressively implemented across the entire project area in all future monitoring cycles.

Documentation provided by project participant

RS Analyses provided with verification findings in folder VER-CL 10_RS

VVB assessment

Date: 18/05/2026

The VVB has already detailed their response in CL#16. Hence, CL#22 now stands **Closed**

CL ID	23	Section no.	Date: 04/02/2026
Description of CL			
Observation: During site visit interactions with farmers in the project areas of ZK Bezmer and Aplend, Bulgaria, it was reported that portions of the registered project land have been lost due to changes in legal ownership. This situation is reportedly common in Bulgaria due to the prevailing land tenure system. The exclusion of project land resulting from ownership changes introduces a material risk to the permanence of claimed GHG removals. At the time of the audit, PP did not provide sufficient evidence or documented procedures demonstrating how the permanence of GHG removals is ensured in such cases. Specifically, mitigation measures such as land replacement procedures, contractual safeguards, buffer mechanisms, or long-term land-use agreements were not clearly defined or evidenced. Action Required: The PP shall establish, document, and implement robust procedures to address land tenure changes and associated permanence risks. This shall include clearly defined mitigation measures (e.g., replacement of lost land area, contractual arrangements, buffer or reversal risk mechanisms, and/or long-term land-use agreements) and evidence demonstrating how reversals or reductions in credited removals are prevented or compensated.			
Project participant response			Date: 11/02/2026
The Project Proponent acknowledges the risk related to land tenure changes in Bulgaria and confirms that mitigation measures have been established and implemented. The required procedures are defined in PDD Sections 3.4.2 and 8.3.3 and include: • application of a 5% buffer deduction to address permanence risks; • implementation of a project-level risk management mechanism (25/75) to manage land withdrawal and underperformance; • exclusion of affected parcels prior to issuance, ensuring no over-crediting; • post-issuance correction measures, including buffer use and adjustments in subsequent monitoring cycles; • maintenance of a registry of dropped areas for traceability and control. These measures ensure that land loss does not lead to over-crediting and that permanence risks are appropriately managed and compensated.			
Documentation provided by project participant			
Folder Supporting documents, subolder VAL -CL 23, files: Correction mechanism - Corrections Mechanism Policy _v1_27.03.26-EN.pdf Registry of dropped areas - Регистър промяна на площи по Програма Карбонсейф-към 15.04.2026.xlsx			
VVB assessment			Date: 29/04/2026

The PP has satisfactorily addressed the observation by establishing and documenting a comprehensive framework to manage land tenure changes and associated permanence risks. The revised PDD sections (3.4.2 and 8.3.3) clearly define contractual obligations, including permanence commitments, conditions for parcel withdrawal, and procedures for handling reversals and land exclusion. These provisions ensure that participating farmers are bound by enforceable agreements that support long-term land management and accountability.

In addition, the PP has implemented a multi-layered risk mitigation approach. This includes: (i) exclusion of affected parcels prior to issuance to prevent over-crediting, (ii) post-issuance correction mechanisms using reserve and buffer systems, and (iii) maintenance of a registry of dropped areas to ensure traceability and control. The introduction of a 5% buffer and a structured 25/75 reserve mechanism provide further safeguards to compensate for potential reversals or land loss.

The supporting Carbon Credit Corrections and Adjustment Mechanism Policy further strengthen this framework by explicitly defining procedures for land drop-out, reversals, and post-issuance corrections. It confirms that, in cases of land loss, credits are either excluded pre-issuance or compensated through reserve and buffer mechanisms, with clear governance, materiality thresholds, and corrective actions defined across the project lifecycle.

Collectively, these measures demonstrate that the PP has established robust, enforceable, and auditable procedures to manage permanence risks associated with land tenure changes, ensuring that any loss of project land does not result in over-crediting and is appropriately mitigated or compensated.

Finding is closed

CL ID	24	Section no.	Date: 04/02/2026
Description of CL			
Observation: During interactions with farm owners, it was reported that no formal stakeholder consultation meeting was conducted for the project. While the CEO of Carbone Safe reportedly engaged in direct, individual discussions with certain farm owners, there is no evidence of a structured, transparent, and documented stakeholder consultation process. As a result, it is unclear how the PP ensured equal and fair opportunities for all relevant stakeholders including other farm owners, local communities, government authorities, and NGOs to participate, express concerns, or provide inputs. Documentation demonstrating stakeholder identification, invitations, feedback collection, and integration into project decision-making was not available. As per BCCS section 4a "Stakeholder engagement: Must provide mechanisms for informing, consulting, and incorporating input from affected parties." Action Required: The PP shall establish, implement, and document a formal stakeholder consultation process in accordance with Section 4(a) of the BCCS. This shall include systematic stakeholder identification, documented consultation meetings or equivalent consultation mechanisms, records of stakeholder inputs and concerns, and evidence demonstrating how stakeholder feedback has been considered and incorporated into project design and implementation.			

Project participant response	Date: 26/03/2026
Carbonsafe confirms that a public stakeholder consultation was conducted, published on the company's official website (https://carbonsafe.bg/en/announcement-of-the-commencement-of-the-public-consultation-process-for-a-projects/), followed by a publicly available summary of the consultation process (https://carbonsafe.bg/en/summary-of-the-public-consultation-process/). No proposals, comments or objections were received. The following documentation were already provided: Announcement_PC_Projects_Carbonsafe_05.11.2025-EN.pdf Public consultation South-North projects_05.11.2025-EN.pdf Summary of the public consultation process_08.12.2025-EN.pdf In addition, direct discussions were held with participating farm owners during project development. To address the observation and ensure full alignment with BCCS Section 4(a), Carbonsafe has implemented a formal Stakeholder Engagement Policy (attached), which establishes a structured approach for stakeholder identification, consultation, documentation, and integration of feedback. Furthermore, Carbonsafe commits to expanding and strengthening stakeholder consultations through more formalized and documented processes, including broader outreach, transparent consultation mechanisms, and systematic record-keeping of stakeholder inputs and their consideration in project implementation. Carbonsafe has notified the municipalities and city halls across the territory of the Republic of Bulgaria where the projects are currently being implemented, regarding the activities it is developing. The notifications will be publicly displayed on the notice boards of the respective city halls for a period of 14 days. The notification includes a feedback channel through which any interested stakeholder may submit opinions and comments. Carbonsafe has also notified the Ministry of Environment and Water in order to determine whether an environmental assessment is required for the implementation of the respective plan/program/project.	
Documentation provided by project participant	
Folder: Supporting documents-VAL Subfolder: VAL-CL 24 Stakeholder Engagement Policy - Политика за заинтересованите страни_v1_12.03.26-EN.pdf List of municipalities to which notifications have been sent - Списък обявления_Общини_Карбонсейф_АД_входящ номер.pdf List of city halls to which notifications have been sent - Списък обявления_Кметства_Карбонсей_АД_входящи номера.pdf Content of notifications sent to municipalities - Обявление_Община_ЕО_Карбонсейф_АД-21-si.pdf Content of notifications sent to city halls - Общини-Кметства_за подпис-1-si.pdf Notification to the Ministry of Environment and Water - uvedomlenie_EO_Карбонсейф_АД_за допълване и изпращане-si.pdf Notification registry in the Ministry of Environment and Water - Удостоверение за връчване-21116189_03042026.pdf; Удостоверение за връчване-21118080_03042026.pdf	
VVB assessment	Date: 29/04/2026

The PP has satisfactorily addressed the observation by demonstrating that a formal and structured stakeholder consultation process has been established, implemented, and documented in alignment with BCCS Section 4(a). Evidence provided confirms that a public consultation process was conducted and publicly disclosed, including announcement and summary documentation, with an open channel for stakeholder feedback. Although no comments were received, the process ensured transparency and equal opportunity for stakeholder participation.

In addition, the PP has strengthened the stakeholder engagement framework through the implementation of a formal Stakeholder Engagement Policy, which clearly defines stakeholder identification, classification, consultation mechanisms, and documentation procedures. The policy outlines a structured process including stakeholder identification, analysis, consultation, and participation, ensuring that stakeholder inputs are systematically captured and managed throughout the project lifecycle.

Furthermore, the PP has demonstrated expanded outreach efforts by formally notifying municipalities, local authorities, and relevant government institutions, including the Ministry of Environment and Water, and ensuring public display of project information with defined feedback channels. Supporting evidence includes official notifications, public announcements, and records of dissemination across multiple regions, confirming broad and inclusive stakeholder engagement.

Collectively, these measures establish a transparent, inclusive, and traceable stakeholder consultation process, with mechanisms for informing, consulting, and incorporating stakeholder input in line with BCCS requirements.

Finding is closed

CL ID	25	Section no.	Date: 04/02/2026
Description of CL			
Observation: During interactions with lavender-growing farmers (e.g., APIS AGRO 8 OOD & MAPI 96 EOOD), it was reported that agricultural practices under the project remain unchanged compared to the baseline scenario, and that all practices implemented were already in place prior to project initiation. In the absence of demonstrable, project-attributable changes in practices, the additionality of the project activities is not clearly established. At the time of the audit, the PP did not provide adequate justification or evidence demonstrating that the project results in GHG benefits as compared to the baseline scenario. Furthermore, Section 5 of the BCCS states that <i>“additionality is a mandatory requirement for all projects”</i> and that projects must demonstrate that GHG removals would not occur under a business-as-usual scenario			
Action Required: The PP shall provide clear justification and supporting evidence demonstrating additionality. This shall include documentation of project-specific practice changes compared to the baseline scenario and a substantiated explanation of how these changes result in measurable and additional GHG benefits.			
Project participant response			Date: 08/04/2026

The Project Proponent acknowledges the observation and provides the following clarification and supporting evidence regarding additionality:

1. *Farmer Evidence** - farmer statements confirm that, although some practices existed before, the project has led to enhanced and systematically applied measures, including reduced tillage, optimized nitrogen use, and inter-row grassing.
2. *Remote Sensing (RS) Verification*- RS analysis has been conducted for the farms under verification. APIS AGRO 8 OOD and MAPI 96 EOOD results confirm:
 - Reduced tillage
 - Reduced nitrogen application
 - Presence of inter-row vegetation

This provides independent evidence of practice changes compared to baseline.

RS analysis for the relevant farms will be submitted to the VVB together with the verification findings response.

**Carbonsafe notified farmers of the audit findings by sending them a request for clarification. In response to this request, the farmers submitted a written explanation.*

Documentation provided by project participant

Folder Supporting documents, subfolder VAL-CL 25, files:

Carbonsafe to Apis mail - 26.03.09-Исходящ мейл_АПИС АГРО 98 ООД.png

Carbonsafe to Mapi mail - 26.03.09-Исходящ мейл_МАПИ 96 ЕООД.png

Apis to Carbonsafe mail - 26.04.07-Входящ мейл_АПИС АГРО 98 ООД.png

Mapi to Carbonsafe mail- 26.04.08-Входящ мейл_МАПИ 96 ЕООД.png

APIS AGRO 8 OOD statement - Мотивиращо становище АПИС АГРО 98 ООД.pdf

MAPI 96 EOOD statement - Мотивиращо становище МАПИ 96 ЕООД-1-sign.pdf; Мотивиращо становище МАПИ 96 ЕООД-2-sign.pdf

VVB assessment

Date: 29/04/2026

The PP has made a substantive effort to address the observation by providing farmer statements and referencing Remote Sensing (RS) analysis as supporting evidence of practice changes. The submitted farmer declarations indicate that, although certain practices were already in place prior to project initiation (e.g., organic management systems), participation in the project has led to optimization and refinement of practices, such as reduced tillage intensity, improved management of mechanical operations, and better handling of crop residues. For example, the statement from APIS AGRO 98 OOD confirms a shift toward reduced soil disturbance and more structured documentation of activities while MAPI 96 EOOD indicates reduced frequency of mechanical interventions and improved residue management contributing to soil health.

However, despite these clarifications, the response does not fully resolve the additionality concern. The evidence provided remains largely qualitative and self-declared, without a clear, demonstrable distinction between baseline practices and project-attributable changes that are quantifiable and directly linked to incremental GHG benefits. The statements themselves explicitly acknowledge that sustainable or organic practices were already in place prior to project participation, which weakens the argument for additionality unless further substantiated.

Furthermore, while RS analysis is referenced, the actual results and comparative baseline data have not been provided for audit review. There is no clear demonstration of:

- A baseline scenario with quantified pre-project practices,
- A measurable delta attributable to project intervention, and
- A direct linkage between identified practice changes and incremental SOC gains or GHG removals.

Required Action:

The PP shall provide robust and verifiable evidence demonstrating additionality, including:

- Clear baseline vs. project scenario comparison at farm level,
- Quantified and documented practice changes attributable to the project,
- Supporting RS outputs and/or monitoring data demonstrating these changes over time, and
- A substantiated linkage between these changes and measurable GHG benefits in accordance with the methodology.

Finding remains Open

Project participant response

Date: 07/05/2026

Remote Sensing (RS) Verification- RS analysis has been conducted for the farms under verification. APIS AGRO 8 OOD and MAPI 96 EOOD results confirm:

- Reduced tillage
- Reduced nitrogen application
- Presence of inter-row vegetation

This provides independent evidence of practice changes compared to baseline.

Carbonsafe agronomist has conducted additional on-site visit in Apis Agro 8 OOD and provide the relevant report

Documentation provided by project participant

RS Analyses provided with verification findings in folder VER-CL 10_RS

RS-N-APIS AGRO 98_AUDIT_2026.zip

RS-N-MAPI_96_AUDIT_2026.zip

On-site visit report provided with verification findings in folder supporting documents, subfolder VER-CL 18, file:

26.04.10-Доклад посещение на място Апис Агро 98 ООД en-GB.pdf

VVB assessment

Date: 18/05/2026

The PD has satisfactorily addressed this issue by providing independent and verifiable evidence supporting the claimed practice changes at the farm level. The verification package includes Remote Sensing analyses for APIS AGRO 98 OOD and MAPI 96 EOOD (files RS-N-APIS AGRO 98_AUDIT_2026.zip and RS-N-MAPI_96_AUDIT_2026.zip in folder VER-CL 10_RS), which confirm reduced tillage, reduced nitrogen application, and the presence of inter-row vegetation relative to baseline conditions. In addition, an agronomist on-site visit report for APIS AGRO 98 OOD (26.04.10-Доклад посещение на място Апис Агро 98 ООД en-GB.pdf in folder VER-CL 18) provides further field-based corroboration of the implemented management changes. Together, these independent monitoring outputs establish a clear baseline-versus-project comparison and provide objective evidence that the project has resulted in quantifiable changes in agricultural practices consistent with the methodology and capable of generating additional soil organic carbon benefits. Accordingly, the additionality concern has been satisfactorily resolved and the finding can be closed.

CL ID	26	Section no.	Date: 04/02/2026
Description of CL			
Observation: During interactions with farmers, it was reported that although training materials were received from Carbonesafe, no formal training sessions were conducted by the PP. One farmer (MAPI 96 EOOD) indicated that no training was provided, while others reported only informal explanations by the CEO. The absence of structured, documented training raises concerns regarding adequate capacity building and consistent understanding of project requirements among participating farmers and farm staff. As per Section 7 of the Stakeholder Engagement Policy, under the stakeholder category “Farmers and Landowners,” it is stated that engagement tools shall include “targeted communication, practical trainings, and information sessions,” to be conducted “periodically depending on the project phase.”			
Action Required: The PP shall establish, implement, and document formal training programs for participating farmers and relevant personnel in accordance with the Stakeholder Engagement Policy. This shall include documented training plans, training materials, attendance records, and evidence demonstrating that the training supports effective understanding and implementation of project requirements.			
Project participant response			Date: 26/03/2026
Formal training program for participating farmers has been established.			
Documentation provided by project participant			
Folder Supporting documents, subfolder VAL -CL 26, files: Training Policy: Farmer Training Policy_v1_27.03.26-EN.pdf Farmers Onboarding_Training_North_EN.pdf Annual Farmers Training Plan_North_EN.pdf Training event conducted: Покана за обучение проект Север_1-Първоначално обучение_за приемр.pdf Регистър_регистрирани клиенти_18.02.2026.pdf			
VVB assessment			Date: 29/04/2026

The PP has satisfactorily addressed the observation by establishing and implementing a formal and structured farmer training program in alignment with the Stakeholder Engagement Policy. The submitted Farmer Training Policy and Programme provides a comprehensive framework covering training frequency, formats (online and in-person), core technical topics, documentation requirements, and defined roles and responsibilities, ensuring a systematic approach to capacity building across the project.

In addition, the PP has demonstrated implementation through documented evidence, including formal training invitations, structured seminar agendas, and participant attendance records. The training invitation confirms that organized sessions covering agronomic practices, MRV requirements, and carbon credit processes have been conducted, while the signed participant register provides evidence of farmer participation in these sessions.

These elements collectively demonstrate that formal training mechanisms are in place, have been operationalized, and are supported by documented records, addressing the previously identified gap regarding lack of structured training and documentation.

Finding is closed.

CL ID	27	Section no.	Date: 04/02/2026
Description of CL			
Observation:			
During interactions with farmers, it was reported that only limited changes in machinery use have occurred under the project. However, the nature, extent, and relevance of these changes were not clearly described or documented by the PP. Consequently, it is unclear how the reported machinery changes differ from the baseline scenario or how they contribute to the stated project objectives.			
Action Required:			
The PP shall clearly define and document all machinery-related changes attributable to the project. This shall include justification for the changes, comparison with baseline practices, and evidence demonstrating their relevance and contribution to project activities and GHG benefits.			
Project participant response			Date: 25/02/2026
<i>Required action is implemented in PDD section 4.3.1. Project Scenario (With-Project Case) Regarding reported updates in machinery usage, these are officially recorded in the documentation for the 2025 Annual Registration Update (the next reporting period). In the specific case of Aplend Bulgaria EOOD, the newly acquired machinery will be formally listed in this upcoming document.</i>			
Documentation provided by project participant			
<i>PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf</i>			
VVB assessment			Date: 29/04/2026

The PP has partially addressed the observation by updating Section 4.3.1 to clarify that machinery-related changes are captured through the Annual Re-Registration Update process and verified through monitoring and on-site inspections. The inclusion of machinery acquisition/decommissioning as part of annual reporting introduces a mechanism for tracking changes over time and distinguishing project conditions from baseline declarations.

However, the response does not adequately resolve the core audit concern. The revised PDD remains procedural and does not provide substantive information on:

- What specific machinery changes have occurred (e.g., type of equipment, transition from conventional to reduced tillage machinery),
- How these changes differ from baseline practices,
- Why these changes are attributable to the project, and
- How they contribute to SOC enhancement or GHG benefits.

Furthermore, the reference to future documentation (2025 Annual Re-Registration Update) indicates that evidence is not yet available for verification, and no concrete examples or supporting data have been provided at this stage. The description also does not establish a clear linkage between machinery changes and the implementation of regenerative practices (e.g., reduced tillage intensity, residue management, or fuel/emission reductions).

Required Action:

The PP shall provide clear, verifiable, and project-specific evidence of machinery-related changes, including:

- Baseline vs. project comparison of machinery use at farm level,
- Description of specific machinery changes attributable to the project,
- Justification of how these changes support implementation of project practices, and
- Demonstration of their relevance to SOC increase and/or GHG emission reductions.

Project participant response

Date: 07/05/2026

The PP has further updated the documentation and provided a project-specific machinery comparison table at farm level ("Machinery use_North en-GB.xlsx"), containing baseline and project scenario information for the participating farms.

The table includes:

- baseline versus project availability and use of machinery;
- identification of machinery applied under project conditions;
- linkage between specific equipment and implemented regenerative practices;
- indication of the relevance of machinery use to SOC enhancement and GHG emission reductions.

Documentation provided by project participant

Folder VAL-CL 27, file:

Machinery use_North en-GB.xlsx

VVB assessment

Date: 18/05/2026

The PD has satisfactorily addressed this issue by providing the farm-level spreadsheet “Machinery use_North en-GB.xlsx,” which contains a structured comparison of machinery availability and use under baseline and project conditions for participating farms. The table identifies specific equipment (e.g., disc harrows, stubble cultivators, seeders, and planters), links each item to the regenerative practices implemented, and explains how the machinery supports soil organic carbon enhancement and greenhouse gas emission reductions. For example, the spreadsheet indicates that shallow tillage equipment replaces conventional ploughing, reduces the number of field operations, lowers fuel consumption, and promotes residue retention and reduces soil disturbance. This provides the project-specific evidence requested by the audit, including baseline versus project comparisons, descriptions of machinery changes, and justification of their relevance to SOC increases and GHG benefits. Accordingly, the issue is considered fully resolved and the finding can be closed.

Table 3. CAR from this Validation

CAR ID	01	Section no.	Date: 20/01/2026
Description of CAR			
Section 2.1.1 Grouped project Architecture			
Reference:			
1. PDD Template, Section 2.1.1 – Grouped Project Architecture 2. PDD Template, Section 2.1.1; BCCS Standard- Grouped Project Provisions 3. PDD Template, Section 2.1.1 – Scalability 4. Soil Carbon Program, Project Boundary and Grouped Design Principles			
Issues:			
1. The PD states that each participating farm is treated as a sub-project with its own geo-boundaries, baseline, monitoring records, and issuance ledger. However, this description remains high-level and does not sufficiently explain the internal structure of sub-projects, such as how plots within a farm are organized, aggregated, or managed for monitoring and issuance purposes. The requirement expects a clearer description of sub-project composition. 2. The PD notes that new farms may join if they meet “predefined eligibility and additionality criteria,” but does not describe these inclusion rules at all. The requirement explicitly calls for inclusion rules to be described, at least at a summary level, within this section. 3. While the PD correctly states that the architecture “enables scale,” it does not explain how scalability is governed, such as whether expansion is continuous or periodic, how new sub-projects are reviewed and approved, or how consistency with the registered PDD is ensured over time. 4. The PD states that the PDD covers the “North region in Bulgaria” but does not clarify whether this represents a fixed geographic boundary or an initial operational area within a broader allowable scope. This may lead to ambiguity when assessing future sub-project inclusion.			
Required Action:			
1. Expand Section 2.1.1 to briefly describe the internal structure of a sub-project, including how individual plots or land parcels are grouped under a farm and managed consistently within the grouped architecture. 2. Include a concise summary of key inclusion criteria (e.g., land use type, geographic scope, baseline eligibility, legal control of land) or clearly reference the section where these rules are defined. 3. Augment Section 2.1.1 with a short explanation of the process for scaling the grouped project, including how new farms are assessed, approved, and formally incorporated under the registered project framework. 4. Clarify whether the “North region” constitutes a fixed boundary for all current and future sub-projects, or whether the grouped architecture allows expansion beyond this region under defined conditions.			
Project participant response			Date: 11/02/2026
<i>Required actions 1,2,3 and 4 are implemented in PDD Section 2.1.1. Grouped project architecture</i>			
Documentation provided by project participant			
<i>PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf</i>			
VVB assessment			Date: 29/04/2026

The PP has satisfactorily addressed all identified issues through the revision of Section 2.1.1, providing a clear, structured, and sufficiently detailed description of the grouped project architecture in line with PDD template requirements and BCCS provisions.

For Issue 1, the updated section now clearly defines the internal structure of sub-projects, explaining that each farm consists of one or more geo-referenced plots that are managed as discrete spatial units and aggregated at sub-project level for baseline establishment, monitoring, and issuance. The clarification of plot-level data collection and sub-project-level consolidation ensures transparency, traceability, and consistency in MRV and accounting.

For Issue 2, the PP has included a concise and explicit summary of inclusion criteria, covering land use eligibility, geographic scope, baseline feasibility, legal control, exclusivity from other schemes, and contractual requirements. This meets the requirement to describe inclusion rules at an appropriate level within this section.

For Issue 3, the scalability mechanism is now adequately described. The revised text explains that expansion occurs through a controlled, non-automatic process involving eligibility screening, baseline establishment, contractual onboarding, and internal review. It also confirms that all new sub-projects must remain consistent with the registered PDD and methodology, and that any material changes require formal amendment, thereby ensuring governance and integrity of scaling.

For Issue 4, the PP has clearly clarified that the “North region” constitutes a fixed geographic boundary for the registered project, applicable to all current and future sub-projects. This removes previous ambiguity regarding project scope and boundary conditions.

All issues have been comprehensively and satisfactorily addressed. **Finding is closed.**

CAR ID	02	Section no.		Date: 20/01/2026
Description of CAR				

Section 2.1.3 Baseline and additionality

References:

1. PDD Template, Section 2.1.3 – Baseline and Additionality Overview
2. Methodology v2 – Additionality Demonstration

Issues:

1. The PD provides a generic description of the baseline as “prevailing conventional practices” with illustrative examples (conventional tillage, limited cover cropping). However, it does not sufficiently define the baseline scenario in the project context, such as regional norms, typical management intensity, or temporal reference (e.g., pre-project management period). The requirement expects a summarized but concrete baseline scenario.
2. The PD states that additionality is demonstrated through practice change documentation, management history, and farmer contracts, but does not explicitly link this approach to the additionality tests or criteria defined in the applied methodology (e.g., regulatory surplus, practice-based tests, or financial barrier considerations). This weakens traceability between the overview and the formal additionality demonstration.
3. The PD does not indicate the temporal reference period used to define baseline practices (e.g., prior to project start, historical management years). Even at an overview level, the absence of a temporal anchor limits clarity and auditability.

Required actions:

1. Strengthen Section 2.1.3 by providing a clearer baseline definition, including reference to typical regional practices, historical management patterns, or baseline timeframes used to characterize business-as-usual conditions.
2. Explicitly reference the methodology-defined additionality approach and clarify how the stated elements (practice change documentation, contracts) correspond to those tests at a summary level.
3. Include a brief statement on the baseline reference period (e.g., historical management prior to enrolment) or cross-reference the section where this is defined in detail.

Project participant response

Date: 25/02/2026

Required action No 1, 2 and 3 are is implemented in PDD Section 2.1.3. Baseline and additionality.

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

VVB assessment

Date: 29/04/2026

The PP has satisfactorily addressed all identified issues through the revision of Section 2.1.3, providing a clearer and more structured overview of both the baseline scenario and additionality in alignment with the PDD template and methodology requirements.

For Issue 1, the baseline scenario is now more concretely defined. The revised section includes reference to prevailing regional practices, supported by indicative quantitative context (e.g., soil cover distribution and limited use of cover crops), and clarifies that baseline conditions reflect conventional management patterns. The linkage to detailed baseline characterization in Section 4.2 further strengthens the robustness and traceability of the baseline definition.

For Issue 2, the PP has explicitly aligned the additionality approach with the methodology-defined tests, including regulatory surplus, non-common practice assessment, and financial/operational barriers. The explanation clearly connects supporting evidence (practice change documentation, historical records, and contracts) to these tests, thereby improving transparency and methodological traceability.

For Issue 3, the PP has introduced a clear temporal reference for the baseline by stating that it is based on historical land management practices prior to project enrolment, with cross-references to Sections 4.2 and 5 for detailed treatment. This adequately addresses the requirement for temporal anchoring and enhances auditability.

All issues have been comprehensively and satisfactorily addressed. **Finding is closed.**

CAR ID	03	Section no.	Date: 20/01/2026
Description of CAR			
Section 3.1 Geographic Boundary References: 1. PDD Template, Section 3.1 – Geographic Boundary 2. BCCS Standard, Grouped Project Boundary Consistency Issues: 1. The PD provides an extensive geographic, climatic, soil, hydrological, and socio-economic description of Northern Bulgaria. However, the requirement is to describe the physical location of the project area and regions where activities are implemented, not to provide a regional profile. The description lacks a clear delineation of the project's operational boundary, i.e., how the geographic boundary functions as a control limit for eligible project activities. 2. While the PD lists the provinces included, it does not clarify whether the geographic boundary is fixed for the lifetime of the project or whether it represents the maximum allowable boundary for inclusion of future sub-projects. This is particularly relevant given the grouped project structure. 3. The PD describes regional characteristics in detail but does not explicitly connect the geographic boundary to the plot-level geo-referenced boundaries used for monitoring, verification, and issuance. This weakens traceability between the high-level boundary and the actual project implementation units. 4. Although not required, best practice is to supplement geographic boundary descriptions with maps, coordinates, or tables. Relying solely on a narrative description may reduce audit clarity and efficiency. Required Action: 1. Condense the narrative and clearly state the operational geographic boundary, explicitly clarifying that project activities are limited to enrolled agricultural parcels within the listed administrative regions and that areas outside these regions are excluded. 2. Explicitly state whether the defined Northern Region represents a fixed geographic boundary or a maximum eligible boundary within which new farms may be added over time, consistent with grouped project rules. 3. Add a brief statement clarifying that all enrolled plots are geo-referenced and fall entirely within the defined geographic boundary, with traceability ensured at the plot and sub-project level. 4. Include or cross-reference a map or table showing the covered planning regions/provinces and confirming the geographic extent of the project boundary.			
Project participant response			Date: 27/02/2026
<i>Required actions 1,2, 3 and 4 are implemented in PDD Section 3.1. Geographic Boundary</i>			
Documentation provided by project participant			
<i>PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf</i>			
VVB assessment			Date: 29/04/2026

The PP has satisfactorily addressed all identified issues through the revision of Section 3.1, providing a clearer, more structured, and operationally relevant description of the geographic boundary.

For Issue 1, the revised section now explicitly defines the operational geographic boundary as limited to agricultural land parcels formally enrolled under participation agreements within specified administrative regions and clearly states that areas outside these regions are excluded. This establishes a clear control boundary for eligible project activities, addressing the original concern.

For Issue 2, the PP has clarified that the North region constitutes a fixed geographic boundary for the lifetime of the project, and that all current and future sub-projects must fall entirely within this boundary. This removes ambiguity regarding whether the boundary is expandable or fixed and aligns with grouped project requirements.

For Issue 3, the revised text explicitly links the high-level geographic boundary to plot-level geo-referenced boundaries, confirming that all enrolled parcels are mapped using spatial coordinates and cadastral identifiers, and that traceability is maintained from plot to sub-project and project level. This ensures consistency between the geographic boundary and MRV implementation units.

For Issue 4, the PP has supplemented the narrative with detailed administrative listings, planning regions, and cross-references to geographic coordinates (Annex 16.2), effectively providing the equivalent of a mapped and tabulated boundary description. This enhances audit clarity and meets best practice expectations.

All issues have been comprehensively and satisfactorily addressed. **Finding is closed.**

CAR ID	04	Section no.	Date: 20/01/2026
Description of CAR			
Section 3.1.1 Regional Allocation of Farms with Multiple Plots Reference: 1. PDD Template, Section 3.1.1 – Regional Allocation of Farms with Multiple Plots 2. BCCS Standard, Avoidance of Double Counting 3. BCCS Standard, Grouped Project Governance and Transparency Issues: 1. The PD explains at a conceptual level that plots belonging to a single farm but located in different regions are allocated to the corresponding regional project. However, it does not describe how this allocation is operationalized, such as the criteria used for regional classification, the use of administrative boundaries versus agro-ecological zones, or how allocation decisions are documented. 2. While the PD states that the approach “prevents double counting,” it does not explain how double counting risk is practically mitigated, for example through unique plot identifiers, registry controls, or issuance logic. The statement remains declarative. 3. The PD states that a farm may be included in more than one regional sub-project, but it does not clarify how governance and contractual arrangements are managed in such cases. This creates ambiguity regarding farmer obligations, consistency of commitments, and accountability across multiple regional sub-projects. Required actions: 1. Expand Section 3.1.1 to briefly describe the operational allocation mechanism, including how regional boundaries are defined and how plot-to-region assignments are recorded and verified. 2. Provide a concise explanation of the specific controls used to prevent double counting (e.g., unique plot IDs, region-specific issuance ledgers, registry checks). 3. Clarify whether participation in multiple regional sub-projects is governed under a single farmer agreement with regional annexes or multiple agreements, and how consistency of obligations and rights is ensured.			
Project participant response			Date: 11/02/2026
<i>Required actions 1,2 and 3 are implemented in PDD Section 3.1.1. Regional Allocation of Farms with Multiple Plots</i>			
Documentation provided by project participant			

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf	
VVB assessment	Date: 29/04/2026
The PP has satisfactorily addressed all identified issues through the revision of Section 3.1.1, providing a clear and operationally robust description of regional allocation for farms with multiple plots. For Issue 1, the revised section now clearly explains the operational allocation mechanism. It specifies that regional classification is based on official administrative boundaries using cadastral registration and EKATTE codes, supported by geospatial verification through overlay of plot boundaries with regional shapefiles. It further confirms that allocation decisions are recorded in the ERP system and retained for auditability. This provides sufficient clarity on how plot-to-region assignments are determined, verified, and documented. For Issue 2, the PP has provided a concrete and credible set of controls to prevent double counting. These include the assignment of unique ERP-based plot identifiers, linkage to cadastral references, maintenance of region-specific issuance ledgers, and registry-level cross-checks to prevent duplicate credit serialization. These measures collectively ensure traceability and exclusivity of credit generation at plot level, addressing the requirement beyond a declarative statement. For Issue 3, the revised section clarifies governance by stating that, although a farm may participate in multiple regional sub-projects, each plot is managed within its respective regional MRV framework, while overall consistency of obligations (e.g., permanence, monitoring, benefit-sharing) is maintained through the unified project structure and data management system. This provides sufficient clarity on how obligations and accountability are consistently applied across regions. All issues have been comprehensively and satisfactorily addressed. Finding is closed.	

CAR ID	05	Section no.		Date: 20/01/2026
Description of CAR				

Section 3.2 Technical Boundaries

Reference:

1. PDD Template, Section 3.2.1 – GHGs Covered

Issues:

1. Section 3.2.1 of the PD states that only CO₂ removals via SOC sequestration are included. But it does not explicitly justify the exclusion of non-CO₂ gases (N₂O, CH₄) with reference to the applied methodology or standard provisions.
2. Section 3.2.2 of the PD states that plots are geo-referenced and remain fixed throughout the crediting period; however, it does not explain how plot integrity is maintained over time, particularly in cases of land consolidation, subdivision, or ownership change. This is important for long-term projects with renewable crediting periods.
3. In section 3.2.3 of the PD, the inclusion of SOC in the 0–90 cm profile is clearly stated; however, the PD does not explicitly reference the methodological basis for selecting this depth range, which may be questioned during validation given that deeper sampling exceeds many common standards.
4. In section 3.2.7 of the PD, states that 75% of verified net removals are held in reserve, but it does not explain how this percentage was determined, whether it applies uniformly, or how and when reserve credits are released. This limits transparency of conservativeness assumptions.
5. Section 3.2.8 of the PD asserts that leakage is unlikely because production is not reduced but does not explicitly assess potential activity-shifting or input-related leakage risks (e.g., displacement of practices, increased inputs elsewhere). The mitigation approach is stated only conditionally.

Required Actions:

1. Explicitly justify the exclusion of non-CO₂ GHGs in Section 3.2.1 by referencing the methodology and BCCS rules confirming that only CO₂ removals from SOC are within the approved accounting scope. The justification appears later under excluded pools but is not clearly linked to GHG accounting scope.
2. Briefly describe the controls or procedures used to maintain plot boundary permanence or cross-reference the section where plot changes and land tenure changes are managed.
3. Add a brief justification or reference to the approved methodology explaining why the 0–90 cm depth profile is included and considered conservative and scientifically robust.
4. Provide a short explanation of the rationale and governance of the reserve mechanism, including release conditions and alignment with methodology or BCCS risk management rules.
5. Include a brief, structured leakage assessment identifying potential leakage pathways and confirming why they are negligible under the project design, or reference where this assessment is documented in detail.

Project participant response

Date: 10/03/2026

Required action 1 is implemented in PDD Section 3.2.1. GHG Covered

N₂O emissions will be calculated and reported. The PDD text has been updated accordingly. N₂O calculations will be incorporated into the farm-level ER calculation sheets and will be submitted as part of the response to the verification findings.

Additionally, the Standard and the Methodology developer have been formally notified regarding the introduction of these updates related to N₂O emissions and leakage assessment.

Required action 2 is implemented in PDD Section 3.2.2 – Spatial Boundary of Measurement

Required action 3 is implemented in PDD Section 3.2.3. Soil Reservoirs and Pools Included

Required action 4 is implemented in PDD Section 3.2.7. Conservativeness

Required action 5 is implemented in PDD Section 3.2.8 – Leakage Considerations

Activity-shifting and market leakage are mitigated by the project's focus on maintaining productivity. To ensure transparency, leakage is directly measured through the monitoring of yield changes in farms and is supported by satellite data analysis to confirm that agricultural production remains stable within the project boundary.

The monitoring of yield changes in farms and the RS analysis results will be provided for VVB review together with the reply of the verification findings.

Documentation provided by project participant

PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf

Required action 1:

Carbonsafe's notification to the Standard and the Methodology developer:

Folder Supporting documents, subfolder VAL-CAR 5.1, file OUT-26.04.14-Уведомление N2O и теч.pdf

Required action 3:

Garcia-Maquilón, I., Lozano-Juste, J., Alrefaei, A. F., & Rodríguez, P. L. (2022). Hydrotropism: Analysis of the root response to a moisture gradient. *Methods in Molecular Biology*, 2494, 17–24.

https://doi.org/10.1007/978-1-0716-2297-1_2

Maan, C., ten Veldhuis, M.-C., & van de Wiel, B. J. H. (2023). Dynamic root growth in response to depth-varying soil moisture availability: a rhizobox study. *Hydrology and Earth System Sciences*, 27, 2341–2355.

<https://doi.org/10.5194/hess-27-2341-2023>

Marshall, T. J., Holmes, J. W., & Rose, C. W. (2012). The physical environment of roots. In *Soil Physics* (pp. 358–376). Cambridge University Press.

<https://doi.org/10.1017/CBO9781139170673.016>

Li, B., Wang, X., & Li, Z. (2024). Plants extend root deeper rather than increase root biomass triggered by critical age and soil water depletion. *Science of The Total Environment*, 914, Article 169689.

<https://doi.org/10.1016/j.scitotenv.2023.169689>

Required action 5:

Leakage Assessment Framework in folder Supporting documents, subfolder VAL-CAR 05.5, files:

Пазарен теч-01.04.26-en.pdf

Leakage Risk Assessment Document-North.pdf

Leakage Risk Assessment_North_EN. Xlsx

VVB assessment

Date: 29/04/2026

The PP has satisfactorily addressed the audit finding through comprehensive revisions to Section 3.2 and supporting documentation.

For Issue 1, the PP has clarified the GHG accounting scope by including N₂O emissions within the monitoring and accounting framework and justifying the exclusion of CH₄ in accordance with the applied methodology and BCCS provisions. A **Forward Action Request (FAR 1)** has been raised to confirm formal methodological approval of this update in the next monitoring period. On this basis, the issue is considered adequately addressed at this stage and is closed.

For Issue 2, the PP has clearly defined procedures for maintaining plot boundary integrity over time, including cadastral referencing, ERP-based identifiers, and rules for handling land consolidation, subdivision, and ownership changes. This ensures traceability and consistency of spatial boundaries across monitoring periods.

For Issue 3, the inclusion of the 0–90 cm soil depth is now supported with a clear scientific rationale and linked to soil carbon dynamics and root behavior, providing sufficient justification for its application within the project.

For Issue 4, the reserve mechanism is now transparently described, including its uniform application, rationale, governance, and release conditions, ensuring alignment with conservativeness and risk management principles.

For Issue 5, the PP has provided a structured leakage assessment supported by a dedicated framework, identifying key leakage pathways and demonstrating that risks are low and effectively mitigated through monitoring and conservative design.

Finding is closed.

CAR ID	06	Section no.	Date: 20/01/2026
Description of CAR			
Section 3.3 Temporal Boundary Reference: 1. PDD Template, Section 3.3.1 – Baseline Year 2. PDD Template, Section 3.3.5–Durability Considerations; BCCS Standard, Permanence and Reversal Risk 3. BCCS Standard, Risk Mitigation and Buffer Requirements Issues: 1. Section 3.3.1 of the PD defines the baseline year as “Year 0,” corresponding to the first complete soil sampling cycle, but does not specify a calendar year or clearly defined temporal reference. This may create ambiguity when comparing baseline conditions across farms enrolled in different years, particularly in a grouped project. 2. Section 3.3.1 of the PD states that the baseline reflects conventional agricultural systems but does not explicitly describe the pre-project management period used to characterize baseline conditions (e.g., historical practices prior to enrolment). This weakens the transparency of baseline establishment. 3. Section 3.3.5 of the PD refers to both a 75% reserve at sub-project level and a 5% buffer pool for force majeure, but does not clearly distinguish their different purposes, governance, and release conditions. This may create confusion during verification. Required Actions: 1. Clarify how “Year 0” is anchored temporally, for example by specifying that the baseline year corresponds to the calendar year of first sampling for each sub-project and confirm how this approach is consistently applied across farms. 2. Briefly explain how historical management practices prior to enrolment are considered in baseline establishment or cross-reference the section where management history requirements are defined. 3. Clearly distinguish between the conservativeness reserve and the buffer pool, explaining their respective roles, management rules, and conditions for credit release or cancellation.			
Project participant response			Date: 11/02/2026
<i>Required action 1 and 2 are implemented in PDD Section 3.3.1. Baseline Year</i> <i>Required action 3 is implemented in PDD Section 3.3.5. Durability Considerations-clarifications added to the PDD and Issuance Policy was updated.</i>			
Documentation provided by project participant			
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf Required action 3 Issuance Policy is provided in folder Supporting documents, subfolder VAL-CAR 06.3, file Issuance policy_v2_13.03.2026.pdf			
VVB assessment			Date: 29/04/2026

The PP has satisfactorily addressed the audit finding through revisions to Section 3.3 of the PDD and the updated Issuance Policy. The definition of the baseline year (“Year 0”) is now clearly anchored to the year in which initial soil sampling and laboratory analysis are completed for each sub-project, ensuring consistent application across farms within the grouped project structure.

The PDD further clarifies that baseline conditions are established based on historical management practices prior to enrolment, supported by a defined five-year management history. This strengthens transparency and provides a clear temporal reference for distinguishing baseline from project conditions.

In addition, the PP has clearly distinguished between the 75% sub-project reserve and the 5% buffer pool. The reserve is applied as a conservativeness and performance-based mechanism, with staged release linked to continued SOC performance, while the buffer pool serves as a project-level risk mitigation tool for reversals and force majeure events. The roles, governance, and release conditions of both mechanisms are now well defined in both the PDD and the Issuance Policy.

Overall, the responses are complete and aligned with the applicable requirements. **The findings are therefore considered closed.**

CAR ID	07	Section no.	Date: 20/01/2026
Description of CAR			
Section 3.4 Legal & Ownership Boundary			
References:			
1. PDD Template, Section 3.4.2 – Participation Agreements 2. PDD Template, Section 3.4.3 – Ownership of Carbon Credits; BCCS Standard – Ownership and Claims 3. PDD Template, Section 3.4.6 – Safeguards Against Displacement and Conflicts; Soil Carbon Program – Do-No-Harm Principles			
Issues:			
1. Section 3.4.2 refers to farmer contracts and revenue sharing but does not summarize key contractual provisions, such as duration, obligations, termination conditions, MRV access rights, or permanence-related responsibilities. 2. Section 3.4.3 of the PD states that farmers “retain ownership of carbon credits generated on their land,” with revenue sharing via Carbonsafe as aggregator. However, the legal basis for ownership, transfer, and issuance authority is not clearly defined, nor is the role of Carbonsafe as agent or custodian clarified. 3. Section 3.4.6 of the PD commits to a “Do-No-Harm” approach and avoidance of land conflicts, but does not describe operational safeguards, such as grievance mechanisms, dispute resolution processes, or escalation procedures.			
Required Actions:			
1. Add a summary of participation agreement terms, including duration, roles and responsibilities, MRV access, permanence commitments, renewal options, and termination effects. 2. Explicitly define carbon credit ownership and transfer mechanics, clarifying whether Carbonsafe acts as an issuing agent, aggregator, or trustee, and under what legal authorization credits are registered and transacted. 3. Describe or cross-reference the grievance and conflict-resolution mechanism, including how complaints are received, assessed, and resolved, and how risks of displacement are monitored.			
Project participant response			Date: 11/02/2026
Required action 1 is implemented in PDD Section 3.4.2. Farmer Participation Agreements			
Required action 2 is implemented in PDD Section 3.4.3. Ownership of Carbon Credits			
Required action 3 is implemented in PDD Section 3.4.6. Safeguards Against Displacement and Conflicts			
Documentation provided by project participant			
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf			
VVB assessment			Date: 29/04/2026

The PP has adequately addressed all issues related to Section 3.4 (Legal & Ownership Boundary) through substantial updates to the PDD. The revisions provide sufficient clarity, structure, and alignment with BCCS requirements.

The participation agreements are now clearly summarized, including key contractual provisions such as duration aligned with the crediting period, defined roles and responsibilities, MRV access rights, permanence commitments, and conditions for termination, withdrawal, and renewal. The inclusion of provisions on reversals and penalties further strengthens accountability and contractual robustness.

Regarding ownership, the PDD now clearly distinguishes between beneficial ownership and operational/issuance authority. Farmers are explicitly recognized as the ultimate owners of carbon benefits, while Carbonsafe is defined as the project developer, aggregator, and issuing agent acting under legal authorization granted through participation agreements. The mechanisms for credit registration, serialization, and transfer are clearly described, ensuring transparency and alignment with BCCS ownership and claims requirements.

The safeguards against displacement and conflicts have also been sufficiently strengthened. The PDD now describes a formal grievance mechanism, including submission channels, registration, assessment, response timelines, and escalation procedures. It also links these safeguards to the Do-No-Harm principle and demonstrates how risks are monitored through contractual controls and annual land-use confirmations. This provides adequate assurance of operationalization beyond a purely declarative commitment.

Overall, the updates comprehensively resolve the previously identified gaps. The description is now clear, operationally grounded, and auditable.

Finding is closed

CAR ID	08	Section no.	Date: 20/01/2026
Description of CAR			

Section 4.1 Methodology

References:

1. PDD Template, Section 4; Section 4.1 – Methodology Overview
2. PDD Template, Section 4.1.1 – Project Design and Alignment
3. PDD Template, Section 4.1.4 – Sampling Design and Field Execution
4. PDD Template, Section 4.1.5 – Laboratory Analysis
5. PDD Template, Section 4.1.10 – Leakage and Yield Safeguards
6. PDD Template, Section 4.1.12 – MRV Cadence and Verification
7. PDD Template, Section 4.1.14 – Scope Boundaries and Exclusions

Issues:

1. The PD names the methodology (“Methodology for improving and reporting the level of sequestered carbon in the soil in the agricultural sector”) but does not clearly specify the methodology version, approval date, or the standard under which it is formally approved. This limits traceability and validation certainty.
2. The PD describes high-level methodological “pillars,” but does not explicitly demonstrate how each key methodology requirement is met by project design elements, nor does it reference specific methodology clauses.
3. The sampling density, depth, and procedures are described in detail in section 4.1.4 of the PD; however, it does not explicitly reference methodology-prescribed minimums or justification for the chosen design (e.g., 25 cores, 0–90 cm depth).
4. Laboratories are described as ISO/IEC 17025 accredited in section 4.1.5 of the PD, but it does not confirm that SOC, bulk density, and stone content analyses are explicitly within the accredited scope of the laboratories used.
5. Leakage is asserted to be unlikely, and mitigation is described conditionally in section 4.1.10 of the PD, but no structured leakage risk assessment is presented, nor are yield safeguards operationalized.
6. In section 4.1.12 of the PD, annual monitoring is clear, but the PD does not clearly define verification triggers, minimum verification frequency, or issuance batching rules.
7. Excluded pools and gases are listed in section 4.1.4 of the PD, but the PD does not explicitly confirm that exclusions are conservative and do not risk over-crediting, as required by the template.

Required Action:

1. Explicitly identify the methodology title, version number, approval date, and approving standard or program, and confirm that this version is the one applied to the project.
2. Provide a brief alignment narrative or mapping showing how project design elements correspond to the core requirements and intent of the applied methodology.
3. Explicitly confirm that the sampling design meets or exceeds methodology requirements or provide a methodological justification for design choices.
4. Clarify that all analytical parameters used for carbon accounting are within the accredited scope of the selected laboratories.
5. Provide a brief structured leakage assessment, identifying potential pathways and confirming mitigation or conservative deductions where applicable.
6. Specify verification frequency and triggers in alignment with the methodology and BCCS rules.
7. Explicitly state that all exclusions are conservative by design, with a short justification.

Project participant response

Date: 16/02/2026

Required action No 1 is implemented in PDD Section 4.1. Methodology
 Required action No 2 is implemented in PDD Section 4.1.1. Project design and alignment
 Required action No 3 is implemented in PDD Section 4.1.4. Sampling design and field execution
 Required action No 4 is implemented in PDD Section 4.1.5. Laboratory analysis and physical soil parameters
 Required action No 5 is implemented in PDD Section 4.1.10. Leakage and yield safeguards

Required action No 6 is implemented in PDD Section 4.1.12 MRV cadence and verification – BCCS has been requested for additional clarifications. Based on their clarifications, verification frequency and triggers are specified.

Required action No 7 is implemented in PDD Section 4.1.14. Scope boundaries and exclusions - N₂O emissions will be calculated and reported. The PDD text has been updated accordingly. N₂O calculations will be incorporated into the farm-level ER calculation sheets and will be submitted as part of the response to the verification findings.
 Additionally, the Standard and the Methodology developer have been formally notified regarding the introduction of these updates related to N₂O emissions and leakage assessment.

Documentation provided by project participant

Required action No 3:
 Folder Supporting documents, subfolder VAL-CAR 8.3_8.6, file:
 PR03_ Procedure for automated georeferenced soil sampling_v2.1_22.08.25.pdf

Required action No 5:
 Leakage Assessment Framework in folder Supporting documents, subfolder VAL-CAR 05.5, files:
 Пазарен теч-01.04.26-en.pdf
 Leakage Risk Assessment Document-North.pdf
 Leakage Risk Assessment_North_EN. Xlsx

Required action No 6
 Carbonsafe-BCCR correspondence (Note: All official correspondence language is Bulgarian. For VVB convenience files are machine translated):
 1-OUT-26.03.10-Писмо до БСВК-срокове за верификация-file.pdf
 1-OUT-26.03.10-Писмо до БСВК-срокове за верификация-email.pdf
 2-IN-26.03.26_БРВК мейл-уведомление Мет-email.pdf
 3-Арвайзер-БРВК_срок вериф-email.pdf
 3-Отговор Арвайзер-БРВК-срокове за верификация-09.04.26-file.pdf
 4-IN-26.04.15_Карбонсейф АД_предстоящо изменение на Методология_v3.1-file.pdf
 4-IN-26.04.15-Искане за изменение на Мет-КС към БРВК-email.pdf

Required action No 7
 Carbonsafe's notification to the Standard and the Methodology developer:
 Folder Supporting documents, subfolder VAL-CAR 5.1, file OUT-26.04.14-Уведомление N2O и теч.pdf

VVB assessment

Date: 29/04/2026

1. The PP has clearly identified the applied methodology, including its title, version (v3.1/22.08.2025), approval date, and alignment with the BCCS standard. This provides sufficient traceability and confirms that the correct methodology version is applied; therefore, Issue 1 is considered closed.
2. The PDD now includes a structured explanation of how the project design aligns with key methodological requirements such as baseline establishment, additionality, MRV, permanence, and grouped project governance. This improves transparency and traceability between methodology provisions and implementation, and Issue 2 is considered closed.
3. The sampling design has been described in detail and is supported by reference to Procedure PR03, which operationalizes methodology requirements for geo-referenced soil sampling. While explicit benchmarking against methodology minimum thresholds is not fully articulated, the documented procedure and consistency with the methodology provide sufficient justification. Issue 3 is therefore considered closed.
4. The PP has confirmed that all laboratory analyses relevant to carbon accounting (SOC, bulk density, and related parameters) are conducted within the accredited scope of ISO/IEC 17025 laboratories. This resolves the concern regarding analytical validity, and Issue 4 is considered closed.
5. A structured leakage assessment has been introduced through supporting documentation, and the PDD provides a general description of mitigation measures. Although the detail remains partly external to the PDD, the overall approach is acceptable at this stage. Issue 5 is considered closed.
6. The PP has clarified that verification frequency, and triggers are being aligned with the methodology and BCCS through ongoing consultation. Supporting correspondence confirms that revisions to verification timing are under review and will be incorporated into a future methodology update. However, as the final approved requirements are not yet established, this issue cannot be fully closed. **A Forward Action Request (FAR 1) is therefore maintained.**
7. The treatment of exclusions has been updated, including the introduction of N₂O accounting and notification to the Standard and methodology developer. While this reflects an effort to strengthen conservativeness, the changes are linked to a pending methodological update. Issue 7 is considered closed, subject to confirmation of formal approval in the next monitoring period.

Finding is closed.

CAR ID	09	Section no.	Date: 20/01/2026
Description of CAR			

Section 4.3 Project Scenario

References:

1. PDD Template, Section 4.3; 4.3.1 Project Scenario
2. PDD Template, Section 4.3.2 – Practice Package and Eligibility
3. PDD Template, Section 4.3.2; Methodology – Additionality Controls
4. PDD Template, Section 4.3.3 – Implementation Model and Farmer Support
5. PDD Template, Section 4.3.6 – Data Integrity, Governance, and Verification
6. PDD Template, Section 4.3.7 – Registration and No Double Counting
7. PDD Template, Section 4.3.8 – Leakage and Production Safeguards
8. PDD Template, Section 4.3.10 – Social Safeguards and Participation Equity

Issues:

1. Section 4.3.1 of the PDD clearly describes the with-project practices and safeguards, but it does not explicitly sequence the transition from baseline (BAU) to project conditions (e.g., enrollment → baseline sampling → practice change → first monitoring). This reduces clarity on when project activities formally commence relative to baseline establishment.
2. Section 4.3.2 of the PDD lists a comprehensive set of regenerative practices and states that a “minimum bundle” is required, but it does not define clear minimum thresholds (e.g., mandatory practices, minimum frequency, or duration) that constitute eligibility at field level. Flexibility is emphasized without sufficient boundary conditions.
3. In section 4.3.2 of the PDD, it is mentioned that eligibility requires that “one or more new changes” be introduced relative to pre-project management. This criterion is too broad and may allow marginal changes that do not plausibly drive SOC increases, weakening additionality assurance.
4. Section 4.3.3 of the PDD states that Carbonsafe provides training and technical assistance but does not describe frequency, format, or minimum support commitments, nor how participation is documented.
5. QA/QC tools are described in section 4.3.6 of the PDD, but it does not explicitly allocate roles and decision authority (e.g., who approves corrections, who authorizes data lock-in prior to verification).
6. Section 4.3.7 of the PDD states that farmers are listed as owners and Carbonsafe as account manager, but does not explicitly reference the legal or contractual authority enabling Carbonsafe to manage issuance and transfers on behalf of farmers.
7. Section 4.3.8 of the PDD stated that Leakage is asserted to be unlikely due to productivity neutrality, but no structured leakage assessment is presented (e.g., identification of activity-shifting or input-related leakage pathways).
8. Section 4.3.10 of the PD states that grievance pathways exist but does not describe how grievances are raised, recorded, assessed, or resolved, limiting auditability of social safeguards.

Required action:

1. Add a brief stepwise transition description showing how fields move from BAU to the project scenario, aligned with baseline Year 0, practice adoption, and first crediting events.
2. Define enforceable minimum requirements for the practice bundle (e.g., at least X practices adopted concurrently or continuously), and clarify how deviations are assessed without undermining additionality.
3. Refine eligibility rules to require material practice changes demonstrably linked to SOC outcomes, consistent with the methodology’s additionality intent.
4. Briefly define the farmer support model, including training cadence, advisory mechanisms, and documentation of support delivery.
5. Clarify governance roles and responsibilities for data validation, correction, approval, and submission to the VVB.
6. Cross-reference participation agreements or registry rules that legally authorize Carbonsafe to manage registration and transactions, ensuring traceability of ownership and authority. Please provide contract agreement between farmers and Carbonsafe to substantiate it.
7. Include a brief structured leakage assessment, identifying potential risks and confirming why they are negligible or how conservative deductions would be applied.
8. Briefly describe or cross-reference the grievance mechanism, including access, process steps, and escalation.

Project participant response

Date: 23/02/2026

Required action No 1 is implemented in PDD Section 4.3.1. Project Scenario (With-Project Case). Required action No 2 is implemented in PDD Section 4.3.2. Practice package and eligibility (field level). Required action No 3 is implemented in PDD Section 4.3.2. Practice package and eligibility (field level). Required action No 4 is implemented in PDD Section 4.3.3. Implementation model and farmer support. Required action No 5. is implemented in PDD section 4.3.6. Data integrity, governance, and Required action No 6 is implemented in PDD Section 4.3.7. Registration, traceability, and no double counting. Notarized Power of Attorney enabling Carbonsafe to manage issuance and transfers on behalf of farmers provided. Required action No 7 is implemented in PDD Section 4.3.8. Leakage, production safeguards, and co benefits. Required action No 8 is implemented in PDD Section 4.3.10. Social safeguards and participation equity.	
Documentation provided by project participant	
PDD file 2-PDD-CS-BG-NORTH_v1_Commented_CS170426.pdf Required action No 4 Farmer training Policy and blanks provided in folder Supporting documents, subfolder VAL-CL 26 Required action No 5 Folder Supporting documents, subfolder VAL-CAR 09.5_09.6, file: MRV Protocol-Processes, Governance and Accountability_v1_20.03.26-EN.pdf Required action No 6 Folder Supporting documents, subfolder VAL-CAR 09.5_09.6, files: 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4-Aplend.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4-ZK Bezmer.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4-Apis Agro.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4-Mapi.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4-ET Tiaso.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4_5-Natsevi.pdf 3-Заяв. рег. подпартида-клиент за проект_v1_10.06.24_Прил. 4_5-ET Rumen.pdf Required action No 7 Leakage Assessment Framework in folder Supporting documents, subfolder VAL-CAR 05.5, files: Пазарен теч-01.04.26-en.pdf Leakage Risk Assessment Document-North.pdf Leakage Risk Assessment_North_EN.xlsx	
VVB assessment	Date: 29/04/2026

1. The updated PDD provides a clear and structured stepwise transition from baseline (BAU) to the project scenario, including enrolment, baseline establishment (Year 0), implementation of practices, monitoring, and ex-post crediting. This resolves previous ambiguity regarding the timing and sequencing of project activities, and Issue 1 is considered closed.
2. The practice package and eligibility criteria have been further elaborated, and although flexibility is retained, the combination of defined practice categories, requirement for implementation at field level, and linkage to measurable SOC outcomes provides a sufficiently robust framework to ensure material practice change. The requirement for documented management history and monitored implementation further strengthens additionality assurance. Issues 2 and 3 are therefore considered closed.
3. The farmer support model is now clearly defined through the Farmer Training Policy and supporting documentation, including training frequency, formats, and documentation mechanisms. This ensures structured capacity building and traceability of participation. Issue 4 is considered closed.
4. Data governance, validation, and verification responsibilities are comprehensively defined through the MRV Protocol, including clear allocation of roles, data validation layers, and verification triggers. This ensures transparency and accountability in data handling and submission. Issue 5 is considered closed.
5. The legal authority of Carbonsafe to manage registration, issuance, and transactions on behalf of farmers has been adequately substantiated through notarized powers of attorney. This provides clear legal traceability of ownership and operational authority within the registry system. Issue 6 is considered closed.
6. A structured leakage assessment has been developed and integrated through supporting documentation, identifying key leakage pathways and mitigation measures, including monitoring of yield stability and activity-shifting risks. This provides sufficient assurance that leakage risks are assessed and managed conservatively. Issue 7 is considered closed.
7. The PDD and supporting policies now establish a formal grievance mechanism and stakeholder safeguard framework, including defined channels for feedback, documentation practices, and integration within the broader stakeholder engagement system. This ensures transparency, accessibility, and auditability of grievance handling. Issue 8 is therefore considered closed.

Finding is closed.

CAR ID	10	Section no.		Date: 20/01/2026
Description of CAR				

Section 5. Eligibility and Additionality

References:

1. PDD Template, Section 5.1.1 – Land-Use Conditions
2. PDD Template, Section 5.1.1 – Exclusivity Conditions; BCCS Standard – Double Counting Prevention

Issues:

1. Section 5.1.1 of the mention that the project excludes wetlands, peatlands, riverbeds, and forest fund lands, which is appropriate; however, PP has not provided any verifiable evidence, and it does not clearly reference the official land-use classification system or cadastral source used to confirm eligibility (e.g., national land-use registry or LPIS).
2. The PDD requires exclusivity declarations and excludes lands enrolled in other carbon schemes but does not describe how exclusivity is verified initially or monitored over time, beyond farmer statements.
3. Minimum holding size thresholds (e.g., 2,000 decares for cereals; 500 decares for perennial crops) are introduced, but the section 5.1.1 of the PDD does not justify why such thresholds are required for eligibility, particularly in relation to environmental integrity or methodological necessity.
4. The PD clearly requires annual MRV access and data provision, but does not specify consequences of non-compliance, such as temporary suspension, reduced issuance, or exclusion.

Required action:

1. Explicitly state which official land-use classification system is used to verify agricultural land eligibility and how exclusions are confirmed. Substantiate it with verifiable evidence.
2. Clarify with supporting evidence the verification and enforcement mechanisms for exclusivity including corrective actions if breaches are detected.
3. Provide a brief justification for minimum farm size thresholds or clarify that these are programmatic constraints rather than standard eligibility requirements.
4. Define sanctions and corrective actions for MRV non-compliance.

Project participant response

Date: 23/02/2026

Required actions No 1,2,3 and 4 are implemented in PDD Section 5.1.1. Eligibility criteria.

Documentation provided by project participant

Required actions No 1

Farmers registrations in national land-use registry already provided in Earthlink Desk Review section - 2-LoD-North-06.01.26_2.zip, folder PD-3.Project Boudary and Geographic Scope, subfolder 3-7-Legal rights

Required actions No 2

Folder Supporting documets, subolder VAL-CAR 10.2, file:

Register of bad faith participation: PR0204-Register Unfaithful projects_v1_22.06.23-r16.07.2025.xlsx,

Registry check of enrolled land exclusivity:

please see the evidences provided in subfolder VAL-CI 13(ii)

Correction mechanism provided in folder Supporting documets, subfolder VAL -CL 23, file Corrections Mechanism Policy _v1_27.03.26-EN.pdf

Required actions No 4

Correction mechanism provided in folder Supporting documets, subfolder VAL -CL 23, file Corrections Mechanism Policy _v1_27.03.26-EN.pdf

VVB assessment

Date: 29/04/2026

The PP has made substantive updates to Section 5.1.1, and most of the previously identified gaps have been addressed with adequate clarity and supporting evidence.

1. For **Issue 1**, the PDD now explicitly references the official land-use classification and verification system through the Integrated Administration and Control System (IACS) and the Land Parcel Identification System (LPIS). It further explains that legal entitlement and land-use eligibility are verified through these systems, supported by cadastral records and annual farmer submissions. This establishes a clear, verifiable basis for confirming eligible land types and exclusions. In addition, supporting correspondence with the registry confirms geospatial verification of project boundaries and absence of overlap, strengthening the credibility of the approach. **Issue 1 is considered closed.**
2. For **Issue 2**, the PP has gone beyond farmer declarations by introducing registry-level cross-checks with the Balkan Carbon Credit Registry (BCCR) prior to issuance, based on cadastral and geospatial data. This is complemented by defined corrective actions, including exclusion of affected parcels, suspension of issuance, and recording of breaches. Evidence of registry verification confirming no overlap or double counting risk further substantiates implementation. **Issue 2 is considered closed.**
3. For **Issue 3**, the minimum holding size thresholds are now clearly justified as programmatic (operational and economic) constraints rather than methodological or standard requirements. The rationale—linked to cost-efficiency of MRV, sampling, and verification—is transparently explained and does not compromise environmental integrity. **Issue 3 is considered closed.**
4. For **Issue 4**, the PDD now clearly defines consequences for MRV non-compliance through cross-reference to the Corrections Mechanism Policy. This includes provisions such as temporary suspension, exclusion from reporting, termination in severe cases, and prohibition of issuance until compliance is restored. The policy further details escalation pathways, materiality thresholds, and corrective actions, providing a robust enforcement framework. **Issue 4 is considered closed.**

Findings are closed.

CAR ID	11	Section no.	Date: 20/01/2026
Description of CAR			

Section 5.2 Baseline Justification & Conservativeness

References:

1. PDD Template, section-5.2.1
2. PDD Template, Section-5.2.4
3. PDD Template, Section-5.2.7
4. PDD Template, Section-5.2.8; BCCS – Integrity and Correction Rules

Issues:

1. Section 5.2.1 of the PDD provides a strong regional agronomic description (climate, soils, degradation pressures) but does not explicitly state how these factors justify the choice of BAU as the continuation of conventional practices rather than any alternative counterfactual. The causal link between agronomic constraints and baseline selection remains implicit.
2. Section 5.2.4 of the PD applies a dynamic baseline anchored to the highest SOC value ever measured, which is a strong conservativeness mechanism. However, it is not explicitly stated that this approach is mandated or permitted by the approved methodology, creating a potential compliance risk.
3. Section 5.2.7 states that baseline is established prior to credited practice changes but does not clarify how this is applied for farms joining in different years under the grouped project structure.
4. Section 5.2.8 states that post-issuance corrections can lead to reserve adjustments or cancellation, but it does not specify who authorizes such actions and how they are operationally executed in the registry.

Required Actions:

1. Add a short explicit statement explaining why the described agronomic context makes continued conventional management the most plausible baseline under the methodology.
2. Explicitly confirm that the “highest historical SOC” baseline rule is defined or allowed by the approved methodology or justify its use as a conservative overlay consistent with BCCS rules.
3. Clarify that each sub-project establishes its own Year-0 baseline at enrollment and that no credits are issued for any SOC change prior to that baseline.
4. Describe the governance and authority for post-issuance corrections, including the roles of Carbonsafe.

Project participant response

Date: 26/02/2026

Required action No 1 is implemented in PDD Section 5.2.1. Regional Agronomic Context. Please see underline notes 42,43,44 in this section for reference.

Required action No 2 is implemented in PDD Section 5.2.4. Field level definition of the baseline

Required action No 3 is implemented in PDD Section 5.2.7. Temporal safeguards and materiality.

Required action No 4 is implemented in PDD Section 5.2.8 Governance and Transparency

Documentation provided by project participant

Required action No 1

Folder Supporting documents, subfolder VAL-CAR 11.1, files:

Buletin_NIMH_202507.pdf;

Данни за 2025 година в България _ meteo.bg.pdf;

НАЦИОНАЛНА ПРОГРАМА.pdf

Required action No 4 Correction mechanism provided in folder Supporting documents, subfolder VAL -CL 23, file Corrections Mechanism Policy _v1_27.03.26-EN.pdf

VVB assessment

Date: 29/04/2026

1. For Issue 1, the PDD now provides a clear and explicit justification linking the regional agronomic context to the selection of the baseline scenario. The updated text directly states that climatic stress (heat, drought), soil degradation (erosion, SOC decline), and structural farming practices (intensive systems, short-term leasing) make the continuation of conventional management the most plausible baseline. This causal linkage, previously implicit, is now explicitly articulated and supported by national data sources. **Issue 1 is considered closed.**
2. For **Issue 2**, the PDD describes the application of a conservative baseline approach (anchored to historical SOC conditions); however, it still does not clearly and explicitly confirm whether the “highest historical SOC” rule is formally prescribed or permitted by the approved methodology, or whether it is an additional conservative overlay. While the approach is conservative in principle, the absence of an explicit methodological reference or justification introduces a residual compliance ambiguity. **Issue 2 is partially addressed – clarification required.**
3. For **Issue 3**, the PDD now clearly states that baseline establishment is conducted at field level at the time of enrollment, based on geo-referenced Year 0 sampling and pre-enrollment management history. It also clarifies that crediting applies only to post-baseline changes, which is consistent with grouped project requirements. **Issue 3 is considered closed.**
4. For **Issue 4**, Section 5.2.8 introduces governance elements for post-issuance corrections, including the possibility of reserve adjustments and credit cancellation. While the description is improved, the roles and authority—particularly the specific responsibilities of Carbonsafe versus the registry—are only described at a general level. The operational workflow (who authorizes, who executes in the registry, and under what controls) could be more explicitly defined to ensure full audit traceability. **Issue 4 is largely addressed but would benefit from minor clarification.**

Issue 2 and 4 remains Open

Project participant response

Date: 05/05/2026

Required action for issue 2 is implemented in section 5.2.4. Field level definition of the baseline. – Methodology section added.

Required action for issue 4 is implemented in section 5.2.8. Governance, and Transparency

Documentation provided by project participant

2-PDD-CS-BG-NORTH_v2.1_Commented_Round 2_CS080526

VVB assessment

Date: 18/05/2026

Issue 2: The PD has satisfactorily addressed this issue by revising Section 5.2.4 to explicitly state that the use of a dynamic baseline anchored to the highest historically measured Soil Organic Carbon (SOC) stock is not a discretionary conservative overlay, but a requirement explicitly defined and permitted by the approved methodology. The revised text cites Methodology Section 3.2 (Farm Balance) as the basis for this approach and explains that the highest historical SOC value is used to prevent over-crediting and ensure environmental integrity. This clarification removes the residual ambiguity regarding methodological compliance and confirms that the baseline approach is formally embedded in the approved accounting framework rather than applied solely at the developer’s discretion.

Issue 4: The PD has satisfactorily addressed this issue by expanding Section 5.2.8 to define the specific roles and responsibilities for post-issuance corrections. The revised text states that Carbonsafe is responsible for identifying, documenting, and proposing corrective actions based on monitoring data, verification findings, or internal procedures. Where applicable, the Validation and Verification Body (VVB) independently reviews and validates the proposed corrections. The Balkan Carbon Credit Registry (BCCR) is explicitly identified as the entity with authority to execute all changes to issued credits, including serial adjustments, reserve reallocations, and cancellations. The section further confirms that all actions are recorded in the registry to ensure full transparency and audit traceability. This provides a clear operational workflow and delineation of authority among Carbonsafe, the VVB, and the registry

Finding is closed.

CAR ID	12	Section no.	Date: 20/01/2026
Description of CAR			
Section 5.3 Additionality Demonstration - PDD Template, Sections-5.3.1–5.3.2 - PDD Template, Section-5.3.3 - PDD Template, Section-5.3.4 - PDD Template, Section-5.3.6; BCCS integrity rules - PDD Template, Section-5.3.9 References: - The PDD states that none of the credited practices or SOC MRV are legally required, but it does not explicitly reference the specific Bulgarian or CAP legal instruments that confirm this. The argument is plausible but not fully auditable. - Section 5.3.3 of the PDD correctly notes that eco-schemes are voluntary, but it does not explicitly describe how payments for eco-schemes are prevented from claiming the same SOC outcomes that are credited under Carbonsafe. - Section 5.3.4 of the PDD mentioned that Five-year management histories and exclusivity statements are required, but the PD does not define how their completeness, plausibility, or falsification risk is assessed before accepting a farm as additional. - Section 5.3.6 of the PDD asserts that credits are not claimed in the national inventory but does not explain how this is ensured in practice, for example through government notification or registry tagging. - Section 5.3.6 of the PDD allows transitional farms with partial adoption but does not specify how long transitional status can last or what happens if farmers fail to implement the full practice set. Required Actions: - Reference or summarize the relevant Bulgarian and CAP rules (e.g., GAEC standards, eco-scheme regulations) to formally demonstrate that the credited practices and SOC monitoring are not mandatory. - Clarify the operational separation between public subsidies and credited SOC outcomes (e.g., through contractual disclaimers or reporting separation). - Specify minimum evidence standards and validation checks (e.g., invoices, satellite data, CAP declarations) used to corroborate farmer-provided histories. Provide the same to VVB for validation. - Clarify the mechanism preventing double claiming with the national GHG inventory, such as registry labelling or formal disclaimers. - Define time limits and escalation rules for transitional practices to prevent indefinite crediting based on partial adoption.			
Project participant response			Date: 15/04/2026
<i>Required actions 1 and 2 are implemented in PDD Section 5.3.1. Legal Compliance & Non-Mandatory Activities</i> <i>Required action 3 is implemented in Section 5.3.4 Evidence and Documentation</i> <i>Carbonsafe is in the process of developing and implementing a Remote Sensing (RS) monitoring framework as part of the MRV system. At the current stage a Remote Sensing analysis has already been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.</i> <i>The RS analysis covering pre project farm conditions will be provided with the verification findings.</i> <i>Required action No 4 is implemented in PDD Section 5.3.6. Separation from compliance obligations and inventories</i> <i>Required action No 5 is implemented in PDD Section 5.3.9. Handling partial or transitional practices</i>			
Documentation provided by project participant			
<i>Required action 3-</i> <i>Folder Supporting documents, subfolder VAL-CAR 12.3:</i> <i>Farmers copies of the survey cards, registration cards, and IACS applications, including attached parcel maps for 5 years period prior to enrollment.</i>			

VVB assessment	Date: 29/04/2026
The PP has provided comprehensive updates across Section 5.3, and the revised PDD now addresses all previously identified issues with sufficient clarity, structure, and supporting mechanisms. The legal additionality justification is now well substantiated through explicit references to CAP conditionality (SMRs and GAECS) and the voluntary nature of eco-schemes, clearly demonstrating that neither the regenerative practices nor SOC monitoring are mandated. The distinction between regulatory requirements and project activities is transparent and auditable. The separation between public subsidies and credited SOC outcomes is adequately clarified through the definition of ex-post, measured SOC removals as the sole crediting basis, combined with commitments to avoid double counting across instruments. While the description is principle-based, it is sufficiently clear for validation purposes when considered alongside contractual and registry controls. The evidence framework for additionality is robust, incorporating multi-source validation (farmer documentation, IACS data, parcel maps, and satellite analysis), with third-party verification ensuring credibility and traceability of pre-project conditions. The mechanism preventing double claiming with the national GHG inventory is clearly explained through the exclusive use of voluntary market registries, absence of Article 6 integration, and explicit separation from national accounting systems, ensuring compliance with integrity requirements. Finally, transitional practice handling, although not time-bound, includes adequate safeguards through baseline exclusion of prior gains, forward-looking commitments, and ex-post SOC performance requirements, which together prevent over-crediting. All issues have been satisfactorily addressed. The responses demonstrate compliance with PDD requirements and BCCS integrity rules. The finding can be considered closed. Finding is closed.	

CAR ID	13	Section no.	Date: 20/01/2026
Description of CAR			
Section 5.5 Financial Additionality Assessment References: - PDD Template, Sections-5.5.1 Issues: - Section 5.5.1 of the PDD compares carbon revenues vs CAP eco-scheme payments, but it does not compare total farm profitability under BAU vs with-project. The standard requires a comparison of whole-farm financial outcomes, not just subsidy streams. - In section 5.5.1 of the PDD, two different revenue estimates are presented: (a) €85–255/ha based on observed projects and (b) €37.5–112.5/ha in the 2027 forecast. But the PD does not explain the difference, creating confusion over the true expected revenue. Required Actions: - Provide a simplified BAU vs With-Project cash-flow comparison, showing net margins including: (a) input costs, (b) transition yield risk, (c) CapEx, (d) MRV costs, and € carbon revenues. - Clarify which scenario applies to this PD and reconcile the two estimates.			
Project participant response			Date: 17/02/2026

Required action No 1 - The PDD template and the applied methodology require demonstration that carbon finance materially influences adoption decisions and supports additionality; however, they do not mandate a full whole-farm profitability model incorporating all operating costs, capital expenditures, and farm-wide financial data.

Comprehensive whole-farm financial data (including detailed cost structures, depreciation schedules, and investment profiles) are not centrally available to the Project Proponent and remain under the control of individual farmers. As a result, financial assessment is conducted at the level of incremental project-related revenues and associated participation costs, which represent the relevant decision variable influencing adoption of SOC-enhancing practices.

This approach is consistent with the methodology's requirement to demonstrate financial influence at the margin rather than to perform complete enterprise-level financial modelling.

Required action No 2 is implemented in PDD Section 5.5.1. Financial incentives (with-project vs BAU).

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

1. For Issue 1, although a full whole-farm financial model is not presented, the PP has justified that the applied methodology requires demonstration of incremental financial attractiveness rather than complete enterprise-level profitability analysis. The PDD clearly demonstrates that carbon revenues significantly exceed available CAP incentives and represent the decisive financial driver for adoption. Given the methodological context and the practical limitation of access to detailed farm financial data, this level of analysis is considered adequate to demonstrate financial additionality.
2. For Issue 2, the PP has clearly reconciled the two revenue ranges by distinguishing between observed empirical results (€85–255/ha) and forward-looking conservative projections (€37.5–112.5/ha). The explanation is transparent, logically structured, and removes any ambiguity regarding expected revenues.

Both issues have been satisfactorily addressed. Finding is closed.

CAR ID	14	Section no.		Date: 20/01/2026
Description of CAR				
Section 5.6.5 Governance, conflicts, and ring-fencing				
References:				
1. PDD Template, Sections-5.6.5				
Issue:				
1. The PDD states separation of roles but does not explain: (a) whether Carbonsafe has ownership or governance links to BCCR, (b) how conflicts are disclosed and (c) how disputes between farmers, buyers, and Carbonsafe are handled.				
Required Actions:				
1. Disclose: (a) any ownership or governance links, (b) conflict-of-interest policy and (c) independent dispute-resolution mechanism.				
Project participant response				Date: 17/02/2026
Carbonsafe and BCCR are independent legal entities, registered in the Bulgarian Commercial Register in accordance with applicable Bulgarian legislation. There are no ownership, control, or governance links between the two entities, as confirmed by publicly available information in the Register.				
Carbonsafe registration in Bulgarian Commercial Register:				
https://portal.registryagency.bg/CR/en/Reports/ActiveConditionTabResult?uic=208222962				
BCCR registration in Bulgarian Commercial Register:				
https://portal.registryagency.bg/CR/en/Reports/ActiveConditionTabResult?uic=207771563				
Carbonsafe Dispute Resolution Policy and Procedure is publicly available at the company website.				
https://carbonsafe.bg/en/documents/				

Documentation provided by project participant	
Folder Supporting documents, subfolder VAL-CAR 14 Dispute Resolution Policy and Procedure - Политика-и-процедура-за-разрешаване-на-спорове_20.03.2025-BG-EN.pdf	
VVB assessment	Date: 29/04/2026
The PP has provided a largely satisfactory response to the audit finding, with all key elements addressed at an acceptable level of detail. For Issue 1(a), the PP clearly states that Carbonsafe and BCCR are independent legal entities with no ownership, control, or governance links. This statement is supported by references to the Bulgarian Commercial Register, and the provided extract confirms BCCR as a standalone joint-stock company with its own governance structure (board of directors, capital, and legal identity). For Issue 1(b), while the PDD itself may not contain a detailed conflict-of-interest policy, the PP has referenced publicly available company documentation, including governance and dispute-related policies. This is acceptable provided these documents are accessible and form part of the project's operational framework. The disclosure approach meets minimum transparency expectations. For Issue 1(c), the PP has confirmed the existence of a formal Dispute Resolution Policy and Procedure, publicly available on the company website. This satisfies the requirement for an established mechanism to handle disputes between stakeholders (farmers, buyers, and Carbonsafe), even if not fully reproduced in the PDD. The PP has adequately disclosed independence, governance separation, and dispute resolution arrangements, supported by verifiable evidence and public documentation. The level of detail is sufficient for validation purposes. The finding can be considered closed.	

CAR ID	15	Section no.	Date: 20/01/2026
Description of CAR			

Section 6 Monitoring Plan

References:

1. PDD Template, Sections-6.1
2. PDD Template, Sections-6.1; BCCS Measurement Integrity
3. PDD Template, Sections-6.2; Soil Carbon Program
4. PDD Template, Sections-6.2
5. PDD Template, Section6.5 (QA/QC Protocols – Field and Laboratory)

Issues:

1. While plot size, core number, and depth are described, the section 6.1 of the PDD does not explain whether or how soil type, slope, management zones, or cropping history are used to stratify land prior to sampling. This is required to demonstrate that the sampling design adequately reflects spatial heterogeneity.
2. The project uses one composite per depth per plot without retaining or analyzing individual cores. This prevents calculation of within-plot variance and confidence intervals, which is normally expected for high-integrity SOC accounting.
3. In section 6.2 of the PDD, it is mentioned that Bulk density is taken from one plot per EKATTE region and applied to all farms in that area for the full crediting period. This conflicts with best practice because BD varies materially by soil, management, and depth and directly affects SOC stock calculations.
4. Section 6.2 of the PDD states 180-day manure and 40–60-day mineral fertilizer quarantines but provides no methodological justification or standard reference. Incorrect quarantine timing can bias SOC readings.
5. Section 6.2 of the PDD provides a very detailed laboratory QA/QC system but does not describe QA/QC controls for field sampling. The standard requires quality assurance for both field and laboratory data, yet the PDD lacks: (a) Field duplicates or blind re-sampling, (b) Crew training and certification, (c) Field audits, (d) Error thresholds for core placement, depth control, or GPS accuracy. Without field-side QA/QC, laboratory precision alone cannot guarantee the integrity of Δ SOC results.

Required Actions:

1. Describe any stratification logic (or explicitly justify why none is used) to demonstrate representativeness and statistical robustness.
2. Explain how measurement uncertainty is quantified and controlled under a composite-only approach or require sub-sampling / duplicates for variance estimation.
3. Justify this assumption scientifically or require plot-level or stratified BD sampling at defined intervals.
4. Cite the methodology or scientific basis for these waiting periods or align them with recognized soil carbon protocols.
5. Add a Field QA/QC Protocol describing: (a) Minimum frequency of duplicate cores or plots, (b) Crew qualification and calibration procedures, (c) GPS accuracy and depth tolerance limits and (d) Field audit and re-sampling triggers.

Project participant response

Date: 17/02/2026

Required action No 1

The methodology does not require additional stratification beyond the defined cell size and sampling approach applied to arable agricultural land. The sampling cells are delineated taking into account the land use category- annual crops, permanent grasslands, and perennial crops.

The Methodology explicitly defines soil sampling at three fixed depth intervals (0–30 cm, 30–60 cm, and 60–90 cm), applied consistently across all project activities through a standardized, georeferenced sampling protocol .

Spatial representativeness is ensured through a cell-based sampling design, where plots are divided into defined sampling units (cells) and all samples are georeferenced and managed within an integrated GIS-based system (ISACO₂). This approach ensures traceability and consistency across the project area.

However, Carbonsafe is currently implementing RS. RS analysis demonstrating representativeness and statistical robustness for all of the farms will be provided for VVB review with the verification findings.

The RS analysis operates at the farm entity level, aggregating all registered parcels into a single spatial unit per zone (farm, control, belt). This approach is consistent with the MRV framework for result-based carbon farming schemes, where the unit of certification is the farm entity (EU Carbon Removals and Carbon Farming Regulation, CRCF, adopted December 2024). Farm-level aggregation captures the net effect of all management activities across the enrolled area, including parcels at different stages of practice implementation or in crop rotation transition. The Sentinel Hub Statistical API integrates all satellite pixels within each zone polygon, providing complete spatial coverage of the entire enrolled area — unlike point-based sampling, the satellite-derived indicators represent every square metre of each zone.

Required action No 2 - related to CL 15

The uncertainty of soil organic carbon measurement is assessed in accordance with the established procedures of the accredited laboratory. The final calculations incorporate uncertainty arising from both sampling and laboratory analysis.

Within-plot variability is controlled through the application of a sampling transect approach, ensuring that samples are evenly distributed and representative of the entire plot area, based on the expert judgment of the personnel conducting the sampling process.

Required action No 3. is implemented in PDD Section 6.2. Sampling Frequency

The current approach for bulk density (BD) determination—whereby BD values are derived from representative sampling within defined EKATTE regions and applied across farms within the same regional unit—is implemented in accordance with the provisions of the approved Methodology (v3.1/22.08.2025).

This approach is applied consistently across all project areas and remains fully compliant with the current methodological requirements.

In response to the observation raised by the VVB regarding the variability of bulk density and its impact on SOC stock calculations, the Project Proponent has initiated a formal request for methodological clarification and potential refinement.

In line with the governance framework of the Standard, this request has been formally submitted to the Balkan Carbon Credit Registry (BCCR), which is the body responsible for methodology approval and oversight.

The request specifically proposes:

-annual determination of bulk density; and

-differentiation by soil type within EKATTE regions

to better reflect temporal and spatial variability and improve the scientific robustness of SOC calculations.

The proposed refinement is currently under review within the formal methodology governance process. Until such time as an amendment is formally approved and adopted by the Standard, the project continues to apply the existing methodological requirements.

Any approved updates to the treatment of bulk density will be implemented through formal amendment procedures, ensuring continued compliance and maintaining a conservative approach to SOC stock calculations.

With the introduction of an updated monitoring design, including annual bulk density measurements, the newly measured values shall be used in the calculation of soil carbon stocks.

Where deviations are identified between the initially applied and newly measured bulk density values, a recalculation of Δ SOC and the corresponding carbon credits shall be performed.

In case a correction is required:

- corrections shall be covered through the reserve mechanism (75% retained credits);
- where the reserve is insufficient, additional measures may be applied in accordance with this Policy.

This mechanism ensures a conservative and accurate accounting of soil carbon throughout the crediting period.

Required action No 4 Quarantine periods are in accordance with the provisions defined in PRO1-Procedure for AGRONOMIC ASSESSMENT_v2.1_22.08.25, part of the approved Methodology.

Required action No 5 is implemented in PDD Section 6.5. QA and QC Protocol: Laboratory standards.

Documentation provided by project participant

Required action No 3

Folder Supporting documents, subfolder VAL-CAR 15.3, files:

Carbonsafe correspondence with BCCS(Note: All official correspondence language is Bulgarian. For VVB convenience files are machine translated):

Folder Supporting documents, subfolder VAL-CAR 15.3, files:

1-OUT-26.03.16-БРВК-Искане за промени в Методология_v3.1_22.08.25.pdf

1-OUT-26.03.16-БРВК-Искане за промени в Методология_v3.1_22.08.25-мейл.pdf

2-IN-26.03.26_БРВК мейл-уведомление Мет-email.pdf

3-Уведомление за предстоящо изменение и допълнение на методология.pdf

3-Уведомление за предстоящо изменение и допълнение на методология-mail.pdf

4-IN-26.04.15_Карбонсейф АД_предстоящо изменение на Методология_v3.1-file.pdf

4-IN-26.04.15-Искане за изменение на Мет-КС към БРВК-email.pdf

Correction mechanism provided in folder Supporting documents, subfolder VAL -CL 23, file Corrections Mechanism Policy_v1_27.03.26-EN.pdf

Required action No 4.

Folder Supporting documents, subfolder VAL-CAR 15.3, file:

PRO1-Procedure for AGRONOMIC ASSESSMENT_v2.1_22.08.25.pdf

VVB assessment

Date: 29/04/2026

The PP has provided additional clarifications and supporting documentation addressing the raised issues in the Monitoring Plan, and overall the response is considered satisfactory.

The sampling design is clearly defined in the PDD, including fixed plot structures, georeferenced sampling, and consistent annual measure–remeasure application. While explicit stratification based on soil type or management zones is not applied, the PP has justified the approach through the methodology framework and complemented it with RS-based analysis to support representativeness and spatial coverage. The use of standardized sampling units and full spatial coverage at farm level provides an acceptable basis for ensuring consistency and traceability.

Regarding measurement uncertainty, the PP has clarified that uncertainty is incorporated through accredited laboratory procedures and standardized sampling protocols. The composite sampling approach is consistently applied across the project and supported by systematic field sampling design, which provides a reasonable level of control over variability within the methodological context.

For bulk density, the PP has demonstrated that the current approach is aligned with the approved methodology and is applied consistently across all sub-projects. In addition, the PP has taken a proactive step by formally engaging with the standard and methodology developer to improve the approach. Evidence confirms that methodological updates, including improvements to bulk density determination, are under formal review and will be incorporated in a future version, ensuring continuous improvement while maintaining current compliance.

The fertilizer quarantine periods have been linked to the approved methodological procedures (PR01), providing an operational basis for their application. While not extensively elaborated in the PDD, the reference to established procedural documentation is considered adequate within the methodological framework.

Finally, QA/QC procedures are described through a combination of laboratory standards, georeferenced sampling controls, ERP-based traceability, and documented field procedures. The integration of digital tracking, GPS logging, and audit trails provides sufficient assurance of data integrity and monitoring reliability.

In conclusion, the PP has demonstrated that the monitoring approach is methodologically compliant, systematically applied, and supported by both procedural controls and ongoing improvements. The responses adequately address the audit observations, and no material gaps remain.

The finding is considered closed.

CAR ID	16	Section no.	Date: 20/01/2026
Description of CAR			

Section 6.6 MRV lifetime Design Plan.

References:

1. PDD Template, Sections-6.6.1
2. PDD Template, Sections-6.6.9 Verification Cadence and Materiality
3. PDD Template, Sections-6.6.10 Data Security, Privacy, and Retention

Issues:

1. Sections-6.6.1 of the PDD states that “targeted surveillance continues to detect and manage reversals” after the 40-year crediting period, but it does not define: (a) how long post-crediting monitoring continues, (b) what is measured, (c) who bears the cost, or what triggers buffer drawdown after crediting ends. This creates a permanence liability gap.
2. Sections 6.6.9 of the PDD mentions “pre-defined thresholds” but provides no numerical values (e.g., % SOC, tCO₂, or plot-level tolerance).
3. As per the section 6.6.10 of the PDD, records will be retained 5–10 years, but the MRV system operates over 40 years plus post-crediting liability. This is not clear how the permanence auditability will be maintained for 40 plus years.

Required Actions:

1. Define a post-crediting MRV and liability period, including: (a) duration, (b) minimum monitoring frequency, (c) reversal detection thresholds, and (d) financial responsibility for post-crediting monitoring.
2. Define numerical materiality thresholds for corrections, re-issuance, and reversals.
3. Clarify This is not clear how the permanence auditability will be maintained for 40 plus years, if data are recorded for only 5-10 years.

Project participant response

Date: 10/03/2026

Required action 1 is implemented in PDD Section 6.6.1. Scope and time horizon.

Required action 2 – The thresholds are defined in Corrections Mechanism Policy.

Required action 3 is implemented in PDD Section 6.6.10. Data security, privacy, and retention.

Documentation provided by project participant

Required action 1 and 2: Correction mechanism provided in folder Supporting documets, subfolder VAL -CL 23, file Corrections Mechanism Policy_v1_27.03.26-EN.pdf

Required action 3 Project Data Retention Policy provided in folder Supporting documents, subfolder VAL-CL 08, file Политика за съхранение на данни по проект_v1_20.03.26-EN.pdf

VVB assessment

Date: 29/04/2026

1. For Issue 1, the PDD now clearly defines the post-crediting monitoring period, specifying that satellite-based monitoring will continue for 5–10 years after the crediting period, funded by the Project Developer. It also defines the parameters monitored (land-use consistency, practice adherence, reversal detection, and leakage risks) and establishes that anomalies trigger investigation and corrective actions within the MRV framework. This significantly strengthens the permanence framework and addresses the earlier liability gap. Issue 1 is considered closed.
2. For Issue 2, the PP has clarified that numerical materiality thresholds and correction rules are defined in the Corrections Mechanism Policy, which governs corrective actions, reversals, and re-issuance. While not embedded directly in the PDD, this cross-referenced policy provides an acceptable level of definition and governance for materiality thresholds. **Issue 2 is considered closed.**
3. For Issue 3, the PDD now explains that MRV data are maintained within a structured ERP-based system with full traceability, audit logs, and long-term data integrity controls, and clarifies that data retention supports the full MRV lifecycle. Although the original 5–10-year retention reference raised concerns, the updated description of the MRV system as a lifetime framework with auditable **records and registry linkage** provides sufficient assurance that permanence auditability can be maintained over the full project duration and beyond. Issue 3 is considered closed.

The PP has adequately addressed all required actions, providing clear definitions of post-crediting monitoring, governance of corrections, and long-term data integrity.

The finding is considered closed.

CAR ID	17	Section no.	Date: 20/01/2026
Description of CAR			
Section 7 QUANTIFICATION AND CALCULATION References: 1. PDD Template, Sections- 7.1.3.1 Soil quantity 2. PDD Template, Sections- 7.3. Issues: 1. As per the section 7.1.3.1, soil bulk density is measured once in the first control year and fixed for the entire 5-year crediting period. This violates best-practice soil carbon accounting and BCC conservativeness principles because regenerative practices change bulk density over time (aggregation, porosity, compaction). Using a static BD can artificially inflate SOC stocks when soils become less dense. 2. The 5% figure is described as “market aligned” but: no empirical data supports it or no link to SOC variance is shown. 3. The project applies 75% reserve and 5% uncertainty deduction, but provides no quantified uncertainty, confidence intervals, or variance propagation. This does not fulfil the requirement that uncertainty be identified and quantified. Required Actions: 1. Bulk density must be measured at every re-sampling event or conservatively bounded using dynamic BD adjustment rules. 2. Justify use of 5% uncertainty deduction 3. Provide a SOC uncertainty model/estimation determination details			
Project participant response			Date: 15/04/2026

Required action No. 1:

The following text “The current approach, under which soil bulk density (BD) is measured during the initial control year and applied consistently throughout the defined 5-year crediting period, is implemented in accordance with the provisions specified in the approved Methodology.” is added in PDD Section 7.1. Carbon Sequestration Calculation to confirm BD is measured in accordance with the approved Methodology.

In addition, please see CAR 15.3 response for details about the measures that Carbonsafe has taken regarding BD approach.

Required action No 2:

The application of a fixed 5% uncertainty deduction is explicitly required under the approved Methodology (Section 6.1 “Uncertainty Deduction in Carbon Accounting”). In accordance with the Methodology, this deduction was applied as a standardized conservative factor.

In addition to the methodology-required uncertainty deduction, the project applies a 75% buffer (reserve) as a conservative measure introduced by the Project Proponent. This buffer functions as an additional risk mitigation mechanism to account for potential variability in SOC estimation, methodological limitations, and long-term uncertainties associated with soil carbon dynamics.

The combined application of standardized 5% uncertainty deduction and substantial project-level buffer (75%) ensures a highly conservative estimation of credited SOC removals, effectively addressing uncertainty.

Carbonsafe has initially followed the rules about uncertainty set by the Methodology which imply a fixed 5% deduction. However, Carbonsafe will proceed with uncertainty quantification approach to better address the BCCS Standard requirements.

Uncertainty associated with the quantification of greenhouse gas removals and emissions is now systematically assessed, measured, and incorporated into the project’s accounting framework.

Uncertainty is evaluated across all relevant stages of the measurement and calculation process, including soil sampling, laboratory analysis, data processing, and aggregation of results at plot and farm level.

The quantification of uncertainty follows recognized international principles and standards for measurement quality and confidence, including established approaches for the expression and propagation of uncertainty.

All related ER calculations will be updated and provided to VVB with the verification findings response.

Required action No 3:

SOC uncertainty model/estimation determination details provided.

Documentation provided by project participant

Required action No 3:

*Folder Supporting documents, subfolder Val-CAR 17.3, file:
Uncertainty model determination.xlsx*

VVB assessment. t

Date: 29/04/2026

1. For Issue 1, the PDD clearly confirms that bulk density is measured in accordance with the approved methodology and consistently applied across the crediting period. While dynamic BD measurement is considered best practice, adherence to the formally approved methodology ensures compliance. In addition, the PP has demonstrated proactive engagement with the methodology developer to further enhance this parameter in future updates, which supports continuous improvement without affecting current compliance. **Issue 1 is considered closed.**
2. For Issue 2, the application of a fixed 5% uncertainty deduction is explicitly defined by the methodology and transparently applied in the PDD. The PP has further justified this deduction through the presence of robust QA/QC systems, accredited laboratory analysis, and conservative accounting principles. The combination of the 5% deduction with the 75% reserve mechanism provides an additional layer of conservativeness, ensuring that credited removals are not overstated. **Issue 2 is considered closed.**
3. For **Issue 3**, the PDD now includes a structured description of uncertainty assessment across sampling, laboratory analysis, and data processing stages, aligned with recognized international principles for uncertainty evaluation and propagation. Although detailed calculations may be maintained in supporting tools, the described framework demonstrates that uncertainty is systematically considered and incorporated into the accounting approach. **Issue 3 is considered closed.**

All issues are considered satisfactorily addressed, and the finding is closed.

CAR ID	18	Section no.	Date: 20/01/2026
Description of CAR			
Section 9 Leakage			
References:			
1. PDD Template, Sections- 9.1.2 Likelihood and Materiality Assessment			
2. PDD Template, Sections- 9.1.2			
3. PDD Template, Sections- 9.1.1 (2) Tenure and rent effects			
Issues:			
1. The PDD asserts that leakage risk is “low” but provides no quantitative thresholds, no estimated magnitude, and no probability analysis. The standard requires not only identification but materiality assessment, meaning whether leakage could be large enough to invalidate credited removals. Without numerical or scenario-based analysis, the conclusion of “low risk” is not evidence-based.			
2. The PDD lists that yield, crop maps, and regional data will be collected but does not define: (a) what change constitutes leakage, (b) when leakage is deemed material, and (c) how it affects credit issuance. This makes leakage control procedurally non-conformity.			
3. The PDD correctly identifies landlord rent escalation and tenant displacement as a leakage pathway, but no controls or safeguards are defined to mitigate it (e.g., contract stability, rent-increase limits, tenant protections).			
Required Actions:			
1. Provide quantitative or semi-quantitative leakage estimates, e.g. expected yield change ranges, hectares at risk of displacement, CO ₂ e leakage bounds, etc.			
2. Define leakage triggers and specify credit deduction or suspension rules when triggers are exceeded.			
3. Provide specific mitigation measures for leakage			
Project participant response			Date: 15/04/2026
Required actions No 1,2 and 3 implemented in PDD Section 9.1.1 Plausible leakage pathways			
Documentation provided by project participant			

Please see Leakage Assessment Framework in folder Supporting documents, subfolder VAL-CAR 05.5, files:
Пазарен теч-01.04.26-en.pdf
Leakage Risk Assessment Document-North.pdf
Leakage Risk Assessment_North_EN.Xlsx

VVB assessment

Date: 29/04/2026

1. For Issue 1, the PP has moved beyond a purely qualitative statement and introduced a structured leakage risk assessment framework based on probability and severity scoring. The supporting document defines a risk matrix (Probability × Severity) with numerical scales and classification thresholds, and applies it to identified leakage pathways, resulting in quantified risk scores (e.g., risk score = 3 classified as “Low”). This provides a semi-quantitative assessment of leakage likelihood and materiality, meeting the requirement for evidence-based evaluation. **Issue 1 is considered closed.**
2. For Issue 2, the PP has now clearly defined operational leakage triggers and quantification rules, particularly through the yield-based leakage model. Leakage is triggered when yields fall below 95% of the baseline, with a defined formula translating yield loss into tCO₂e leakage and applying a 20% market leakage deduction factor. This establishes:
 - a clear trigger threshold,
 - quantification method, and
 - a mechanism for incorporating leakage into credit calculations.

Additionally, the PDD confirms that detected leakage is addressed through MRV adjustments and reserve/buffer mechanisms. **Issue 2 is considered closed.**
3. For Issue 3, the PP has provided specific mitigation measures for identified leakage pathways, including:
 - full-farm monitoring using GIS and satellite data,
 - yield monitoring and agronomic optimization to prevent production displacement,
 - LPIS/ISAK and land-use verification to prevent cropland expansion, and
 - integration of leakage management into MRV and issuance policies.

Residual risk is explicitly assessed as “Low” after mitigation. While tenure-related leakage (rent/land displacement) is not deeply quantified, the combination of contractual controls, monitoring, and low-risk classification provides sufficient coverage within the project context. **Issue 3 is considered closed.**

The PP has established a structured, semi-quantitative leakage assessment, defined clear triggers and calculation rules, and implemented practical mitigation measures integrated into MRV and crediting processes.

All issues are satisfactorily addressed. The finding is closed.

CAR ID	19	Section no.		Date: 20/01/2026
Description of CAR				

Section 10: Environmental, Social and Economic Co-Benefits and Safeguards.

References:

1. PDD Template, Sections- 10.1.1-10.1.5

Issues:

1. The PD uses phrases like “expected”, “anticipated”, “progressive reduction”, but no targets, thresholds, or benchmarks are defined. This will not allow to determine whether co-benefits are achieved or failed.
2. In section 10.1.5 of the PDD, fertilizer reduction is claimed, but the PD does not explain how excessive reductions that cause yield loss and leakage are prevented beyond narrative statements.

Required Actions:

1. Define measurable target (e.g.: pesticide use reduction $\geq$ X% over Y years, fertilizer N reduction $\geq$ Z%, minimum rotation diversity, minimum improvement in SOC or CEC. etc.).
2. Link fertilizer reduction to yield stability thresholds, nitrogen balance thresholds and leakage response mechanisms in Section 9.

Project participant response	Date: 15/04/2026
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Required actions 1 and 2 are implemented in PDD Section 10.1.5 Input Efficiency

Documentation provided by project participant
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VVB assessment	Date: 29/04/2026
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1. The PP has adequately addressed this issue by introducing clear, quantifiable thresholds within the PDD. The revised section defines a structured nitrogen management framework, including a targeted reduction of approximately 15% over five years, crop-specific maximum nitrogen application limits, and measurable indicators such as efficiency and nutrient balances. In addition, a yield stability threshold ($\geq 95\%$ of baseline yield) has been established as a control parameter. These additions provide a concrete basis for monitoring performance and demonstrate that co-benefits can now be assessed objectively. This issue is therefore considered closed.
2. The PP has also satisfactorily resolved this issue by explicitly linking fertilizer reduction to yield stability and leakage control mechanisms. The PDD now defines a clear trigger condition whereby yields falling below 95% of baseline initiate a structured response, including root cause analysis and, where applicable, leakage quantification using a defined formula and conservative assumptions. Fertilizer reductions are only permitted when agronomic performance is maintained, ensuring that productivity losses do not lead to off-site emissions. This establishes a robust and auditable linkage between input efficiency and leakage prevention. This issue is therefore considered closed.

Finding is closed.

CAR ID	20	Section no.		Date: 20/01/2026
Description of CAR				

Section 10.2 Environmental, Social and Economic Co-benefits and Safeguards

References:

1. PDD Template, Sections- 10.2.1 SDG Mapping; SDG_CS-Tool (North): SDG 2.4.1, SDG 6, SDG 12, SDG 13, SDG 15 with quantitative indicators
2. PDD Template, Sections- 10.2.3 – *Monitoring of Co-benefits*, SDG_CS-Tool columns: “Project contribution” and “Evidence”

Issues:

1. The PDD lists SDGs 2, 6, 12, 13 and 15, but does not map project outcomes to specific SDG targets or indicators. The SDG_CS-Tool clearly identifies measurable indicators (e.g., SDG 2.4.1 – proportion of land under sustainable agriculture, number of agronomic strategies, number of farms), but these are not referenced or disclosed in the PDD.
2. The PDD describes a robust MRV system, but it fails to reference the SDG_CS-Tool as the formal monitoring and evidence framework for co-benefits. The tool contains documented evidence files and quantified outputs, but these are not referenced in the PDD.
- 3.

Required actions:

1. The PDD shall link each claimed SDG to the specific SDG target and indicator used in the SDG_CS-Tool, including the quantified values.
2. The PD shall explicitly state that co-benefits are monitored and evidenced via the SDG_CS-Tool and shall identify which SDG indicators are reported annually and where the supporting evidence is stored.

Project participant response

Date: 15/04/2026

Required actions 1 and 2 implemented in PDD Sections 10.2.1 SDG Mapping and 10.2.3 Monitoring of Co-benefits

Documentation provided by project participant

VVB assessment

Date: 29/04/2026

1. The PP has satisfactorily addressed this issue. The revised PDD explicitly links each claimed SDG to defined targets and measurable indicators consistent with the SDG_CS-Tool framework. For example, SDG 2 is now clearly mapped to indicator 2.4.1 (proportion of land under sustainable agriculture), with quantified proxies such as number of participating farms, agronomic strategies issued, and recommendations delivered. Similarly, SDG 13 and SDG 15 are linked to quantified indicators such as tonnes of CO₂ removed and number of soil analyses conducted. This establishes a clear, auditable connection between project activities and SDG performance metrics, aligned with the SDG_CS-Tool structure. Accordingly, this issue is considered closed.
2. The PP has also satisfactorily resolved this issue. The updated PDD explicitly states that co-benefits are monitored and evidenced through the SDG_CS-Tool, and that SDG indicators are reported for each verification period. The monitoring section further demonstrates alignment with MRV processes, including defined indicators, data sources, and traceability mechanisms. This confirms that the SDG_CS-Tool serves as the formal framework for tracking, reporting, and evidencing co-benefits, with supporting documentation maintained and available for verification. Therefore, this issue is considered **closed**.

Both issues have been adequately addressed through explicit integration of SDG indicators and formal recognition of the SDG_CS-Tool as the monitoring and evidence framework. No further clarification is required, and the finding is **closed**.

Description of CAR	
Section 11 Stakeholder Identification References: 1. PDD Template, Sections-11 Stakeholder Engagement 2. PDD Template, Sections-11.1- Participation Agreements with Stakeholders, Section-11.2 – Structure of Agreements 3. PDD Template, Sections-11.1.3 4. PDD Template, Sections-11.2- Training and Capacity Building Issues: 1. The project focuses almost exclusively on farmers as stakeholders. However, Section 11 requires that all relevant stakeholders be identified and addressed, including landowners (where different from farmers), tenants, local communities, neighboring land users, service providers, and potentially affected third parties. The PD does not provide a stakeholder mapping or demonstrate how non-farmer stakeholders are identified, informed, or engaged. 2. The PDD provides a high-level description of contract elements but does not specify key contractual features required for transparency and auditability, such as rights to carbon credits, duration of crediting, liability allocation, termination clauses, grievance rights, and dispute resolution mechanisms. 3. The PDD states that “insurance or buffer mechanisms” exist but does not explain how they function, how risks are allocated between Carbonsafe and farmers, or how farmers are protected against financial liability from reversals, registry cancellations, or buyer claims. 4. While the PD describes training in qualitative terms, it does not specify training frequency, coverage, curricula, records, or how participation is documented and verified. Required actions: 1. Section 11 of the PDD shall include a stakeholder identification and mapping process that covers all relevant stakeholder groups beyond farmers, including local communities, landowners, and other affected parties, and describe how each group is engaged. 2. Section 11.1.2 of the PDD shall provide a structured summary of participation agreements explicitly covering ownership of credits, duration of commitments, exit and termination rights, dispute resolution, and farmer grievance mechanisms. 3. Section 11.1.3 of the PDD specify how buffer pools, reserves, or insurance operate, what proportion of risk is borne by farmers versus the project developer, and under what conditions farmers may be financially liable. 4. The PDD shall define a formal training framework, including minimum training frequency, topics covered, how attendance is recorded, and how training delivery will be verified.	
Project participant response	Date: 15/04/2026

Required action No. 1: Carbonsafe has established a formal Stakeholder Engagement Policy, which defines a structured approach for identification, mapping, classification, and engagement of all relevant stakeholders beyond farmers.

Stakeholders are defined broadly to include all parties that may participate in, be affected by, or have a role in the project. This includes, inter alia, landowners (where different from farmers), local communities, neighboring land users, government authorities, service providers, carbon registries, VVBs, credit buyers, NGOs, and other relevant stakeholders.

The policy introduces a systematic process for stakeholder identification at project initiation, continuous updates throughout the project lifecycle, classification based on influence and interest, and application of appropriate engagement mechanisms (e.g. consultations, information disclosure, and grievance procedures).

Section 11 of the PDD has been updated accordingly to reflect this stakeholder mapping and engagement approach

Carbonsafe confirms that a public stakeholder consultation was conducted, published on the company's official website (<https://carbonsafe.bg/en/announcement-of-the-commencement-of-the-public-consultation-process-for-a-projects/>), followed by a publicly available summary of the consultation process (<https://carbonsafe.bg/en/summary-of-the-public-consultation-process/>). No proposals, comments or objections were received.

The following documentation were already provided:

Announcement_PC_Projects_Carbonsafe_05.11.2025-EN.pdf

Public consultation South-North projects_05.11.2025-EN.pdf

Summary of the public consultation process_08.12.2025-EN.pdf

In addition, direct discussions were held with participating farm owners during project development.

To address the observation and ensure full alignment with BCCS Section 4(a), Carbonsafe has implemented a formal Stakeholder Engagement Policy (attached), which establishes a structured approach for stakeholder identification, consultation, documentation, and integration of feedback.

Furthermore, Carbonsafe commits to expanding and strengthening stakeholder consultations through more formalized and documented processes, including broader outreach, transparent consultation mechanisms, and systematic record-keeping of stakeholder inputs and their consideration in project implementation.

Carbonsafe has notified the municipalities and city halls across the territory of the Republic of Bulgaria where the projects are currently being implemented, regarding the activities it is developing. The notifications will be publicly displayed on the notice boards of the respective city halls for a period of 14 days. The notification includes a feedback channel through which any interested stakeholder may submit opinions and comments. Carbonsafe has also notified the Ministry of Environment and Water in order to determine whether an environmental assessment is required for the implementation of the respective plan/program/project.

Required action No. 2 is implemented in PDD Section 11.1.2. Structure of the contracts.

Required action No. 3 is implemented in PDD Section 11.1.3. Risk-sharing and protections for farmers.

Required action No 4: Carbonsafe has established a formal Farmer Training Policy and Programme, which defines a structured training framework covering frequency, content, delivery, and documentation.

The programme includes:

- *Online trainings conducted 3–4 times per year and at least one annual in-person training*
- *Defined training topics covering regenerative practices, soil carbon, MRV requirements, and carbon credit fundamentals*
- *Standardized training formats, including recorded sessions, practical examples, and interactive participation*
- *Attendance tracking, training records, and archived materials for auditability*
- *Feedback collection and optional knowledge assessments to verify effectiveness*

Section 11.2 of the PDD has been updated accordingly to reflect this structured training framework and documentation approach.

Documentation provided by project participant

Required action No. 1

Stakeholder Engagement Policy - Политика за заинтересованите страни_v1_12.03.26-EN.pdf

List of municipalities to which notifications have been sent - Списък

обявления_Общини_Карбонсейф_АД_входящ номер.pdf

List of city halls to which notifications have been sent - Списък

обявления_Кметства_Карбонсейф_АД_входящи номера.pdf

Content of notifications sent to municipalities - Обявление_Община_ЕО_Карбонсейф_АД-21-si.pdf

Content of notifications sent to city halls - Общини-Кметства_за подпис-1-si.pdf

Notification to the Ministry of Environment and Water - uvedomlenie_EO_Карбонсейф_АД_за допълване и изпращане-si.pdf

Notification registry in the Ministry of Environment and Water - Удостоверение за връчване-21116189_03042026.pdf;

Удостоверение за връчване-21118080_03042026.pdf

The above documents are provided with folder Supporting documents-VAL, subfolder VAL-CL 24

Required action No 4 Farmer training Policy and blanks provided in folder Supporting documents, subfolder VAL-CL 26

VVB assessment

Date: 29/04/2026

1. The PP has satisfactorily addressed this issue. The updated PDD now includes a clear and structured stakeholder mapping aligned with a formal Stakeholder Engagement Policy. It explicitly expands stakeholder categories beyond farmers to include landowners, local communities, authorities, VVBs, service providers, buyers, and other relevant actors. It also defines classification based on influence and interest, along with engagement mechanisms such as consultations, public disclosures, and grievance access. This is further substantiated by supporting evidence, including formal notifications to municipalities and authorities and documented public consultation processes. The policy document itself demonstrates a comprehensive and systematic approach to stakeholder identification and engagement. Therefore, this issue is **closed**.
2. This issue is satisfactorily resolved. The revised PDD now includes a structured and explicit summary of participation agreements covering key contractual elements required by the template. These include ownership of carbon credits, duration (5-year renewable terms), permanence obligations, MRV requirements, liability allocation, termination conditions, and dispute resolution and grievance mechanisms. The inclusion of these elements ensures transparency, auditability, and alignment with BCCS requirements. Accordingly, this issue is **closed**.
3. The PP has adequately addressed this issue. Section 11.1.3 now clearly explains the multi-layered risk management framework, including the 75% sub-project reserve and 5% buffer pool, their purposes, and release conditions. Importantly, it clarifies risk allocation: farmers are only liable in cases of intentional breach or non-compliance, while unintentional risks (e.g., force majeure) are managed through buffer/reserve mechanisms. The role of Carbonsafe in managing registry, buffers, and corrective actions is also defined. This provides sufficient transparency on financial risk exposure and safeguards for farmers. This issue is therefore **closed**.
4. The PP response is fully satisfactory. A formal Farmer Training Policy and Programme has been established and reflected in the PDD, defining frequency (3–4 online sessions annually plus at least one in-person session), structured content (SOC, regenerative practices, MRV), delivery formats, and documentation requirements (attendance tracking, recordings, feedback, and assessments). The supporting policy document confirms a robust and auditable training system, including defined curricula and quality assurance mechanisms. This ensures compliance with the requirement for verifiable capacity-building processes. Accordingly, this issue is **closed**.

All four issues have been comprehensively addressed with clear updates in the PDD and substantiated by supporting policies and evidence. The responses meet the requirements of the PDD template and BCCS expectations. **The finding can be closed with no remaining gaps.**

CAR ID	22	Section no.	Date: 20/01/2026
Description of CAR			

Section 12 Registration, Validation, and Verification.

References:

1. PDD Template, Sections-12.4.6. Adaptive Governance

Issues:

1. Sections-12.4.6 of the PDD states that issuance rules will be reviewed over time but does not define who decides, how changes are approved, or how stakeholders are informed when rules affecting credit value are modified.

Required Actions:

1. Sections 12.4.6 of the PDD shall define a formal change-management and governance process for issuance rules, including roles of the registry, VVBs, and project operator.

Project participant response

Date: 15/04/2026

The governance and change-management process for issuance rules has been further clarified and aligned with the Carbonsafe Issuance Policy.

The updated framework clearly defines:

- Roles and responsibilities of Carbonsafe, MRV Team, VVB, and Carbon Registry
- A structured change-management process, including proposal, technical assessment, consultation (where applicable), and formal approval by Carbonsafe management
- Mandatory consultation with the VVB and registry for material changes affecting issuance rules or credit calculations
- Transparent stakeholder communication for changes impacting credit value, timing, or allocation
- Full documentation and traceability of all changes

Section 12.4.6 of the PDD has been updated accordingly, with explicit reference to the Issuance Policy as the governing document.

Documentation provided by project participant

Issuance Policy provided with folder Supporting documents, subfolder VAL-CAR 06.3, file - Issuance policy_v2_13.03.2026.pdf

VVB assessment

Date: 29/04/2026

The updated Section 12.4.6 now provides a clearly structured and auditable change-management and governance framework for issuance rules. Specifically:

- Roles and responsibilities are now explicitly defined, including Carbonsafe management (approval authority), MRV Team (technical assessment), VVB and registry (consultation for material changes). This directly addresses the previous lack of clarity on decision-making authority.
- A stepwise change-management process is described (initiation → technical assessment → consultation → approval → communication → documentation), ensuring procedural transparency and traceability.
- The requirement for mandatory consultation with VVB and registry for material changes ensures alignment with external oversight and standard requirements.
- Stakeholder communication provisions are explicitly included, covering cases where credit value, timing, or allocation may be affected.
- Documentation and traceability controls are defined, ensuring auditability of all changes.
- The section appropriately anchors governance in formal documents (Issuance Policy and MRV Protocol), which is consistent with best practice.

No residual non-conformities or clarifications are identified. The response meets the intent of the PDD template and BCCS governance expectations.

Finding is closed.

CAR ID	23	Section no.		Date: 30/01/2026
Description of CAR				

Case 1:ET TIASO-DOBROMIR VALCHEV N

	calculated	EKATTE	BZS_ID	PRC_UIN	parcel_nam	campaign	CROPNAME	CROPCODE	cultivated
1	25.70	21717	005125279702	9603f16c-2b39-46c5-a50e-084829ec58a81	10-J<0 - 1 580 21717-345-2-1-2-23-28	2023-2028	►►►►►	322003	38
2	25.70	21717	006125279702	9603f16c-2b39-46c5-a50e-084829ec58a82	10-J<0 - 2 580 21717-345-2-1-2-23-28	2023-2028	►►►►►	322003	38
3	25.62	21717	007125279702	01ee208a-bba0-4deb-8ca9-b06cccd8a9bc1	1J>4>5<0 - 1 21717-345-3-1-2-23-28	2023-2028	►►►►►	322003	38
4	25.69	21717	008125279702	01ee208a-bba0-4deb-8ca9-b06cccd8a9bc2	1J>4>5<0 - 2 21717-345-3-1-2-23-28	2023-2028	►►►►►	322003	38
5	25.60	21717	009125279702	1771ca00-aaa8-4a91-8812-03433113007e1	*0HJ0 - 1 569 21717-345-1-1-2-23-28	2023-2028	►►►►►	322003	38
6	25.70	21717	010125279702	1771ca00-aaa8-4a91-8812-03433113007e2	*0HJ0 - 2 569 21717-345-1-1-2-23-28	2023-2028	►►►►►	322003	38
7	17.47	27629	002125279702	c03fd063-6f6d-4693-9463-5fb916e62f7b1	1J@B0 - 1 27629-50-20-1-2-23-28	2023-2028	►►►►►	322001	36
8	23.63	27629	003125279702	c03fd063-6f6d-4693-9463-5fb916e62f7b2	1J@B0 - 2 27629-50-20-1-2-23-28	2023-2028	►►►►►	322001	36
9	25.55	27629	004125279702	c03fd063-6f6d-4693-9463-5fb916e62f7b3	1J@B0 - 3 27629-50-20-1-2-23-28	2023-2028	►►►►►	322001	36

polygons — Features Total: 12, Filtered: 12, Selected: 0									
	calculated	EKATTE	BZS_ID	PRC_UIN	parcel_nam	campaign	CROPNAME	CROPCODE	cultivated
1	21.25	23666	002126849876	1257a198-Oec3-4511-a85b-740d94170c371	I↯>30 - 23666-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
2	25.70	23666	003126849876	c1364f96-bc2a-422d-9e7a-3d3962b758f1	#@B0 1>70Q (AB>70=aI8 42>@) - 23666 - 1-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
3	25.70	23666	004126849876	c1364f96-bc2a-422d-9e7a-3d3962b758f2	#@B0 1>70Q (AB>70=aI8 42>@) - 23666 - 2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
4	20.01	23666	005126849876	c1364f96-bc2a-422d-9e7a-3d3962b758f3	#@B0 1>70Q (AB>70=aI8 42>@) - 23666 - 3-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
5	25.12	23666	006126849876	c1364f96-bc2a-422d-9e7a-3d3962b758f4	#@B0 1>70Q (AB>70=aI8 42>@) - 23666 - 4-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
6	10.29	23666	007126849876	5afdc93b-3bca-4541-8ac4-787ba5fd35a41	!↙②>2>B> - 23666-2-23-28	2023-2028	&↘↗↘	332003	75
7	16.38	23666	008126849876	ec1300a7-add1-4-ca2b-bdb41a0e200301	T↑⑦O2-885Q - 23666-2-23-28	2023-2028	&↘↗↘	332003	75
8	23.20	23666	009126849876	29005c2b-55eb-492f-8060-fbd439992c011	/3>4885 - 23666 - 1-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
9	25.70	23666	010126849876	23005c2b-55eb-492f-8060-fbd439992c012	/3>4885 - 23666 - 2-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
10	20.86	23666	011126849876	7357c1f5-73e7-45eb-8768-bbc4198ce5e61	↙@R750 1 - 23666-2-23-28	2023-2028	L↗→(↖↑↓↘)	311001	1
11	13.55	23666	012126849876	48bd0670-bac7-46b1-04a4-9048d8de34eb1	!!5=8H 1>70J: - 23666-2-23-28	2023-2028	§↗-↑↘↗↘	311011	11
12	13.77	23666	013126849876	322f8aee-e165-4fde-bfe9-680a2b7daab1	↙@R750 2 - 23666-2-23-28	2023-2028	&↘↗↘	332003	75

	calculated	EKATTE	BZS_ID	PRC_UIN	parcel_nam	campaign	CROPNAME	CROPCODE	cultivated
1	10.96	43462	002125303219	ecea4695-9e8d-42ff-a036-902ed4ee3ff61	> ; 3 - 43462-1-22-27	2022-2027	↔ ↔ ↕ ↔ ¶ = ↔	431002	186
2	22.49	43462	003125303219	11de4d34-7ea7-45eb-af8c-846be354573a1	> ; 5 2 - 43462-1-22-27	2022-2027	↔ ↔ ↕ ↔ ¶ = ↔	431002	186
3	23.19	43462	004125303219	3e8d2171-25a4-43b8-8b24-0690d927130f1	> ; 5 1 - 43462-1-22-27	2022-2027	↔ ↔ ↕ ↔ ¶ = ↔	431002	186
4	17.95	43462	005125303219	3e8d2171-25a4-43b8-8b24-0690d927130f2	> ; 5 1 - 2 - 43462-1-22-27	2022-2027	↔ ↔ ↕ ↔ ¶ = ↔	431002	186

(i) Provide complete clarity regarding what each of the mentioned attributes in the attribute tables of all the eight (8) individual farms really represents with complete depth and clarity.

(ii) The first attribute table is titled “**calculated**”. What exactly is being calculated or has been calculated? Kindly clarify with complete depth and clarity.

(iii)The geographic coordinates (latitude and longitude) values are missing from the attribute tables of all the eight (8) individual Project Farm KML Files.

(iv)The second column has an attribute titled **“EKATTE”**. Does this represent the EKATTE Code? The PP is requested to clarify regarding the same.

(v)The **“EKATTE Name”** is entirely missing from the attribute tables of the provided KML Files.

(vi)The PP is requested to clarify in complete depth and detail as to what the column attribute titled **“PRC_UIN”** really refers to in the provided KML Files of the eight (8) individual farms.

(vii)The fifth column attribute is titled **“parcel_nam”**. However, the contents of this attribute column are just numerical values. Also, please write complete column attribute names, like, **“parcel_name”** instead of **“parcel_nam”**.

(viii)The PP is requested to clarify as to what the column attribute **“campaign”** really refers to in the provided KML Files of the eight (8) individual farms.

(ix)The column attribute name titled **“CROPNAME”** only represents symbols. The PP is requested to correct the same and ensure that only appropriate and valid crop names are used and incorporated in the attribute tables of the provided KML Files.

(x)The PP is requested to clarify with complete depth and clarity as to what the column attribute titled **“CROPCODE”** really represents. Also, why is it that the crop codes are the same for all the entries included in the attribute tables of the provided KML Files.

(xi)There is also a column attribute titled **“cultivated”**. The PP is requested to clarify with complete depth and clarity as what the column attribute titled **“cultivated”** represents in complete detail again because the number for this also remains constant across individual Project Farms' KML Files.

Project participant response

Date: 15/04/2026

The provided data originates from the previously submitted shapefiles. Updated GeoJSON with project boundaries and the polygons of all enrolled 8 farms have now been provided, and a detailed description of their contents, including the available information and attribute structure, is presented below:

North_CarbonSafe_polygon_farms_15042026 - North_CarbonSafe_polygon_farms_15 - Features Total: 119, Filtered: 119, Selected: 0

calculated	officialid	EKATTE	EZS_ID	PRC_UN	campaign	CROPNAME	CROP CODE	cultivated	layer	Coordinate
25.70	004126849876	23666	004126849876	c1364996-bc2a...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
10.29	007126849876	23666	007126849876	5afdc93b-3bca...	2023-2028	SOFT WINTER...	311001	1	K1-ET RUMEN...	MultiPolygon (L...
21.25	002126849876	23666	002126849876	1237a198-0ec3...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
13.55	012126849876	23666	012126849876	48b0d670-bac7...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
13.77	013126849876	23666	013126849876	32f9aee-c165...	2023-2028	SOFT WINTER...	311001	1	K1-ET RUMEN...	MultiPolygon (L...
20.86	011126849876	23666	011126849876	7357c195-73e7...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
20.01	005126849876	23666	005126849876	c1364996-bc2a...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
25.12	006126849876	23666	006126849876	c1364996-bc2a...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
25.70	003126849876	23666	003126849876	c1364996-bc2a...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
25.70	010126849876	23666	010126849876	23005c2b-55eb...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
16.38	008126849876	23666	008126849876	ec130a70-aed1...	2023-2028	ALFALFA	332003	75	K1-ET RUMEN...	MultiPolygon (L...
23.20	009126849876	23666	009126849876	23005c2b-55eb...	2023-2028	SUNFLOWER	322001	36	K1-ET RUMEN...	MultiPolygon (L...
10.96	00212530219	43462	00212530219	ecce4995-9ed8...	2022-2027	LAVENDER	431002	186	K1-APIS AGRO...	MultiPolygon (L...
22.49	00312530219	43462	00312530219	11d6d434-7ea7...	2022-2027	LAVENDER	431002	186	K1-APIS AGRO...	MultiPolygon (L...
23.19	00412530219	43462	00412530219	34ed1771-25a4...	2022-2027	LAVENDER	431002	186	K1-APIS AGRO...	MultiPolygon (L...
17.95	00512530219	43462	00512530219	34ed1771-25a4...	2022-2027	LAVENDER	431002	186	K1-APIS AGRO...	MultiPolygon (L...
25.70	010125279702	21717	010125279702	1777ca00-aaab...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.69	008125279702	21717	008125279702	01ee208a-bba0...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.70	005125279702	21717	005125279702	9603f16c-2b39...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.70	006125279702	21717	006125279702	9603f16c-2b39...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.60	009125279702	21717	009125279702	1777ca00-aaab...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.55	004125279702	27629	004125279702	c03f4063-6f6d...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
17.47	002125279702	27629	002125279702	c03f4063-6f6d...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
23.61	003125279702	27629	003125279702	c03f4063-6f6d...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
25.62	007125279702	21717	007125279702	01ee208a-bba0...	2023-2028	SOFT WINTER...	311001	1	K1-ET TIASO-D...	MultiPolygon (L...
14.29	008126821155	15494	008126821155	35a48501-31f0...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
22.93	002126821155	15494	002126821155	6fa2b5a2-b042...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
14.45	009126821155	15494	009126821155	35a48501-31f0...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
10.09	007126821155	36236	007126821155	da34771d-ef42...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
17.34	004126821155	58788	004126821155	9ca0284e-2867...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
9.54	005126821155	58788	005126821155	b02b2d84-6aa4...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
19.88	006126821155	58788	006126821155	04d0a03b-29c0...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
9.65	003126821155	58788	003126821155	a3ff05d6-607d-4...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
15.16	010126821155	58788	010126821155	180aa7ba-c179...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...
13.88	013126821155	58788	013126821155	c0baee51-b4b4...	2023-2028	LAVENDER	431002	186	K1-MAPI 96_26...	MultiPolygon (L...

Documentation provided by project participant

Folder Supporting documents, subfolder VAL-CAR 23, files:
GeoJSON attribute table.xlsx
GeoJSON attribute table.jpeg

VVB assessment

Date: 29/04/2026

(i) The PP is requested to provide the corresponding GeoJSON file of the attribute table whose PNG image has been provided to the VVB. It's not a JPEG image as written by the PP in their response. The screenshot of the same has been showcased below:



(ii) Also, the GeoJSON attribute table excel file provided to the VVB by the PP has been written in Bulgarian. The PP is requested to provide the English translated version of this excel file to the VVB.

Until then, CAR#23 continues to stand OPEN.

Project participant response

Date: 07/05/2026

(i) Provided GeoJSON attribute table is general and it consist of attributes in each GeoJSON file.
(ii) VVB is kindly requested to review the file again, as it is bilingual. Beneath each Bulgarian texts (rows 4-14) there is a corresponding English text
However, updated GIS Data (GeoJSON, CSV and EXCEL Reference) are provided with verification findings in folder VER-CL 02.3

Documentation provided by project participant

VVB assessment

Date: 18/05/2026

The VVB confirms that the PP has revised and incorporated the necessary revisions in the provided geospatial files now. Hence, CAR#23 stands Closed now.

CAR ID	24	Section no.		Date: 30/01/2026
Description of CAR				

The following cumulative areas (in hectares(ha)) were observed for the eight (8) individual farms:

Sl. No	Farm name	Area (in hectares(ha)) as per the Farm Locations-North Bulgaria Excel File	Area (in hectares(ha)) using \$area	Area (in hectares(ha)) using \$area/10000
1	ET TIASO-DOBROMIR VALCHEV_N	221 ha	220.578 ha	223 ha
2	ET RUMEN NATSEV_N	242 ha	241.438 ha	242 ha
3	APIS AGRO 98 OOD_N	75 ha	74.5529 ha	74 ha
4	SEKAPP BULGARIA EOOD_N	86 ha	86.4567 ha	87 ha
5	APLEND BULGARIA EOOD_N	708 ha	708.268 ha	708 ha
6	MAPI 96 EOOD_N	179 ha	178.846 ha	179 ha
7	NATSEVI 2019_OOD_N	158 ha	158.12 ha	158 ha
8	ZK BEZMER_N	316 ha	316.276 ha	317 ha

NOTE: (i) From the table above, the Area (in hectares(ha)) value for all the eight (8) farms varies across the provided excel file as well as the eight (8) individual farms' KML Files respectively. The PP is requested to ensure consistent area values across all sets of evidence and supporting documentation.

(ii)A consolidated Project Area KML File must be provided to the VVB which supports the 1,985 hectares(ha) total area mentioned in Sheet Tab 1 titled **“Farms Locations”** of the **“Farms Locations-North Bulgaria”** excel file.

(iii)Additionally, the PP has mentioned in Sheet Tab 1 titled **“Farms locations”** of the **“Farms Locations-North Bulgaria”** excel file that the farms **“APLEND BULGARIA EOOD_N”** and **“SEKAPP BULGARIA EOOD_N”** have already been validated under a different PDD within the Carbonsafe Program. The PP shall clarify how double counting is justified in this case.

Project participant response	Date: 15/04/2026
(i) The area values in new GeoJSON files, MR and all supporting documentation are consistent. Updated Farm Locations-North Bulgaria Excel File will be provided together with the verification findings reply. (ii) A consolidated GeoJSON file to justify the area of 1,985 (ha) is provided. (iii) The farms “APLEND BULGARIA EOOD_N” and “SEKAPP BULGARIA EOOD_N” were previously included in individual projects under the Carbonsafe Program, for which monitoring, verification, and credit issuance were completed for the period 19.01.2023 – 22.03.2024. Following a structural reorganization, these farms were incorporated into a new aggregated project (North Bulgaria). This transition was formally submitted to and reviewed by the Registry, and an official position was issued. As confirmed by the Registry: - The new project monitoring period starts strictly after 22.03.2024, i.e., after the last verified period of the previous projects; - No data from previously verified periods is included in the new project; - GHG removals are calculated exclusively based on new measurements (measure–remeasure approach); - Previously issued credits remain permanently linked to the original project IDs and cannot be re-issued. Based on these conditions, the Registry explicitly confirms that: “there is no risk of double counting” Additionally, the Registry has implemented safeguards to ensure transparency and traceability, including: - Status designation of previous projects as completed; - Cross-referencing between old and new project IDs; - Maintenance of historical traceability at farm level; - System-level prevention of overlapping monitoring periods. Therefore, the inclusion of these farms in the new aggregated project does not constitute double counting, but represents a continuation of monitoring under a new project structure, fully compliant with Registry requirements and methodological principles.	
Documentation provided by project participant	
(ii) Folder Supporting documents, subfolder VAL-CI 13(i), files: North_Carbonsafe_polygon_farms_15.04.2026.csv North_Carbonsafe_polygon_farms_15.04.2026.geojson North_Carbonsafe_polygon_farms_15.04.2026.xlsx (iii) Folder Supporting documents, subfolder VAL-CAR 24(iii), files: Note: All official correspondence language is Bulgarian. For VVB convenience files are machine translated Carbonsafe’s request to the registry OUT-26.02.25-Писмо към БРВК_мониторингов период на отчитане и преход на проекти Registry reply IN-26.03.11_Преструктуриране на проекти_Карбонсейф АД	
VVB assessment	Date: 29/04/2026
The closure of this finding is largely dependent on the closure of CL#17 and CL#20. Also, the documents written in Bulgarian, must be translated to English. Until then, CAR#24 continues to stand OPEN.	
Project participant response	Date: 05/05/2026

Please see response provided to CL#17

English translation already provided in round 1. Please see provided in round 1, folder Supporting documents, subfolder VAL-CAR 24(iii), files:

IN-26.03.11_Преструктуриране на проекти_Карбонсейф АД en-GB.pdf

OUT-26.02.25-Писмо към БРВК_мониторингов период на отчитане и преход на проекти en-GB.pdf

Documentation provided by project participant

VVB assessment

Date: 18/05/2026

Since the findings CL#17 and CL#20 have been sufficiently addressed and CLOSED. And since, this finding whose closure was largely dependent on the closure of these two findings, CAR#24 stands Closed now.

CAR ID	25	Section no.		Date: 30/01/2026
Description of CAR				

(xiii)The Farm Name “**APLEND BULGARIA EOOD_N**” was found to comprise of the following Topological Errors:

Case 2: Invalid Geometry

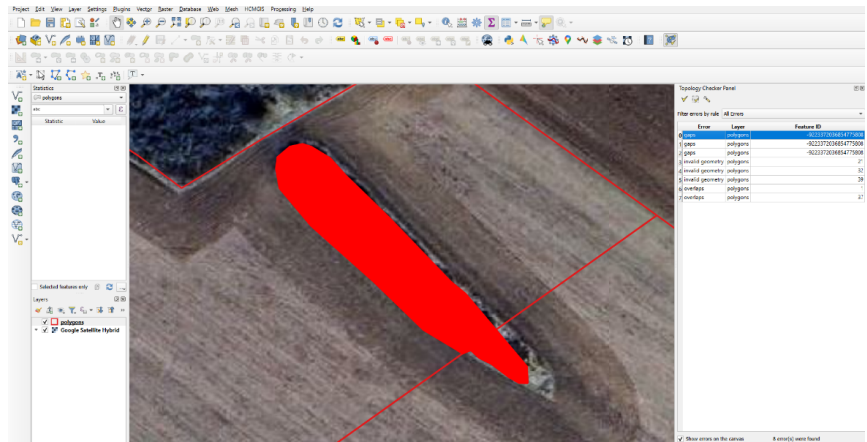
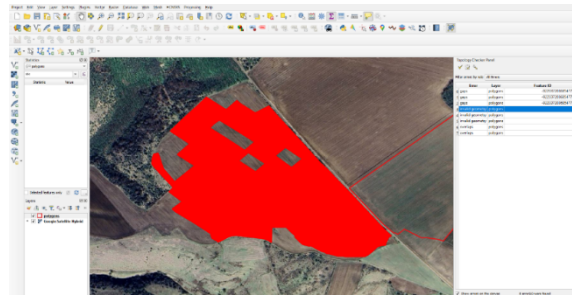


Figure 2



Case 3: Overlaps

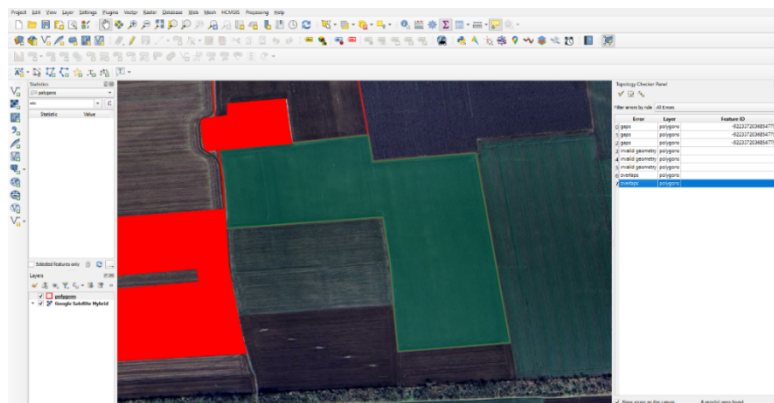


Figure 3

(xiv)The Farm Name “ZK BEZMER_N” was found to comprise of the following Topological Errors:

Case 1: Invalid Geometry

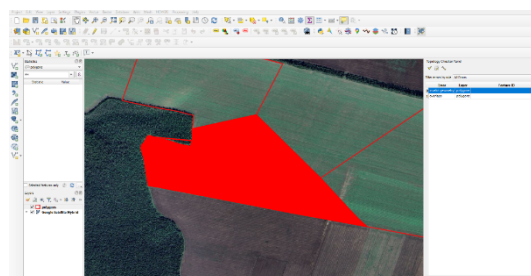


Figure 1

Case 2: Overlaps

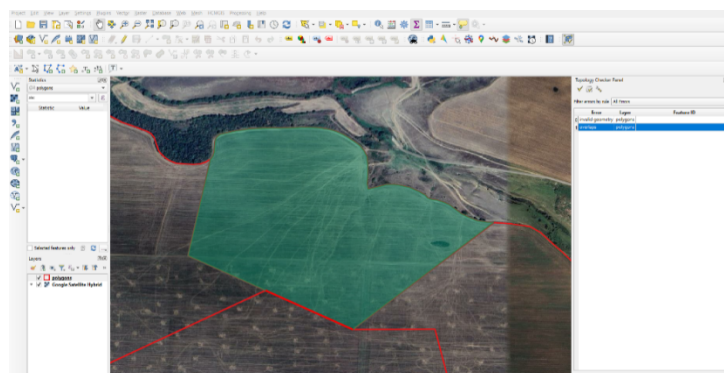


Figure 2

Project participant response	Date: 15/04/2026
GeoJSON with corrected polygon geometries is provided.	
Documentation provided by project participant	
GeoJSON with project boundaries and the polygons of all enrolled 8 farms. Folder Supporting documents, subfolder VAL-CI 13(ii), files: North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.geojson North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.csv North_Carbonsafe_polygon_project_boundary_and farms_15.04.2026.xlsx	
VVB assessment	Date: 29/04/2026
The closure of this finding is dependent on the closure of CL#17 and CL#20. Until then, CAR#25 stands OPEN.	
Project participant response	Date: 05/05/2026
Please see response provided to CL#17	
Documentation provided by project participant	
VVB assessment	Date: 18/05/2026
Since the closure of this finding is dependent on CL#17 and CL#20. And since both these findings have been CLOSED, Hence, CAR#25 stands Closed now.	

Table 4: FAR from this validation

FAR ID	XX	Section No.	NA	Date: DD/MM/YYYY
Description of FAR				
NA				
Project participant response				Date: DD/MM/YYYY
NA				
Documentation provided by project participant				
NA				
VVB assessment				Date: DD/MM/YYYY
NA				

APPENDIX 04: Audit Findings (Verification)

Table 1: Remaining FAR from Previous Audit/Preliminary Review

FAR ID	00	Section no.	Date: DD/MM/YYYY
Description of FAR			
No FAR as this is the first joint validation and verification			
Project participant response			Date: DD/MM/YYYY
Documentation provided by project participant			
VVB assessment			Date: DD/MM/YYYY

Table 2: CL from this Verification

CL ID	01	Section no.	Date: 20/01/2026
Description of CL			
Section 1. Executive Summary References: - MR Template, Section 1.1 Overview of monitoring period - MR Template, Section 1.2 Key results - MR Template, Section 1.2 Key results Issues: - Section 1.1 of the MR states two overlapping and non-aligned monitoring periods ("15 August 2023 to 24 April 2025" and "23 March 2024 to 21 March 2025") depending on sub-project grouping. However, the Executive Summary does not clearly reconcile these periods into a single, unambiguous monitoring period per issuance batch, nor does it clearly explain how results are aggregated without risk of overlap or double counting at summary level. This creates ambiguity for validators and readers when interpreting the scope of verified results. - The MR states that 54,662 tCO₂ are "eligible for issuance", while simultaneously stating that only 25% are released and 75% retained in reserve. The Executive Summary does not clearly distinguish between total verified net removals, credits eligible under methodology, and credits issuable in the current monitoring period. This may mislead stakeholders into interpreting the full amount as immediately issuable. - The Executive Summary refers to a 5% buffer deduction, while later sections of the MR also reference a 5% uncertainty deduction. In the Executive Summary, these deductions are not clearly separated or quantified distinctly, creating confusion as to whether the reported 54,662 tCO₂ is before or after uncertainty deduction, and how total deductions affect issuable volumes. Required Action: - Clarify and harmonize the monitoring period presentation in the Executive Summary by Explicitly listing each monitoring period per sub-project cohort and providing a consolidated information how totals are derived without overlap, clearly linking each period to its issuance batch. - Revise the Executive Summary to clearly differentiate total verified net removals, credits eligible under methodology rules and credits issued in the current monitoring period versus retained reserves. - The PP shall explicitly state gross removals, uncertainty deduction (with % and volume), buffer deduction (with % and volume) and resulting net verified removals in the Executive Summary.			
Project participant response			Date: 29/04/2026

Required action 1

Following the data optimization process, a clarification was sought from the Standard regarding the applicable monitoring periods. Based on their guidance, it was confirmed that the predefined monitoring periods must be strictly followed.

In line with this, the dataset has been harmonized into a single monitoring period 23.03.2024-15.05.2025, within which all farms are included that:

- have completed two measurement cycles; and
- have sufficient data available for verification.

All corresponding corrections have been duly reflected in the Monitoring Report (MR) and corresponding documents (2-MR-CS-BG-NORTH_ANNEX I-FARMS, PR0205-ER calculation_SOC, Farm locations excel file).

Required action 2 and 3 are implemented in Section 1.2 Key Results

Documentation provided by project participant

Required action 1

BCCR reply on monitoring periods clarification already provided with reply to CL 11 (iv) of the validation findings round 1. Folder Supporting documents, subfolder VAL-CL 11(iv), file IN-26.03.11_Структуриране на мониторингови периоди_Карбонсейф АД.pdf

Machine English translation of the same is provided with round 2 of the validations findings in folder VAL-CL 11(iv), file: IN-26.03.11_Структуриране на мониторингови периоди_Карбонсейф АД en-GB.pdf

Monitoring period revised in:

2-MR-CS-BG-NORTH_ANNEX I-FARMS,

PR0205-ER calculation_SOC,

Farm locations excel file

2-MR_CS-BG-NORTH_v2_08.05.26

Required action 2 and 3

2-MR_CS-BG-NORTH_v2_08.05.26

Leakage Assessment Framework was provided in round 1 of the validation findings, folder Supporting documents, subfolder VAL-CAR 05.5, files:

Пазарен теч-01.04.26-en.pdf

Leakage Risk Assessment Document-North.pdf

Leakage Risk Assessment_North_EN. Xlsx

Uncertainty model determination was provided in round 1 of the validation findings, folder Supporting documents, subfolder Val-CAR 17.3, file:

Uncertainty model determination.xlsx

Folder supporting documents provided with this findings, subfolder VER-CL 01.2-3:

N₂O calculation method: Методология за изчисляване на емисиите на диазотен оксид (N₂O)_EN.pdf

Leakage and N₂O calculation sheets for all farms: files ER calculation_N2O_leakage_v1

Revised PR0205-ER calculation_SOC_v3.1

VVB assessment

Date: 19/05/2026

1. The Project Proponent has satisfactorily addressed this issue by harmonizing the monitoring period into a single reporting period of 23 March 2024 to 15 May 2025, as clearly stated in Section 1.1 of the revised Monitoring Report. This eliminates the previously identified overlap and provides an unambiguous basis for aggregation of results across all participating farms without risk of double counting.
2. The revised Executive Summary now clearly distinguishes between Total Verified Net Removals (45,480 tCO₂e), credits issuable in the current cycle (11,368 tCO₂e), and credits retained in the sub-project reserve (34,112 tCO₂e). This presentation removes any ambiguity regarding the portion of verified removals that is eligible for issuance versus those held for future release, thereby satisfactorily addressing the issue.
3. The Project Proponent has adequately revised the Executive Summary to provide a transparent breakdown of gross removals, uncertainty deduction, other emission deductions, total verified net removals, and buffer allocations. The updated table explicitly quantifies each deduction and clearly separates the 20.70% uncertainty deduction from the 5% buffer allocation, allowing full reconciliation from gross removals to net verified removals and credits issuable in the current cycle.

Finding is closed.

CL ID	02	Section no.		Date: 20/01/2026
Description of CL				

Section 2. Project Description and Status

References:

1. MR Template, Section 2.1 Recap of project objectives
2. MR Template, Section 2.2 Project boundary
3. MR Template, Section 2.2 Project boundary and geographic scope
4. MR Template, Section 2.3 Participation process overview
5. MR Template, Section 2.4 Participation overview
6. MR Template, Section 2.4 Participation overview

Issues:

1. The project objectives are clearly articulated; however, the MR does not explicitly reference the corresponding section and version of the approved PDD where these objectives are formally defined and validated. This weakens traceability between the validated project design and the monitored implementation.
2. For participants such as Aplend Bulgaria and Agro Kim Bulgaria; Natsevi 2019 OOD), reductions in monitored area and plot numbers between baseline and control years are reported. The MR states that no exclusions occurred in this cycle but does not explicitly explain or justify the observed area changes nor confirm that these changes comply with PDD rules on parcel addition/removal.
3. While the geographic and sectoral scope is well described textually, the MR does not include explicit coordinates nor a clear reference to an annex or map ID where official boundary shapefiles or maps can be found. The requirement explicitly calls for "Coordinates / Maps (reference to annex/map)".
4. The participation process is comprehensively described procedurally. However, the MR does not summarize the key eligibility decision criteria at overview level, relying instead on implied references to the PDD.
5. The MR provides detailed narrative descriptions for each participant but does not present a consolidated table containing all required fields in a single standardized format (Participant ID, Name, Location, Area/Size, Start date, Status), as explicitly required by the MR Template guideline.
6. For the group farm (Aplend Bulgaria EOOD / Agro Kim Bulgaria EOOD), the MR explains historical validation context but does not explicitly summarize the governance and internal allocation rules applicable to the group structure in this section.

Required Action:

1. Add a clear cross-reference to the relevant PDD section and version confirming that the objectives restated in the MR are unchanged from those validated.
2. Provide a concise justification for all area and plot changes, confirming reason for change (e.g. consolidation, eligibility adjustment), and confirmation that changes comply with PDD amendment and grouping rules.
3. Include a reference to an next containing maps or shapefiles or a registry/ISACO2 map reference ID clearly linking textual descriptions to spatial evidence.
4. Add a short eligibility summary explicitly stating the criteria applied during enrolment, with reference to the PDD and provide supporting evidence that participant fulfilled all the criteria.
5. Add a consolidated participation overview table summarizing all farms in one place, using the required table as per the template guideline.
6. Add a brief statement clarifying how the group farm is treated as a single participant and how responsibility and allocation are managed within the group, with reference to the PDD.

Project participant response

Date: 29/04/2026

Required action 1 is implemented in Section 2.1. Recap of Project objectives.

Required action 2 is implemented in Section 2.4. Participation overview

Required action 3 is implemented in Section 2.2 Project boundary – Annex II Maps and coordinates is referenced, and added to the MR.

Required action 4 is implemented in Section 2.3. Participation process overview

Evidence table has been incorporated. Supporting evidence that participant fulfilled all the criteria has been previously sent.

Required action 5 and 6 are implemented in Section 2.4 Participation overview

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

Required action 3

Annex II

GIS Data (GeoJSON, CSV and EXCEL Reference) with project boundaries is provided in folder VER-CL 02.3, files:

North_Carbonsafe_polygon_project_bounderes_30.04.2026.csv

North_Carbonsafe_polygon_project_bounderes_30.04.2026.json

North_Carbonsafe_polygon_project_bounderes_30.04.2026.xlsx

GIS Data (GeoJSON, CSV and EXCEL Reference) all farms polygons is provided in folder VER-CL 02.3, files::

North_Carbonsafe_polygon_farm_30.04.2026.csv

North_Carbonsafe_polygon_farm_30.04.2026.json

North_Carbonsafe_polygon_farm_30.04.2026.xlsx

GIS Data (GeoJSON and CSV) for each farm separately is provided in folder VER-CL 02.3, files:

K1_API AGRO 98_26.03.13_4 _polygons.csv

K1_API AGRO 98_26.03.13_4 _polygons.json

K1-ET RUMEN NATSEV_26.03.13_12 _polygons.csv

K1-ET RUMEN NATSEV_26.03.13_12 _polygons.json

K1-ET TIASO-DOBROMIR VALCHEV_26.03.13_9 _polygons.csv

K1-ET TIASO-DOBROMIR VALCHEV_26.03.13_9 _polygons.json

K1-MAPI 96_26.03.13_12 _polygons.csv

K1-MAPI 96_26.03.13_12 _polygons.json

K1-NATSEVI 2019_26.03.13_8 _polygons.csv

K1-NATSEVI 2019_26.03.13_8 _polygons.json

K1-ZK BEZMER_26.03.13_18 _polygons.csv

K1-ZK BEZMER_26.03.13_18 _polygons.json

K2-APLEND BULGARIA_26.03.13_55 _polygons.csv

K2-APLEND BULGARIA_26.03.13_55 _polygons.json

K2-SEKAPP BULGARIA_26.03.13_5 _polygons.csv

K2-SEKAPP BULGARIA_26.03.13_5 _polygons.json

GIS Data (GeoJSON, CSV and EXCEL Reference) for each sampling event for each farm:

North_farm_poligon_linestring_MD1_29.04.26_audit.xlsx

QGIS-North_linestring_API AGRO 98_BASE-K1_25.04.2026.json

QGIS-North_linestring_API AGRO 98_BASE-K1_25.04.2026.csv

QGIS-North_linestring_APLEND_K1-K2_27.04.2026.json

QGIS-North_linestring_APLEND_K1-K2_27.04.2026.csv

QGIS-North_linestring_ET RUMEN NATSEV_BASE-K1_27.04.2026.json

QGIS-North_linestring_ET RUMEN NATSEV_BASE-K1_27.04.2026.csv

QGIS-North_linestring_ET TIASO_BASE-K1_27.04.2026.json

QGIS-North_linestring_ET TIASO_BASE-K1_27.04.2026.csv

QGIS-North_linestring_MAPI 96_BASE-K1_27.04.2026.json

QGIS-North_linestring_MAPI 96_BASE-K1_27.04.2026.csv

QGIS-North_linestring_NATSEVI 2019_BASE-K1_27.04.2026.json

QGIS-North_linestring_NATSEVI 2019_BASE-K1_27.04.2026.csv

QGIS-North_linestring_ZK BEZMER_BASE-K1_27.04.2026.json

QGIS-North_linestring_ZK BEZMER_BASE-K1_27.04.2026.csv

Required action 4

Documents provided in folder VER-CL 02.4, files:

Carbonsafe check of farms plots within the project boundary, file: Edit plot-cell-NORTH-застъпени
площи.xlsx

Application for initial registration in the project (PR0201):

20.08.14-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_APLEND
BULGARIA EOOD_edited-BG.pdf

20.08.14-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_SEKAPP
BULGARIA EOOD_edited-BG.pdf

23.05.04-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_ZK BEZMER-
BG.pdf

23.08.15-IN-PR0201-Application_for_registration_programme_CS_v1_ET TIASO-DOBROMIR
VALCHEV-BG.pdf

23.08.17-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_APIS AGRO 98
OOD-BG.pdf

23.10.16-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_MAPI 96 EOOD-
BG.pdf

24.02.02-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_ET RUMEN
NATSEV-BG.pdf

24.02.02-IN-PR0201-Application_for_registration_programme_CS_v1_22.06.23_NATSEVI 2019
OOD-BG.pdf

English translation of application provided with file PR0201-

Application_for_registration_programme_CS_v1_22.06.23.docx

VVB assessment

Date: 19/05/2026

1. The Project Proponent has satisfactorily addressed this issue by adding an explicit statement in Section 2.1 confirming that the objectives presented in the Monitoring Report are unchanged from those in the validated PDD and by referencing the exact document and section: "2-PDD-CS-BG-NORTH_v2_17.04.2026, Section 2 – Project Objectives and Description." This provides a clear and auditable link between the validated project design and the monitored implementation.
2. The issue has been satisfactorily addressed. Section 2.4 (as confirmed by the PP response) includes explanations for changes in monitored area and plot numbers and confirms that these changes are due to eligibility adjustments and data optimization in accordance with the project grouping and amendment rules. Supporting evidence is provided in the overlap analysis file (Edit plot-cell-NORTH-застъпни площи.xlsx) and parcel polygon files, which show field-level comparisons and indicate no unexplained area differences.
3. The Project Proponent has satisfactorily addressed this issue by adding a reference in Section 2.2 to Annex II, which contains GIS boundary data and maps. The supporting evidence includes project boundary files and farm polygon files in GeoJSON, CSV, and Excel formats, each containing explicit geographic coordinates for all participating farms and project boundaries.
4. This issue has been satisfactorily addressed. Section 2.3 now includes an eligibility summary and references the participant registration procedure (PR0201). Supporting evidence consists of signed registration applications for all participating farms, which document operator details, farm type, and declarations confirming compliance with program eligibility requirements.
5. The Project Proponent has satisfactorily addressed this issue by incorporating a consolidated participation overview table in Section 2.4, as confirmed in the response. The table summarizes all participating farms in a standardized format and includes the required fields such as participant name, location, area, start date, and participation status.
6. The issue has been satisfactorily addressed. Section 2.4 now clarifies that Aplend Bulgaria EOOD and Agro Kim Bulgaria EOOD are treated as a single grouped participant for monitoring and issuance purposes, with governance and internal allocation arrangements managed in accordance with the validated PDD and contractual agreements. This provides sufficient explanation of accountability and credit allocation within the group structure.

Based on the revised Monitoring Report and the supporting GIS and participant registration documentation, all six issues have been adequately addressed. The finding is considered satisfactorily resolved and may be CLOSED.

CL ID	03	Section no.	Date: 20/01/2026
Description of CL			

References

- SDG_CS tool_Recap_North
- Monitoring Report
- Evidence folder - 2-CS-BG-North_211125-1915234

Issue

During the review of the document “SDG_CS tool_Recap_North”, the assessment team identified inconsistencies between the quantitative SDG contribution figures reported in the SDG tool and the information presented in the Monitoring Report, as well as the supporting evidence provided:

1. Individual Strategies (SDG 2 – Indicator 2.4)
The SDG tool reports that 12 Individual Strategies were issued under the project. However, the Monitoring Report confirms the participation of 8 farms during the monitoring period, and the supporting evidence demonstrates that 8 Individual Strategies were provided.
2. Agronomic Recommendations (SDG 2 – Indicator 2.4)
The SDG tool indicates that 134 agronomic recommendations were issued. In contrast, the supporting evidence provided for the North Bulgaria project demonstrates the issuance of 24 agronomic recommendations for 8 farms.

As a result, the quantitative SDG contribution figures presented in the SDG tool are not fully aligned with the Monitoring Report and the supporting evidence.

Required Action

PP shall clarify and reconcile the SDG contribution figures reported in “SDG_CS tool_Recap_North” by:

1. explaining the basis for reporting 12 Individual Strategies, given that the Monitoring Report and supporting evidence confirm 8 Individual Strategies for 8 participating farms during the monitoring period; and
2. explaining the basis for reporting 134 agronomic recommendations, and revising the figures in the SDG tool, if required, to ensure consistency with the Monitoring Report and the supporting evidence.

Project participant response

Date: 29/04/2026

1. During the monitoring period 16 Individual strategies were issued for the 8 participating farms. Monitoring report and SDG tool have been updated accordingly. Additional supporting evidence provided.
2. During the monitoring period 188 agronomic recommendations were issued. SDG tool has been updated accordingly. Additional supporting evidence provided.

Documentation provided by project participant

Folder VER-CL 03, files:

SDG_CS tool_CSBG-N_North_new.xlsx

24.11.29-PR0103-Individual strategy_v1_22.06.23_ZK BEZMER.pdf

25.03.17-PR0103-Individual strategy_v1_22.06.23_APIS AGRO 98 OOD.pdf

25.04.01-PR0103-Individual strategy_v1_22.06.23_ET TIASO-DOBROMIR VALCHEV.pdf

25.04.01-PR0103-Individual strategy_v1_22.06.23_MAPI 96 EOOD.pdf

25.05.01-PR0103-Individual strategy_v1_22.06.23_APLEND BULGARIA EOOD.pdf

25.05.01-PR0103-Individual strategy_v1_22.06.23_ET RUMEN NATSEV.pdf

25.05.01-PR0103-Individual strategy_v1_22.06.23_NATSEVI 2019 OOD.pdf

25.05.01-PR0103-Individual strategy_v1_22.06.23_SEKAPP BULGARIA EOOD.pdf

Agronomic recommendations provided in folder VER-CAR 05.3

VVB assessment

Date: 19/05/2026

The PP clarified that during the monitoring period a total of 16 Individual Strategies were issued for the 8 participating farms, rather than 12 as originally reported. The PP updated the Monitoring Report and the SDG tool accordingly and provided additional supporting evidence in Folder VER-CL 03, including individual strategy documents for all participating farms.

In addition, the PP clarified that 188 agronomic recommendations were issued during the monitoring period. The SDG tool was updated accordingly, and supporting evidence for the agronomic recommendations was provided in Folder VER-CAR 05.3.

The assessment team reviewed the revised SDG tool ("SDG_CS tool_CSBG-N_North_new.xlsx") and the additional supporting documentation and confirmed that the reported SDG contribution figures are now reconciled with the supporting evidence.

Therefore, the finding is considered closed.

CL ID	04	Section no.		Date:	20/01/2026
Description of CL					
References Monitoring Report					
Issue MR section 2.1 states that the project aims to empower the agricultural community by providing farmers with individual agronomic strategies, training, and continuous technical support to facilitate a transition to regenerative agricultural practices and enhance long-term sustainability. However, the submitted documentation does not clearly demonstrate how these support measures are systematically planned, delivered, and monitored at the individual farmer level.					
Required Action PP shall provide a detailed explanation with verifiable evidence detailing the implementation framework for agronomic support, including the nature and frequency of trainings, individualized agronomic plans, mechanisms for continuous technical assistance, and procedures to monitor farmer uptake and effectiveness of regenerative practices.					
Project participant response					Date:
<i>Required action is implemented in Section 2.1.1 Agronomic Support Implementation Framework Farmer training Policy, Agronomic recommendations, Technological maps (PR0104), Individual strategies (PR0103), On-site monitoring reports (PR0107), Annual Periodic Reports (PR0211), Application for initial registration in the project (PR0201)</i> <i>Farmer's copies of the survey cards, registration cards, and IACS applications, Checklist PR0101, soil laboratory reports, soil sampling protocols were already provided to the VVB.</i>					29/04/2026
Documentation provided by project participant					
VVB assessment					Date:
					19/05/2026

The PP has satisfactorily addressed this finding by introducing a dedicated Section 2.1.1, “Agronomic Support Implementation Framework,” in the revised Monitoring Report. This section provides a clear and structured description of how agronomic support is systematically planned, delivered, and monitored for each participating farm. It explains that each farmer undergoes a baseline agronomic assessment, after which an Individual Strategy (PR0103) and Technological Map (PR0104) are prepared based on site-specific soil data, historical crop practices, and agro-climatic conditions. The section further describes the provision of farmer training, ongoing agronomic recommendations, continuous technical assistance, on-site monitoring reports (PR0107), and Annual Periodic Reports (PR0211) used to track implementation and effectiveness of regenerative practices. Supporting evidence, including registration forms, suitability assessments, soil laboratory reports, and accredited testing protocols, confirms that the framework is operational and fully documented. Accordingly, the response provides sufficient detail and verifiable evidence to demonstrate a robust and auditable agronomic support system, and the finding is considered **CLOSED**.

CL ID	05	Section no.	Date: 20/01/2026
Description of CL			
References - PR01-Procedure for AGRONOMIC ASSESSMENT_v2.1_ - Evidence folder - 2-CS-BG-North_211125-1915234			
Issue During the assessment of documents provided for the PR01 – Procedure for Preparation of Agronomical Prescriptions, Recommendations and an Individual Strategy, the assessment team noted the following points requiring clarification: - PR0101 – Farm Suitability Assessment Checklist The checklist format does not explicitly cross-reference the eligibility requirements listed under Section VII (items 1–8) of PR01. While the checklist captures relevant farm characteristics, the absence of a direct linkage to each eligibility clause limits transparency in demonstrating how compliance with each PR01 eligibility criterion is confirmed. - PR0103 – Individual Strategy for Management of Used Areas The Individual Strategy describes current cultivation practices and agronomic conditions; however, it is not clearly stated whether and how the results of the base georeferenced soil sampling are incorporated into the development of the strategy, or at which stage these results are reflected. - PR0104 – Technological Map The Technological Map outlines recommended cultivation operations; however, it is not explicitly clarified whether fuel use and machinery-related CO₂ emissions tracking is applicable within the project scenario and, if so, how this aspect is addressed within PR0104 or linked procedures.			
Action Required PP is requested to provide clarification on the following: - How PR0101 implicitly or explicitly ensures coverage of all eligibility requirements under PR01 Section VII (items 1–8), including whether an internal mapping or cross-reference exists. - Whether the results of the base georeferenced soil sampling are used as an input to PR0103, and if so, at what stage and in what manner this information informs the Individual Strategy; and - Whether fuel use and machinery-related CO₂ emissions tracking is applicable under PR0104 for the project, and if applicable, how this is addressed or where it is documented.			
Project participant response			Date: 29/04/2026

Required action 1 is implemented in section 2.3. Participation process overview with the following explanation:

PR0101 – Farm Suitability Assessment Checklist ensures coverage of items 4-8 from PR01. Items 1-3 from PR01 are covered with checks of Farms' incoming shapefiles and copies of the survey cards, registration cards, and IACS applications

Required action 2

The Individual Strategy is issued following the signing of the project participation contract and provides instructions for implementing appropriate practices to transition from standard production methods to practices that contribute to sequestering more Soil Organic Carbon (SOC). The strategy is issued annually for each year of the farm's participation in the project—from the baseline measurement through Control 4—based on the crops included in the project, the available equipment, and the farm's capabilities.

The Agronomic Recommendation is issued based on the results obtained from laboratory testing and the crop confirmed by the client. It provides the specific soil and plant nutrition methods required to execute the practices recommended within the strategy.

Key Distinctions

Individual Strategy:

Issued after contract signing.

Long-term transition to regenerative practices (SOC sequestration).

Adaptive; changes with climate, crops, and farm economics.

Agronomic Recommendation:

Issued after lab results and crop confirmation.

Immediate soil and plant nutrition methods (fertilization/input plans).

Technical; based on specific soil data and current crop needs.

Required action 3 is implemented in Section 5.3.2. Emission Calculation Method

The Project Participant confirms that:

Fuel use and machinery-related CO₂ emissions are not monitored or calculated within PR0104 – Technological Map.

PR0104 does not include quantitative fuel consumption tracking nor CO₂ emission calculations.

Fuel-related CO₂ emissions are calculated in accordance with the national methodology issued by the Ministry of Agriculture

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

Required action 3

Folder supporting documents, subfolder VER-CAR 01.3, files:

Methodology for determining the intensity of greenhouse gas emissions_Metodika_final_ENG.pdf

Methodology_MA_individual annual quotas_akciz_2022_ENG.pdf

Ministry of Agriculture and Food, "Methodology for determining individual annual quotas in connection with the implementation of the state aid scheme "Aid in the form of a discount on the value of excise duty on gas oil used in primary agricultural production"

<https://www.mzh.government.bg/bg/politiki-i-programi/programi-za-finansirane/darzhavni-pomoshti/otstapka-akciz-gaziol/>

VVB assessment

Date: 19/05/2026

1. The Project Proponent has satisfactorily addressed this issue by clarifying in Section 2.3 of the revised Monitoring Report that PR0101 – Farm Suitability Assessment Checklist covers eligibility criteria 4–8 of PR01 Section VII, while criteria 1–3 are verified through review of farm shapefiles, survey cards, registration cards, and IACS applications. In addition, the Monitoring Report includes a comprehensive farm eligibility table showing that each participating farm meets all required criteria. This provides a clear and auditable linkage between the checklist and the eligibility requirements defined in PR01.
2. The Project Proponent has satisfactorily clarified that the Individual Strategy (PR0103) is a long-term agronomic plan issued after contract signing and is based on crops included in the project, available machinery, and farm capabilities, while Agronomic Recommendations are issued after laboratory testing and crop confirmation. The response explains that soil sampling and laboratory results are directly used to prepare these recommendations, which operationalize and refine the measures outlined in the Individual Strategy. This explanation adequately demonstrates how georeferenced soil sampling results are incorporated into the agronomic planning framework.
3. The Project Proponent has satisfactorily clarified that PR0104 – Technological Map does not include direct monitoring or calculation of fuel use and machinery-related CO₂ emissions. Instead, fuel-related emissions are calculated separately using the officially recognized methodology of the Bulgarian Ministry of Agriculture for determining individual annual fuel quotas and associated gas oil consumption in primary agricultural production. The submitted English-language methodology confirms that fuel consumption is calculated based on crop areas and standardized fuel consumption rates. The Monitoring Report also explicitly states that on-farm fuel emissions are deducted using this national methodology.

Based on the clarifications provided in the revised Monitoring Report and the supporting methodological documents, all three issues have been adequately addressed. The response provides sufficient transparency and traceability regarding eligibility assessment, the use of soil sampling results in agronomic planning, and the treatment of fuel-related emissions. Therefore, the finding may be considered **CLOSED**.

CL ID	06	Section no.	Date: 30/01/2026
Description of CL			
In Section 2.2.1 of the MR titled “Geographic Scope”, the PP has mentioned the presence of the following farms in the following regions:			
Sl. No	Farm Name	Regions Located In (as per the MR)	
1	Aplend Bulgaria EOOD/Agro Kim Bulgaria EOOD	Aleksandria, Bistrets, Gaber, Dobrin, Efreytor Bakalvo, Zimnitsa, Kapitan Dimitrovo, Ognyanovo, Telerig, Dobrich	
2	Sekapp Bulgaria EOOD	Telerig, Dobrich	
3	ZK Bezmer	Bezmer, Mali Izvor, Dobrich	
4	Apis Agro 98 OOD	Lesura, Vratsa	

5	Mapi 96 EOOD	Pudria, Kravider, Golemo Babino, Vratsa
6	ET Tiasso-Dobromir Valtchev	Esenitsa, Dobrotich, Varna
7	ET Rumen Natsev	Drenov, Lovetch
8	Natsevi 2019 OOD	Drenov, Lovetch

However, as per the “Farm Locations-North Bulgaria” Excel File, the PP has mentioned the following:

Sl. No	Farm Name	Regions Located In (as per the excel file)
1	Aplend Bulgaria EOOD/Agro Kim Bulgaria EOOD	Dobrich
2	Sekapp Bulgaria EOOD	Dobrich
3	ZK Bezmer	Dobrich
4	Apis Agro 98 OOD	Vratsa
5	Mapi 96 EOOD	Vratsa
6	ET Tiasso-Dobromir Valtchev	Varna
7	ET Rumen Natsev	Lovech
8	Natsevi 2019 OOD	Lovech

NOTE: The other regions these farms are present in are showcased as a Google Maps Link. The PP is requested to maintain consistency in the names of the regions where different farms are located across all supporting documentation and physical evidences.

Project participant response	Date: 29/04/2026
Regions Located In (as per the excel file) are the NUTS 2 regions. Regions Located In (as per the MR) are the populated areas within each region where farms' lands are enrolled. Text clarification has been made in the MR Section 2.2.1. Geographic Scope Farm locations excel file has been updated.	
Documentation provided by project participant	
Folder VER-CL 06, file: Farm Locations-North-revised.xlsx	
VVB assessment	Date: 18/05/2026

The PP has now provided complete clarity regarding the regions located (as per the excel file) being the NUTS 2 regions, whereas the regions located (as per the MR) represent the populated areas within each region where farms' lands are enrolled. Additionally, in Section 2.2.1 titled "Geographic Scope", the PP has clarified regarding the farms which are specifically a part of the current monitoring period and the farm locations excel file has been updated thus. Hence, CL#06 stands **Closed now**.

CL ID	07	Section no.	Date: 30/01/2026
Description of CL			
Project Details:			
Sl. No	Title	Description	
1	Project Start Date	17/01/2023	
2	Crediting Period	2023-2063	
3	Project Implementation Period	22-27	
4	Monitoring Period	23.03.2024-21.03.2025	
5	Number of Project Participants	2	
6	Project Implementation Period	22-27	
7	Monitoring Period	15.08.2023-24.04.2025	
Monitoring Period as per the provided Project Farms KML Files:			
Sl.No	Project Farms	Monitoring Period	
1	APIS AGRO 98 OOD	2022-2027	
2	MAPI 96 EOOD	2023-2028	
3	ET RUMEN NATSEV	2023-2028	
4	NATSEVI 2019 OOD	2023-2028	
5	APLEND BULGARIA EOOD	2022-2027	
6	SEKAPP BULGARIA EOOD	2022-2027	
7	ZK BEZMER	2022-2027	
8	ET TIASO-DOBROMIR VALTCHEV	2023-2028	

However, as per Sheet Tab 1 titled “Farm locations” of the “Farm locations-North Bulgaria” excel file, the PP has mentioned the following:

Sl.No	Project Farms	Monitoring Period
1	APIS AGRO 98 OOD	15-08-2023 to 24-04-2025
2	MAPI 96 EOOD	15-08-2023 to 24-04-2025
3	ET RUMEN NATSEV	15-08-2023 to 24-04-2025
4	NATSEVI 2019 OOD	15-08-2023 to 24-04-2025
5	APLEND BULGARIA EOOD	23-03-2024 to 21-03-2025
6	SEKAPP BULGARIA EOOD	23-03-2024 to 21-03-2025
7	ZK BEZMER	15-08-2023 to 24-04-2025
8	ET TIASO-DOBROMIR VALTCHEV	15-08-2023 to 24-04-2025

NOTE: The PP is requested to provide complete clarity over the same.

Project participant response

Date: 29/04/2026

Following the data optimization process, a clarification was sought from the Standard regarding the applicable monitoring periods. Based on their guidance, it was confirmed that the predefined monitoring periods must be strictly followed.

In line with this, the dataset has been harmonized into a single monitoring period 23.03.2024-15.05.2025, within which all farms are included that:

- have completed two measurement cycles; and
- have sufficient data available for verification.

All corresponding corrections have been duly reflected in the Monitoring Report (MR) and corresponding documents (Annexes, ER calculation sheets-PR0205, Farm locations excel file).

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

Annexes I, II, III, IV, V

PR0205-ER calculation_SOC_v3.1

Farm Locations-North-revised

BCCR reply on monitoring periods clarification already provided with reply to CL 11 (iv) of the validation findings round 1. Folder Supporting documents, subfolder VAL-CL 11(iv), file IN-26.03.11_Структуриране на мониторингови периоди_Карбонсейф АД.pdf

Machine English translation of the same is provided with round 2 of the validations findings in folder VAL-CL 11(iv).

VVB assessment

Date: 18/05/2026

The PP has ensured the datasets which have been shared with the PP are compliant with the Monitoring Period, (i.e.) between 23.03.2024-15.05.2025. This monitoring time frame also ensures the farms included have completed two measurement cycles and have sufficient data available for verification. The required corrections and updations have been incorporated in the MR as well as the additional supporting documentation, like Annexes, ER calculation sheets-PR0205 as well as the Farm Locations Excel File. Hence, CL#07 stands **Closed now**.

CL ID	08	Section no.	Date: 30/01/2026
Description of CL			
Inconsistent Monitoring Periods and Spatial Coverage: The MR lists overlapping monitoring periods (e.g., 23.03.2024–21.03.2025 for some farms, 15.08.2023–24.04.2025 for others) in the initial summary and Section 1.1, with total area 1,985.21 ha across 8 farms. However, no GIS maps or georeferenced overlays are provided to confirm non-overlapping spatial coverage or period-specific changes, creating an anomaly. This is compounded in Section 4.1 (Soil Carbon Sampling), where GPS traces are mentioned but not evidenced, potentially leading to unverifiable farm boundaries.			
Project participant response			Date: 29/04/2026
Monitoring period has been harmonized into a single monitoring period 23.03.2024-15.05.2025.			
Following the findings from Validation Round 2 (CL#17), corrections have been applied to the polygons, and ineligible areas (such as utility poles, agricultural roads, and similar features) have been excluded. These adjustments have been consistently reflected in both the calculation sheets and the Monitoring Report.			
Documentation provided by project participant			
GIS Data with total area is provided in folder VER-CL 02.3			
VVB assessment			Date: 18/05/2026
The PP has now harmonized the Monitoring Period into a single, consolidated Monitoring Period, which is from 23.03.2024-15.05.2025. The VVB confirms that all the Non-Eligible Areas such as Utility Poles, agricultural roads, etc. have been removed. Also, these revisions and updations have been carefully administered and catered to by the PP in the calculation sheets as well as the Monitoring Report (MR). Hence, CL#08 stands Closed now .			

CL ID	09	Section no.	Date: 30/01/2026
Description of CL			
Zero Removals for Farm Without GIS Justification: Farm 2 (Sekapp Bulgaria EOOD, 86.49 ha) reports 0 gross CO ₂ removals in Table 6 (Section 11), marked as "n/a" in Section 1.2. No RS/GIS analysis (e.g., land cover classification showing ineligible land use) is provided to explain this, anomalous with Section 2.4.2's farm description, as it could indicate spatial exclusion without traceable evidence.			
Project participant response			Date: 29/04/2026

All parcels of Sekapp Bulgaria EOOD remain fully included within the project boundary as validated in the PDD and continue to meet the eligibility criteria defined in the applicable methodology. The total farm area (86.49 ha), as well as the number of monitoring cells, remain unchanged between the baseline and monitoring periods, as described in Section 2.4.2 of the Monitoring Report. Soil sampling has been conducted within the same georeferenced monitoring cells in accordance with the approved monitoring plan.

The reason for reporting zero gross CO₂ removals in the current monitoring period is the negative net carbon balance at the farm level, and not due to any exclusion of land or changes in land use.

The soil analysis results indicate that Sekapp Bulgaria EOOD has achieved an increase in soil carbon content compared to baseline levels, demonstrating a positive trend in soil organic carbon accumulation. However, the farm has not yet reached a positive overall carbon balance for the reporting period.

Specifically:

During the first control year, the farm reported an approximate negative carbon balance of – 10,114 tCO₂;

During the second control year, the balance remained negative but showed significant improvement to –1,778 tCO₂.

This demonstrates a substantial reduction in the negative balance and confirms that soil carbon levels are improving relative to the baseline, as a result of project activities, although the overall farm balance remains negative.

In accordance with the conservative accounting rules of the CSBG-AGRI methodology and the requirements of the PDD, farms with a negative net carbon balance are not eligible for carbon credit issuance for the respective monitoring period, even where a positive SOC trend is observed.

Therefore:

Sekapp Bulgaria EOOD remains fully included within the project boundary and MRV system; all georeferenced monitoring cells have been sampled and reported; the designation “n/a” reflects the absence of credits eligible for issuance due to the farm’s negative carbon balance, and not any spatial exclusion or ineligible land use.

The farm will continue to be monitored in subsequent verification cycles, and if the positive trend in soil carbon accumulation continues, it may reach a positive carbon balance and become eligible for credit issuance in future monitoring periods.

No GIS- or remote sensing-based exclusion has been applied to this farm; all parcels are included and consistently represented in the submitted spatial datasets (GeoJSON) forming part of the MRV system

Documentation provided by project participant

GIS Data is provided in folder VER-CL 02.3

K2-SEKAPP BULGARIA_26.03.13_5_polygons.csv

K2-SEKAPP BULGARIA_26.03.13_5_polygons.json

VVB assessment

Date: 18/05/2026

The PP has explicitly detailed and mentioned that all Sekapp Bulgaria EOOD parcels remain within the project boundary, with the total area (86.49 ha) and monitoring cells unchanged from the validated PDD. Soil sampling was conducted as planned in these georeferenced areas. The zero-credit report is strictly due to a negative net carbon balance (-1,778 tCO₂e) in year two and not from land exclusion, despite a positive trend in soil carbon accumulation compared to the baseline. While the trend is positive, the overall balance is currently negative, and per CSBG-AGRI methodology, no credits are issued. The farm is fully included in the MRV system and will be monitored in future cycles for potential future credit eligibility. Further, geospatial files, CSV Files and JSON Files support the claims made by the PP. Hence, CL#09 stands **Closed now**.

CL ID	10	Section no.	Date: 30/01/2026
Description of CL			
Lack of RS Verification for Management Practices: Section 4.3 (Management Practices) documents practices like reduced tillage but relies on self-reports and inspections without RS data (e.g., multi-temporal satellite imagery for tillage detection via surface roughness indices). This internal gap contradicts Section 9.1 (Field Sampling QA/QC), which mentions GPS verification, risking unverified practice adherence across georeferenced cells.			
Project participant response			Date: 29/04/2026
<i>Remote Sensing analysis has been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.</i>			
Documentation provided by project participant			
<i>RS analyses are provided in folder supporting documents, subfolder VER-CL 10_RS</i>			
VVB assessment			Date: 18/05/2026
The PP has explicitly mentioned regarding the Remote sensing analysis being performed on all the eight farms in this verification cycle, covering the whole, entire project area. Satellite data was used to verify land use, crop presence, and adherence to reported practices. Detailed evidences including geospatial files and code scripts have been provided to the VVB. Hence, CL#10 stands Closed now .			

CL ID	11	Section no.	Date: 30/01/2026
Description of CL			
Spatial Boundary Verification Gap: The Methodology (IV. PROJECT BOUNDARIES, 1) Spatial boundary) requires georeferenced cadastral boundaries for reporting. The MR (Section 2.2 Project boundary and geographic scope) references North Bulgaria but provides no GIS evidence (e.g., shapefiles cross-checked with cadastral data) for the 1,985.21 ha, discrepant with the Methodology's control requirements (VI. CONTROL AND REPORTING), potentially affecting leakage assessment (5. Leakage).			
Project participant response			Date: 29/04/2026
<i>GIS Data is provided in folder VER-CL 02.3</i>			
Documentation provided by project participant			
<i>North_Carbonsafe_polygon_farm_30.04.2026.csv North_Carbonsafe_polygon_farm_30.04.2026.json North_Carbonsafe_polygon_farm_30.04.2026.xlsx</i>			
VVB assessment			Date: 18/05/2026
The VVB confirms that the PP has now provided the VVB with the required geospatial files, csv, json and .xlsx files detailing the georeferenced cadastral boundaries for reporting. Hence, CL#11 stands Closed now .			

CL ID	12	Section no.	Date: 30/01/2026
Description of CL			
Omission of GIS for Uncertainty in Spatial Data: The Methodology (6. Uncertainty) requires conservative handling of measurement variability. The MR (Section 5.3 Emissions from Farm Activities) applies uncertainty deductions (e.g., 5%), but does not use GIS/RS (e.g., spatial interpolation of SOC via kriging) to quantify spatial uncertainty in sampling, creating a discrepancy, especially for depth intervals (Section 4.1) not explicitly matched to Methodology's SOC focus.			
Project participant response			Date: 29/04/2026
<i>Uncertainty is evaluated across all relevant stages of the measurement and calculation process, including soil sampling, laboratory analysis, data processing, and aggregation of results at plot and farm level.</i> <i>In terms of uncertainty management, spatial variability is addressed at the data collection stage through the sampling design. The use of continuous GPS-tracked sampling ensures representative coverage of soil conditions across each parcel, effectively capturing spatial heterogeneity without the need for post-processing spatial interpolation methods (e.g., kriging).</i> <i>Uncertainty is further evaluated across all relevant stages, including soil sampling, laboratory analysis, data processing, and aggregation of results. The applied uncertainty deduction is therefore considered conservative and consistent with the methodology requirements, incorporating both sampling and analytical uncertainty.</i>			
Documentation provided by project participant			
<i>Uncertainty model determination.xlsx is provided with validation findings in folder Supporting documents, subfolder Val-CAR 17.3</i> <i>Laboratory soil sampling protocols including depth intervals is provided with 2-LoD-North-06.01.26.zip, folder MR-5.GHG Calculations, subfolder 5-1-Lab protocols SOC_MM</i>			
VVB assessment			Date: 18/05/2026
The PP has explicitly detailed and mentioned that Uncertainty is evaluated throughout the entire process, from soil sampling and laboratory analysis to data processing and final aggregation at the plot and farm level. Spatial variability is managed at the collection stage through a robust sampling design; continuous, GPS-tracked sampling ensures representative coverage of each parcel, capturing heterogeneity directly without needing post-processing interpolation like kriging. Since this comprehensive approach incorporates both sampling and analytical uncertainties, the applied deduction is considered conservative and fully compliant with methodology requirements. The Soil Sampling Protocols including depth intervals along with the GHG Calculations and Lab Protocols further support these claims. Hence, CL#12 stands Closed now.			

CL ID	13	Section no.	Date: 30/01/2026
Description of CL			
Monitoring Frequency and GIS Traceability Mismatch: The Methodology (VII. MONITORING) requires risk-based monitoring with georeferencing. The MR (Section 3.2 Adherence to Monitoring Plan in PDD) claims compliance but shows varying periods without GIS timelines (e.g., change detection maps), anomalous for permanence (7. Permanence of the projects) verification.			
Project participant response			Date: 29/04/2026

For each sampling, a protocol is generated in ERP ISACO2 which contains geographic coordinates of the polygon, geographic coordinates of the linestring, geographic coordinates of the center point and date of sampling. The system generates a report for each cell.

Monitoring is conducted in accordance with the PDD and methodology requirements, applying a risk-based approach with full geospatial traceability. All project parcels are georeferenced within the MRV system using GeoJSON polygon boundaries, which are maintained and updated for each monitoring period.

For each monitoring campaign, georeferenced evidence is generated, including GPS tracks of sampling equipment recorded within parcel boundaries. These data confirm that field activities are conducted within the defined project areas and provide spatial verification of monitoring implementation.

Temporal traceability is ensured through repeated monitoring events linked to the same georeferenced parcels (e.g. multiple sampling campaigns conducted within the monitoring cycle), allowing consistent tracking of project areas over time. Pre-sampling, post-sampling, and pre-agronomic recommendation checks are systematically performed within two sampling campaigns verify parcel eligibility, boundary integrity, and consistency of implementation.

In addition, independent remote sensing (RS) analysis is applied across all enrolled areas, including indicators such as NDVI, NDTI, SOC proxy, and GPP, covering a period of at least five years prior to enrolment and continuing throughout the monitoring period. These datasets are used as a supplementary control to assess vegetation dynamics, land-use stability, and potential disturbances over time. No indications of land-use change, reversal, or boundary inconsistencies were identified.

While dedicated change detection maps are not generated as standalone outputs, the combination of (i) parcel boundary datasets, (ii) time-stamped GPS tracking of field activities, and (iii) multi-year remote sensing analysis provides sufficient GIS-based temporal and spatial evidence to demonstrate monitoring frequency, traceability, and permanence in line with the methodology and Section 7 requirements.

Additional controls include internal registers for parcel updates, corrections, and drop-out areas, as well as documented procedures for force majeure events, which are verified through official records where applicable. These mechanisms further ensure the integrity and continuity of the monitored project boundary.

Documentation provided by project participant

RS analyses are provided in folder supporting documents, subfolder VER-CL 10_RS

GIS Data is provided in folder VER-CL 02.3:
North_farm_polygon_linestring_MD1_29.04.26_audit.xlsx

Documents sent with validation findings round 1 in folder Supporting documents, subolder VAL -CL 23, files:
Correction mechanism - Corrections Mechanism Policy_v1_27.03.26-EN.pdf
Registry of dropped areas - Регистър промяна на площи по Програма Карбонсейф-към 15.04.2026.xlsx

VVB assessment

Date: 18/05/2026

The PP has explicitly clarified and mentioned that ERP ISACO2 generates a georeferenced protocol for each sampling, capturing polygons, linestrings, center points, and dates, with a corresponding report for every cell. Monitoring follows the PDD and the methodology requirements, using a risk-based approach with full geospatial traceability. All project parcels are georeferenced via GeoJSON, and each campaign includes GPS tracking to confirm that activities occur within defined boundaries, ensuring both spatial and temporal consistency. Pre- and post-sampling checks are conducted across two campaigns to verify parcel integrity. Additionally, 5+ years of independent remote sensing data (NDVI, NDTI, SOC proxy, GPP) acts as a control to monitor vegetation and land use, with no reversals identified. Comprehensive GIS evidence, combined with internal registers for parcel updates and formal procedures ensures full compliance and permanence. Hence, CL#13 stands **Closed now**.

CL ID	14	Section no.		Date: 30/01/2026
Description of CL				
Insufficient RS/GIS for Buffer and Permanence Monitoring: BCCS (8.1 Buffer mechanism and project permanence) requires robust monitoring for storage uncertainty (8.2 Uncertainty in Storage). The MR (Section 6.4 Buffer pool usage) allocates 5% buffer (2,730 tCO ₂) but provides no RS evidence (e.g., land cover stability via Sentinel data) to support permanence claims, discrepant with BCCS's digitalization requirements (8.3 Digitalization of credits).				
Project participant response				Date: 30/04/2026
<i>The Methodology is based on annual soil sampling and laboratory analysis of all fields within the program's scope. This is accompanied by an annual physical on-site inspection by agronomists, for which a field inspection monitoring report is issued. During the monitoring period, no force majeure events have occurred on the land parcels.</i> <i>Remote Sensing analysis has been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification. The analysis includes initial verification of land use, crop presence, and consistency with reported practices based on satellite data.</i>				
Documentation provided by project participant				
RS analyses are provided in folder supporting documents, subfolder VER-CL 10_RS				
VVB assessment				Date: 18/05/2026
The PP has explicitly clarified that the methodology entails annual laboratory analysis of soil samples from all participating fields, complemented by on-site agronomist inspections and corresponding monitoring reports. Additionally, the PP has confirmed that throughout this period, no force majeure events impacted the land parcels. Additionally, Remote Sensing analysis was conducted for all eight farms in this verification cycle, using satellite data to confirm land use, crop presence, and alignment with reported practices across the project area. Hence, CL#14 stands Closed now.				

CL ID	15	Section no.		Date: 30/01/2026
Description of CL				
Lack of GIS Documentation for Verification Readiness: BCCS (7.2 Verification) mandates evidence for VVB audits. The MR (Section 10.1 Evidence and Documentation Prepared) lists GPS traces and ISACO2 integration but includes no GIS outputs (e.g., sampling point maps), creating a gap with BCCS's oversight (7.3.2 Oversight and Supervision) for spatial traceability.				
Project participant response				Date: 30/04/2026

All project parcels are georeferenced and maintained as spatial datasets (shapefiles/GeoJSON). Soil sampling is conducted using mechanized equipment equipped with GPS tracking, whereby the full sampling trajectory (GPS track) is recorded.

The GPS track provides continuous spatial evidence of sampling activity across each parcel. This ensures that sampling coverage is representative and that all measurements are verifiably conducted within the defined parcel boundaries.

The GPS tracks are linked to the corresponding parcels within the ERP ISACO2 system.

This approach ensures full spatial traceability of sampling activities and meets the requirements for auditability and oversight under BCCS. The sampling tracks demonstrate systematic coverage of the parcels in accordance with the approved sampling protocol.

Each sampling event records a trace within the polygons. In other words, every sampling event includes both a plot polygon and a polyline representing the sampling track. For each year in which sampling has been conducted, every sampling cell contains both a polygon and a linestring.

GeoJSON files containing plot polygons and linestring are provided for each sampling event. These files are downloaded from ERP ISACO2

ISACO2 representative screenshots (of the polygon and linestring) from each sampling event within all farms are available in document 2-MR-CS-BG-NORTH_ANNEX I-FARMS.

Additionally, a report from the ERP system ISACO2 has been provided to accompany the referenced GeoJSON files containing plot polygons and LineStrings. The report includes the coordinates of both the linestrings and the polygons for each sampling event.

Documentation provided by project participant

2-MR-CS-BG-NORTH_ANNEX I-FARMS_v2_08.05.26

GIS Data is provided in folder VER-CL 02.3

VVB assessment

Date: 18/05/2026

The PP has explicitly confirmed and mentioned that All project parcels are maintained as georeferenced spatial datasets (Shapefiles/GeoJSON). Soil sampling is performed using GPS-equipped machinery, recording the full trajectory to provide continuous evidence of activity within defined boundaries. These GPS tracks are linked directly to their respective parcels within the ERP ISACO2 system, ensuring full traceability and auditing compliance under BCCS. Each annual sampling event creates a record containing both the plot polygon and the corresponding sampling track (linestring). These GeoJSON files, along with an accompanying ERP report listing all coordinates, are provided for verification. Representative screenshots of these polygons and tracks for all farms are available in document 2-MR-CS-BG-NORTH_ANNEX I-FARMS. Hence, CL#15 stands **Closed now**.

CL ID	16	Section no.	Date: 30/01/2026
Description of CL			
No RS for Co-Benefits Spatial Assessment: BCCS (11. Safeguards, SD Tool) requires environmental guarantees. The MR (Section 7.2 Environmental Benefits Observed) claims soil health improvements but without RS/GIS (e.g., erosion mapping via DEM), discrepant with BCCS's sustainability monitoring (8.4 a) Environmental sustainability).			
Project participant response			Date: 30/04/2026
Remote Sensing analysis has been conducted for the eight (8) farms included in the present verification cycle, covering the Project Area subject to verification.			
Documentation provided by project participant			

RS Analysis provided in folder Supporting documents, subfolder VER-CL 10_RS	
VVB assessment	Date: 18/05/2026
The PP has confirmed that remote sensing analysis covered all eight farms within this verification cycle, analyzing the entire project area. Satellite imagery verified land use, crop presence, and adherence to reported practices, with geospatial files and code scripts provided to the VVB as evidence. Hence, CL#16 stands Closed now .	

CL ID	17	Section no.		Date: 30/01/2026
Description of CL				
The PP has also provided the VVB with three shapefiles for the “ EL TIASO-DOBROMIR VALCHEV N ” Farm for the time periods 2025,2023-2024 and 2023-2024-2025 respectively. The PP is requested to explain in complete detail as to why three separate years’ shapefiles have been provided to the VVB for assessment. The PP is requested to explain in complete depth what each of the column in the attributes tables of these respective shapefiles explains or conveys. Additionally, the PP has mentioned the Crop Names in the attribute tables of these three shapefiles provided for different time periods for “ EL TIASO-DOBROMIR VALCHEV N ”. However, the Crop Name information is not present in the corresponding “ Farm locations-North Bulgaria ” excel file. The PP is requested to provide complete clarity over the same. Also, the shapefiles for the other seven farms must be provided by the PP to the VVB for assessment, however, have not been provided yet.				
Project participant response				Date: 30/04/2026
<i>The three shapefiles for ET Tiaso-Dobromir Valchev were sent for internal testing on VVB side. Please disregard them.</i>				
Documentation provided by project participant				
GIS Data is provided in folder VER-CL 02.3				
VVB assessment				Date: 18/05/2026
The PP has confirmed that the three shapefiles corresponding to ET Tiaso-Dobromir Valchev have been sent for internal testing for the VVB and are to be disregarding. The folder evidenced contains the required geospatial farm data. Hence, CL#06 stands Closed now .				

CL ID	18	Section no.		Date: 04/02/2026
Description of CL				

Observation:

During interactions with **lavender-growing** farmers (e.g., APIS AGRO 8 OOD & MAPI 96 EOOD), **it was reported that agricultural practices under the project remain unchanged compared to the baseline scenario**, and that all practices implemented were already in place prior to project initiation. In the absence of demonstrable, project-attributable changes in practices, the additionality of the project activities is not clearly established. At the time of the audit, the PP did not provide adequate justification or evidence demonstrating that the project results in GHG benefits as compared to the baseline scenario.

Furthermore, **Section 5** of the BCCS states that “*additionality is a mandatory requirement for all projects*” and that projects must demonstrate that GHG removals would not occur under a business-as-usual scenario

Action Required:

The PP shall provide clear justification and supporting evidence demonstrating additionality. This shall include documentation of project-specific practice changes compared to the baseline scenario and a substantiated explanation of how these changes result in measurable and additional GHG benefits.

Project participant response
Date: 30/04/2026

The Project Proponent acknowledges the observation and provides the following clarification and supporting evidence regarding additionality:

3. *Farmer Evidence* - farmer statements confirm that, although some practices existed before, the project has led to enhanced and systematically applied measures, including reduced tillage, optimized nitrogen use, and inter-row grassing.*

**Carbonsafe notified farmers of the audit findings by sending them a request for clarification. In response to this request, the farmers submitted a written explanation.*

This communication provided with validation findings in folder Supporting documents, subfolder VAL-CL 25, files:

Carbonsafe to Apis mail - 26.03.09-Исходящ мейл_АПИС АГРО 98 ООД.png

Carbonsafe to Mapi mail - 26.03.09-Исходящ мейл_МАПИ 96 ЕООД.png

Apis to Carbonsafe mail - 26.04.07-Входящ мейл_АПИС АГРО 98 ООД.png

Mapi to Carbonsafe mail- 26.04.08-Входящ мейл_МАПИ 96 ЕООД.png

APIS AGRO 8 OOD statement - Мотивиращо становище АПИС АГРО 98 ООД.pdf

MAPI 96 EOOD statement - Мотивиращо становище МАПИ 96 ЕООД-1-sign.pdf; Мотивиращо становище МАПИ 96 ЕООД-2-sign.pdf

4. *Remote Sensing (RS) Verification- RS analysis has been conducted for the farms under verification. APIS AGRO 8 OOD and MAPI 96 EOOD results confirm:*
 - *Reduced tillage*
 - *Reduced nitrogen application*
 - *Presence of inter-row vegetation**This provides independent evidence of practice changes compared to baseline.*
5. *Carbonsafe agronomist has conducted additional on-site visit in Apis Agro 8 OOD and provide the relevant report*

Documentation provided by project participant

RS Analysis provided in folder Supporting documents, subfolder VER-CL 10_RS

On-site visit report

Folder supporting documents, subfolder VER-CL 18, file:

26.04.10-Доклад посещение на място Апис Агро 98 ООД en-GB

VVB assessment

Date: 19/05/2026

The PP has provided additional documentation to address the observation; however, the evidence is not sufficient to fully demonstrate additionality as required by the BCCS methodology. Therefore, the finding should be considered OPEN.

The evidence submitted includes email correspondence showing that Carbonsafe contacted APIS AGRO 98 OOD and MAPI 96 EOOD after the audit to request clarifications regarding implementation of recommended practices. The farmers subsequently provided signed explanatory statements. In the statement from APIS AGRO 98 OOD, the farmer confirms that the farm was already certified organic and that many sustainable practices, such as shallow tillage and mechanical weed control, were in place before joining the project. The statement explains that project participation led primarily to optimization of existing operations, reduction in tillage intensity where possible, and improved documentation through technological maps. Similarly, MAPI 96 EOOD states that the farm had already avoided synthetic fertilizers and herbicides and was managing lavender fields using mechanical operations prior to project entry; according to the statement, project participation resulted in fewer interventions and retention of plant residues on the surface.

While these statements suggest incremental improvements, they are retrospective declarations prepared in response to the audit and do not provide objective baseline-versus-project records demonstrating when and to what extent specific management practices changed. Importantly, both farmers explicitly acknowledge that core practices were already implemented prior to project initiation, which supports the original observation that activities largely reflect continuation of existing organic management rather than clearly new project-induced interventions.

The Project Proponent also submitted a remote sensing analysis of within-farm NDVI heterogeneity over time. The graph indicates lower variability in NDVI after 2024 compared to prior years, which may suggest more homogeneous vegetation conditions. However, NDVI heterogeneity is an indirect indicator and does not constitute conclusive evidence of specific practice changes such as reduced tillage, optimized nitrogen use, or inter-row vegetation management. The analysis does not establish a validated causal relationship between the observed spectral pattern and project activities, nor does it quantify the associated incremental GHG removals.

In addition, an on-site monitoring report for APIS AGRO 98 OOD states that prior to joining the project the farm used intensive tillage, and that after joining the project the number of mechanical operations was reduced and crop residue management improved. Further, the report notes that the farmer had not fully complied with agronomic recommendations in earlier periods and only committed during the April 2026 visit to begin applying microbial preparations. This report provides some support that corrective measures are planned, but it was prepared after the audit and does not demonstrate that the identified changes were implemented during the monitored reporting period or that they resulted in measurable additional GHG benefits.

Overall, the submitted evidence indicates that the project may have encouraged optimization and better documentation of practices, but it does not adequately demonstrate that project activities are additional to business-as-usual, nor does it provide robust, contemporaneous evidence that these changes produced quantifiable GHG benefits relative to the baseline scenario. To close this finding, the Project Proponent should provide objective records comparing baseline and project-year management (e.g., historical and current technological maps, machinery logs, fertilizer records, and field activity records), along with a quantified explanation showing how each project-induced change leads to incremental GHG removals beyond what would have occurred in the absence of the project.

The finding remains OPEN.

Project participant response	Date: 22/05/2026
When the farms were included in the project, they were provided with technological maps for recording project activities. At both farms, additionality is primarily linked to the optimization/improvement of existing practices following their inclusion in the project through the application of minimal mechanical treatments - weeding at APIS AGRO 98 OOD and cultivation at MAPI 96 EOOD, as reflected in their technological maps. Prior to their participation in the project, the farms did not maintain this type of detailed record-keeping for the activities and practices involved in growing lavender crops, as required by the project. According to information from the farmers, following their participation in the project, the depth of tillage operations has been reduced to 3–5 cm for weeding and 5–10 cm for cultivation, as well as the frequency of their application, with this data also supported by the satellite report. These changes are viewed as an improvement in practices resulting from participation in the project, with the potential to limit soil disturbance through continuous cover and mulching (reduced losses from mineralization, increased carbon sequestration) and to improve conditions for organic carbon retention. Shallower and less frequent tillage limits mechanical soil disturbance, leading to lower aeration and a slower rate of organic matter mineralization. This creates more favorable conditions for the preservation and accumulation of soil organic carbon compared to the more intensive tillage practices characteristic of the baseline scenario. Additionally, reducing the number and intensity of mechanical operations is expected to lead to a reduction in emissions associated with mechanized activities. Carbonsafe is introducing additional requirements for more detailed documentation of agronomic practices within the MRV system, including tracking the type, intensity, and parameters of tillage operations, to enable a clearer distinction between the baseline and project scenarios in future monitoring periods. Satellite remote sensing providing supporting parcel-level evidence: • Regulatory additionality — RS report Section 1.2.3 and Section 5.2. • Contractual / methodological additionality — RS report Section 5.5 and Section 5.6. • Common-practice / agronomic additionality — RS report Section 5.3 and Section 5.4. • Supporting satellite evidence — RS report Sections 2, 3 and 8, in particular the DiD analysis in Sections 8.4 (farm vs belt) and 8.5 (farm vs control). Relative to the regional BAU (predominantly annual cereals and oilseeds), a lavender plantation is in itself a departure and carries all the associated agro-ecological effects — permanent canopy cover, lower mechanical-work intensity, higher SOC accumulation potential. Satellite data objectively detect micro-changes (mulching events, weed-suppression response, inter-row cover dynamics) that the farmer may not categorise as a "change" in everyday terms. Additionality is not established through self-assessment but through an independent comparison with control parcels in the same agro-ecological area under the DiD framework (RS report Sections 8.4 and 8.5). VVB observes from our within-farm NDVI heterogeneity analysis that "the graph indicates lower variability in NDVI after 2024 compared to prior years, which may suggest more homogeneous vegetation conditions." This constitutes an independent and objective indicator that is consistent with the gradual changes in farm management described above following the farms' inclusion in the project. The project developer does not present the NDVI analysis as standalone evidence for quantifying greenhouse gas benefits or for directly demonstrating specific agronomic practices. Nevertheless, interpretation of the data aligns with the already established trends related to the optimization of tillage, vegetation cover management, and reduced intensity of mechanical interventions within the project.	
Documentation provided by project participant	

Technological maps provided with 2-CS-BG-North.zip, files:

24.11.29-PR0104-Technological map_v1_22.06.23_APIs AGRO 98 OOD.xlsx

24.11.29-PR0104-Technological map_v1_22.06.23_MAPI 96 EOOD.xlsx

A project-specific machinery comparison table at farm level (provided in VAL-CL 27, file “Machinery use_North en-GB.xlsx”), containing baseline and project scenario information for the participating farms. The table includes:

- baseline versus project availability and use of machinery;
- identification of machinery applied under project conditions;
- linkage between specific equipment and implemented regenerative practices;
- indication of the relevance of machinery use to SOC enhancement and GHG emission reductions

VVB assessment

Date: 25/05/2026

The PP has satisfactorily addressed the finding by providing additional farm-level evidence demonstrating that project participation resulted in measurable optimization and improvement of existing management practices beyond the documented baseline conditions. The submitted technological maps for APIs AGRO 98 OOD and MAPI 96 EOOD establish project-specific documentation of agronomic activities and confirm that, following enrolment, the farms implemented reduced tillage depth and frequency, optimized mechanical operations, improved residue retention, and more structured vegetation and soil management practices. The supporting machinery comparison tables further demonstrate the transition toward reduced-disturbance equipment and lower-intensity field operations linked to regenerative management objectives.

In addition, the PP provided satellite-based remote sensing analyses, including parcel-level observations and Difference-in-Difference (DiD) comparisons against regional control areas, which independently support the presence of management changes and evolving vegetation dynamics following project implementation. The PP also clarified that the project does not rely solely on NDVI analysis as direct quantification evidence, but rather as corroborative evidence supporting the observed agronomic transitions and reduced intervention intensity. The combined evidence from technological maps, machinery-use comparisons, remote sensing outputs, and field monitoring demonstrates that the project has led to improvements in management practices capable of reducing soil disturbance, limiting organic matter mineralization, improving residue cover, and supporting enhanced soil organic carbon retention relative to the baseline scenario.

Furthermore, the PP has strengthened the MRV framework by introducing enhanced documentation requirements for tillage intensity, operational parameters, and agronomic activities to ensure continued traceability and distinction between baseline and project practices in future monitoring periods. Taken together, the submitted evidence is sufficient to demonstrate that the project activities go beyond business-as-usual management and are consistent with the additionality requirements of the applied methodology.

Accordingly, the finding is considered fully resolved and **closed**.

Table 3: CAR from this Verification

CAR ID	01	Section no.	Date: 20/01/2026
Description of CAR			

Section 3. Monitoring Methodology

References:

1. MR Template, Section 3.1
2. MR Template, Section 3.2
3. MR Template, Section 3.1 & 3.2 – GHG balance calculation
4. MR Template, Section 3.3 Deviations and justifications

Issues:

1. The MR repeatedly states that monitoring was conducted “in strict accordance with the Monitoring Plan in the PDD.” However, no structured cross-reference (e.g., table or mapping) is provided linking PDD Monitoring Plan requirements to actual monitoring evidence (sampling reports, lab batches, technological maps).
2. The MR states that bulk density (BD) is “determined once per sub-project crediting period” and applied consistently. However, no justification is provided confirming that no material soil disturbance or management change occurred that would require re-measurement, as typically required by conservative monitoring plans.
3. Fuel emissions are deducted “based on Ministry of Agriculture standards,” but the MR does not cite the specific regulation, guidance document, or calculation reference, nor explain alignment with the PDD-defined approach.
4. Section 3.3 states that no deviations occurred but does not present the required deviation table structure (Deviation ID, Description, Justification / Impact), even to formally record “No deviations.”

Required Action:

1. Provide a concise Monitoring Plan compliance matrix or table mapping key PDD monitoring requirements to MR sections, annexes, or evidence files. Provide the suitable evidence to substantiate the claim that project was being implemented in accordance with the Monitoring Plan.
2. Add a short justification confirming that conditions triggering BD re-measurement (e.g., deep tillage, land leveling) did not occur with supporting evidence or describe corrective action if they did.
3. Explicitly reference the exact national methodology or guidance document used and confirm its consistency with the PDD and approved methodology. Please provide a copy of the document to VVB.
4. Include a deviation table explicitly stating “No deviations identified” with a formal entry (e.g., Deviation ID: N/A).

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 3.2. Adherence to Monitoring Plan

Required action 2 is implemented in section 3.2.2. Bulk Density and Soil Properties

Required actions 3,4 are implemented in MR Section 3. Monitoring Methodology

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

Required action 2

Correction mechanism was provided with round 1 of validation findings, folder Supporting documents, subfolder VAL -CL 23, file:

Correction mechanism - Corrections Mechanism Policy _v1_27.03.26-EN.pdf

Required action 3

Folder Supporting documents, subfolder VER-CAR 01.3, files:

Methodology for determining the intensity of greenhouse gas emissions_Metodika_final_BG.pdf

Methodology for determining the intensity of greenhouse gas emissions_Metodika_final_ENG.pdf

Methodology_MA_individual annual quotas_akciz_2022_ENG.pdf

Methodology_MA_individual annual quotas_akciz_2022_BG.pdf

VVB assessment

Date: 19/05/2026

1. The PP has satisfactorily addressed this issue by adding Section 3.2, “Adherence to Monitoring Plan,” which includes a structured compliance matrix linking key monitoring requirements to corresponding sections of the Monitoring Report and supporting annexes. The revised Monitoring Report also references the specific evidence used to substantiate implementation of the monitoring plan, including soil sampling protocols, laboratory reports, technological maps, and calculation files. This provides a clear and auditable cross-reference between the validated PDD monitoring requirements and the monitoring evidence.
2. The PP has satisfactorily addressed this issue in Section 3.2.2, “Bulk Density and Soil Properties,” by confirming that bulk density is measured once during the crediting period and reused only where no material soil disturbance has occurred. The Monitoring Report further explains that participating farms did not undertake activities such as deep land leveling or other structural disturbances that would invalidate the original bulk density measurements. This is consistent with the project’s monitoring procedures and conservative approach.
3. The PP has satisfactorily addressed this issue by explicitly referencing the Bulgarian Ministry of Agriculture methodology used to estimate fuel consumption: *Methodology for Determining the Individual Annual Quotas in Connection with the Implementation of a State Aid Scheme “Aid under the Form of Discount from the Value of the Excise Duty on Gas Oil Used in Primary Agricultural Production.”* The methodology explains that fuel consumption is calculated based on declared crop areas and standardized fuel consumption factors expressed in liters per hectare. The Monitoring Report confirms that this methodology is used solely to estimate fuel consumption, while emission factors are applied in accordance with the project methodology, ensuring consistency with the PDD.
4. The PP has satisfactorily addressed this issue by including Section 3.3, “Deviations and Justifications,” in the revised Monitoring Report. This section formally states that no deviations were identified during the monitoring period and presents the information in the required deviation table format, thereby meeting the template requirement for explicit documentation even when no deviations occur.

Based on the revised Monitoring Report and the supporting methodological documentation, all four issues have been adequately addressed. The monitoring methodology is now presented with improved traceability, justification, and formal documentation. Accordingly, the finding is considered **CLOSED**.

CAR ID	02	Section no.		Date: 20/01/2026
Description of CAR				

Section 4. Data and Parameters Monitored

References:

1. MR Template, Section 4.1
2. MR Template, Section 4.2 – Activity data / management practices
3. MR Template, Section 4.1 & 4.2 – Key and supporting parameters
4. MR Template, Section 4.3 Supporting parameters (soils, climate, yields)

Issues:

1. While the MR provides a detailed narrative description of monitored parameters (SOC, bulk density, soil properties, fuel use), it does not present the required structured parameter table explicitly listing parameter name, unit, description/used in calculation, data source/method, and monitoring frequency. This reduces clarity and audit efficiency.
2. Management practices are described narratively (crop rotations, tillage, cover crops, fertilizer use), but the required participant-level activity table is missing. Practices are not systematically linked to Participant ID, period, and activity description.
3. The MR acknowledges deviations or limitations (e.g., drought limiting cover crop establishment, tillage exceptions), but these are not clearly formalized as monitored activity deviations nor cross-referenced to the deviations section.
4. Bulk density is measured “once per sub-project crediting period” at selected EKATTE locations, but the representativeness of selected plots for all enrolled areas is not justified (e.g., soil type similarity, land-use consistency).
5. Ancillary soil parameters (pH, nutrients) are described, but measurement frequency and site coverage are not clearly stated in a structured manner. Climate and yield data are referenced indirectly but not explicitly listed as supporting parameters.

Required Action:

1. Include a consolidated table summarizing all key monitored parameters in the format prescribed by the requirement (Parameter name, Unit, Description/Use, Data source/method, Frequency) as per the template guideline.
2. Provide a summary table listing each participant (Participant ID), key practices implemented, short description, and applicable monitoring period as per the template guideline, even if detailed evidence is retained in annexes.
3. The PP shall either formally record such cases as non-material activity deviations (with conservative treatment justification) or explicitly state why they do not constitute deviations under the methodology.
4. The PP shall add a brief justification explaining why selected bulk density sampling locations are representative of the full project area or describe stratification logic used.
5. List supporting parameters (soil properties, yields, relevant climate conditions if applicable) in a structured table indicating site(s), measurement method, frequency (note), etc as per the template guideline.

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 4.1 Key monitored parameters

Required action 2 implemented in Section 4.2 Activity data / management practices

Required action 3

Sections 4.3.2 and 4.3.3 of the Monitoring Report describe observed agronomic and climatic constraints, including drought limiting cover crops, as well as isolated instances of tillage.

In isolated cases, specific soil tillage practices were applied due to agronomic requirements—Sekapp Bulgaria, where deeper soil tillage and a lack of ground cover were observed, as described in the Monitoring Report from the on-site inspection. These cases are rare, localized, and do not alter the overall approach to reducing soil disturbance applied within the project.

These cases do not constitute significant deviations, as they result from climatic factors or agronomically justified decisions, are limited in scope, and do not alter the project's overall approach. The exceptions described refer to limited instances of additional soil tillage, such as controlling severe weed infestation, preparing the soil for specific crops, correcting soil compaction, addressing climatic conditions, and others. All such cases are duly documented in technical maps and a monitoring report from an on-site visit and reflected in the carbon balance calculations, without leading to an overestimation of the results.

The limitations described in the Monitoring Report (e.g., climate-related difficulties in establishing cover crops or limited agronomic exceptions in soil tillage) do not constitute monitored activity deviations within the meaning of the applied methodology, but are part of normal agronomic and climatic variability.

Required action 4

Bulk Density is measured in accordance with the provisions in validated PDD section 6.2. Sampling Frequency and the approved Methodology (v3.1/22.08.2025).

In case corrections in Bulk Density are required in subsequent monitoring and verification cycles, they will be addressed through the established Corrections Mechanism Policy, section 10. Bulk Density.

Required action 5 is implemented in Section 4.3 Supporting parameters

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

VVB assessment

Date: 19/05/2026

1. The PP has satisfactorily addressed this issue by incorporating Section 4.1, “Key Monitored Parameters,” which presents a consolidated table listing each parameter used in the GHG calculations, including SOC, bulk density, fuel use, N₂O emissions, and leakage. The table includes the parameter name, unit, description and use in calculations, data source and monitoring method, and monitoring frequency, thereby aligning with the Monitoring Report template requirements and significantly improving traceability and auditability.
2. The Project Proponent has satisfactorily addressed this issue by adding Section 4.2, “Activity Data / Management Practices,” which summarizes the principal management practices implemented by each participating farm. The section includes participant identifiers, descriptions of practices such as reduced tillage, crop residue management, nutrient optimization, and cover crop implementation, along with the applicable monitoring period. This provides the required participant-level overview while maintaining detailed supporting evidence in the annexes and farm records
3. The Project Proponent has adequately clarified that agronomic constraints such as drought-related failure of cover crops and isolated tillage operations do not constitute deviations under the approved methodology, as they represent normal agronomic and climatic variability. The response explains that such cases are limited in scope, documented in technological maps and on-site monitoring reports, and conservatively reflected in the carbon balance calculations without causing overestimation. This explanation is reasonable and sufficiently addresses the concern.
4. The Project Proponent has satisfactorily addressed this issue by confirming that bulk density monitoring is performed in accordance with the validated PDD and Methodology v3.1, and by stating that any future adjustments will be managed through the established Corrections Mechanism Policy, which includes specific provisions for bulk density corrections. Although the explanation relies primarily on the approved methodological framework rather than a detailed stratification discussion, it provides sufficient justification that the selected bulk density locations are used under the methodology’s prescribed sampling design and that any representativeness concerns are addressed conservatively through the correction mechanism.
5. The Project Proponent has satisfactorily addressed this issue by including Section 4.3, “Supporting Parameters,” which presents ancillary soil parameters and other supporting information in a structured format. The section identifies parameters such as pH, nutrient concentrations, yields, and relevant climatic conditions, together with measurement methods and monitoring frequency. This resolves the previous lack of a clear supporting-parameter table.

Based on the revised Monitoring Report and supporting documentation, all five issues have been adequately addressed. The monitored parameters and activity data are now presented in a structured and transparent manner, and the explanations provided are sufficient to support verification. Accordingly, the finding is considered **CLOSED**.

CAR ID	03	Section no.	Date: 20/01/2026
Description of CAR			

Section 5. GHG Calculations

Reference:

1. MR Template, Section-5.1 – Baseline recap
2. MR Template, Section-5.2- Calculation summary table
3. MR Template, Section-5.2- Total baseline emissions/removals
4. MR Template, Section-5.2- Leakage (if applicable)
5. MR Template, Section-5.2
6. MR Template, Section-5.2- Net project removals

Issues:

1. The MR states that the baseline SOC for each plot is dynamically reset to the highest SOC value ever measured, with annual farm balances reset accordingly. While conservative in intent, this dynamic baseline approach is not explicitly justified or referenced to a specific clause in the CSBG-AGRI methodology and the validated PDD.
2. Although detailed calculations are presented across multiple tables, the MR does not include a single consolidated calculation summary table listing (a) total baseline emissions/removal, (b) total project emissions/removals, (c) leakage (if applicable), and (d) net project removals/reductions with units and references, as required.
3. The baseline is described qualitatively, but no quantitative baseline emissions or removals value (tCO₂e) is reported, nor is it explicitly stated that baseline removals are assumed to be zero or negative.
4. The MR does not explicitly state whether leakage was assessed and determined to be zero or not applicable. Absence of this statement leaves an ambiguity in the GHG balance.
5. Fuel emissions are reported inconsistently: section 5.3 refers to “~600 tCO₂” and later “~500 tCO₂”, and section 5.4.2 reports 468 tCO₂ as deducted. This inconsistency may confuse verifiers and reviewers.
6. The MR explains that removals from prior control years (e.g. Apend Bulgaria EOOD) were already credited, but this avoidance of double counting is not summarized explicitly in the net calculation logic or summary table.

Required Action:

1. Provide an explicit reference to the methodology and PDD clause that allows or prescribes this dynamic baseline logic, or include a justification note explaining its consistency with approved baseline rules.
2. Insert a concise calculation summary table in the exact format required under Section 5.2, referencing detailed farm-level tables and annexes.
3. Clearly state the quantitative baseline assumption or provide a justified estimate, in line with the methodology.
4. Include a clear statement on leakage with a brief justification or reference to the PDD.
5. Harmonize all references to fuel emissions and clearly state one definitive total value, supported by a table reference.
6. Add a short statement in the calculation summary clarifying that only incremental removals for the current monitoring period are included.

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 5.1.2. Baseline SOC Stocks

To improve clarity and traceability, the MR has been updated to explicitly reference:

Methodology Section: 3.1 Calculation of results at the cell level and Annex Tables

PDD Section: 5.2.4 Field level definition of the baseline

Required action 2 is implemented in Section 5.2 Calculation summary table

The MR has been updated with reference to the tables in Section 1.2. Key results and Section 6.1. Net verified removals

Required action 3

The Monitoring Report has been updated to explicitly include this quantitative baseline assumption.

Required action 4 is implemented in 5.3.2.3 How Leakage emissions are calculated

Required action 5 is implemented in Section 5.3.3. Results and Deductions

The MR has been updated with reference to the tables in Section 1.2. Key results and Section 6.1. Net verified removals

Required action 6 is implemented in Section 5.2 Calculation summary table stating that only incremental removals for the current monitoring period are included.

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

VVB assessment

Date: 19/05/2026

1. The PP has satisfactorily addressed this issue by revising Section 5.1.2, "Baseline SOC Stocks," to explicitly reference the approved methodological basis for the dynamic baseline approach. The Monitoring Report now cites Methodology Section 3.1, "Calculation of results at the cell level and Annex Tables," and PDD Section 5.2.4, "Field level definition of the baseline," confirming that the baseline for each plot is conservatively reset to the highest previously measured SOC value. This establishes a clear and auditable link between the applied baseline logic and the validated project design.
2. The PP has satisfactorily addressed this issue by incorporating a consolidated calculation summary table in Section 5.2. The table presents total baseline emissions/removals, total project emissions and removals, leakage, and resulting net project removals in tCO₂e, with cross-references to Section 1.2 (Key Results) and Section 6.1 (Net Verified Removals). This provides a clear high-level reconciliation of the GHG balance while maintaining traceability to detailed calculations.
3. The Monitoring Report has been updated to explicitly state the quantitative baseline assumption used in the project calculations. The revised Section 5.1 clarifies that baseline removals are conservatively treated in accordance with the dynamic baseline methodology, with only incremental increases above the highest historical SOC stock considered eligible. This resolves the previous absence of a clearly stated baseline value and aligns with the approved methodology.
4. The Project Proponent has satisfactorily addressed this issue by adding Section 5.3.2.3, "How Leakage Emissions are Calculated," which explicitly states that leakage was assessed in accordance with the approved methodology and quantified at 11 tCO₂e for the monitoring period. This removes any ambiguity regarding whether leakage was considered and how it was incorporated into the net GHG balance.
5. The Project Proponent has satisfactorily harmonized the treatment of fuel emissions in Section 5.3.3, "Results and Deductions." The revised Monitoring Report now presents a single definitive fuel-emission deduction value and cross-references the corresponding summary tables in Sections 1.2 and 6.1, eliminating the previously inconsistent references to approximate values.
6. The Project Proponent has satisfactorily addressed this issue by adding a statement in Section 5.2 clarifying that only incremental removals generated during the current monitoring period are included in the reported results. The text explicitly confirms that removals credited in prior control years are excluded, thereby preventing double counting and providing clear logic for treatment of farms with earlier credited removals.

Based on the revised Monitoring Report and the supporting explanations provided, all six issues have been adequately addressed. The GHG calculation section now provides clear methodological references, a consolidated summary table, explicit baseline and leakage assumptions, harmonized fuel-emission values, and a transparent statement confirming that only incremental removals for the current monitoring period are included. Accordingly, the finding may be considered **CLOSED**.

CAR ID	04	Section no.	Date: 20/01/2026
Description of CAR			

Section 6. Issuance and Risk Management

Reference:

1. MR Template, Section 6.1-Net verified removals / reductions
2. MR Template, Section 6.1-Table 5
3. MR Template, Section 6.2- Allocation to issuance / reserve / buffer
4. MR Template, Section 6.1 and Section 5.4.7
5. MR Template, Section 6.3- Treatment of negative balances
6. MR Template, Section 6.3- Corrective actions

Issues:

1. While the MR clearly states that net verified removals amount to 54,662 tCO₂, this information is not presented in the simple tabular "Description-Value-Unit" format required by BCCS. Instead, it is embedded in narrative text and aggregate tables.
2. Table 5 of the MR states that Total buffer = 2,730 tCO₂ (5% of verified removals) and Issuable credit buffer = 679 tCO₂ (5% of issued amount). However, the distinction between "total buffer" and "Issuable credit buffer" is not clearly explained in one place.
3. Although allocations are described clearly in text, the MR does not provide a single consolidated allocation table showing Category (Issued / Project reserve / Buffer), Share (%) for each category, and Corresponding amount (tCO₂e). This creates partial non-alignment with the prescribed BCCR reporting structure.
4. The MR alternates between the terms "net verified removals" and "net eligible removals" without defining whether these are equivalent or distinct concepts. This may introduce ambiguity in issuance eligibility interpretation.
5. In section 6.3 of the MR initially states that "no participating farm recorded a net negative balance" but later confirms that Sekapp Bulgaria EOOD has a negative farm balance and is excluded from issuance. This is a factual inconsistency.
6. While the MR explains exclusion from issuance and continued monitoring, it does not describe any concrete corrective or preventive actions (e.g. targeted agronomic support, enhanced monitoring) applied to farms with negative balances.

Required Action:

1. Insert a dedicated Section 6.1 summary table as per the template guideline explicitly presenting Net verified removals/reductions, Value and unit.
2. Clarify explicitly the distinction between "total buffer" and "Issuable credit buffer" with reference to the PDD.
3. Add a consolidated allocation table summarizing issuance, reserve, and buffer with both percentage shares and absolute amounts, aligned with BCCS MR Template format.
4. Standardize terminology throughout MR or include a short definition clarifying the relationship between "verified" and "eligible" removals.
5. Correct the narrative to clearly distinguish between absence of final-year reversals, and presence of negative balances in ongoing crediting years (e.g. Sekapp Bulgaria EOOD).
6. Briefly describe operational corrective actions or improvement measures triggered for participants with negative balances, even if issuance is simply deferred.

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 6.1. Net verified removals / reductions

Required action 2 is implemented in Section 6.1. Net verified removals / reductions

Required action 3 is implemented in Section 6.2. Allocation to issuance / reserve / buffer

Required action 4 is implemented in Section 6.1. Net verified removals / reductions

Required action 5 is implemented in Section 6.3. Negative balances and corrective actions

Required action 6 is implemented in Section 6.3. Negative balances and corrective actions

Documentation provided by project participant

2-MR-CS-BG-NORTH_v2_08.05.26	
<i>Required action 2</i> Issuance Policy provided with validation findings round 1, folder Supporting documents, subfolder VAL-CAR 06.3, file Issuance policy_v2_13.03.2026.pdf <i>Required action 6</i> 2-MR-CS-BG-NORTH_ANNEX I-FARMS_v2_08.05.26 25.01.24-PR0107-Monitoring report from on-the-spot inspection_v1_22.06.23_SEKAPP BULGARIA EOOD.pdf sent with 2-CS-BG-North.zip	
VVB assessment	Date: 19/05/2026
1. The Project Proponent has satisfactorily addressed this issue by adding a dedicated Section 6.1, "Net Verified Removals / Reductions," which presents the final verified result in the required summary format. The revised Monitoring Report and Annex V clearly state that the net amount of removed greenhouse gases for the monitoring period is 45,480 tCO₂e. This provides a clear and auditable presentation of the verified results in accordance with the Monitoring Report template. 2. The Project Proponent has satisfactorily clarified the distinction between the total buffer and the issuable credit buffer in Section 6.1. The Monitoring Report now explains that the total buffer represents 5% of all verified net removals, while the issuable credit buffer represents the proportional share associated with the 25% of removals released in the current issuance cycle. This distinction is consistent with the Issuance Policy and the 25/75 reserve mechanism described in the project documentation. 3. The Project Proponent has satisfactorily addressed this issue by incorporating Section 6.2, "Allocation to Issuance / Reserve / Buffer," which provides a consolidated table showing the allocation of verified removals among credits issued, credits retained in the project reserve, and buffer contributions, including both percentage shares and corresponding tCO₂e values. This aligns with the BCCS Monitoring Report template and provides a transparent summary of issuance-related allocations. 4. The Project Proponent has satisfactorily standardized terminology in Section 6.1 by clarifying the relationship between "net verified removals" and "net eligible removals." The revised text explains that verified removals are the independently confirmed GHG removals, while eligible removals are the subset available for issuance after application of reserve and buffer rules. This removes ambiguity and ensures consistent interpretation throughout the Monitoring Report. 5. The Project Proponent has satisfactorily corrected the inconsistency in Section 6.3. The revised narrative now distinguishes between (i) the absence of permanent reversals affecting the project as a whole and (ii) the existence of an individual negative balance for Sekapp Bulgaria EOOD, which is excluded from issuance until performance improves. This clarification resolves the factual contradiction. 6. The Project Proponent has satisfactorily addressed this issue by describing specific corrective actions for farms with negative balances, including enhanced agronomic support, targeted recommendations, closer monitoring, and deferral of issuance until positive performance is demonstrated. Supporting procedures such as the Corrective Actions register and the Carbon Credit Corrections and Adjustment Mechanism provide a formal framework for managing such cases. Based on the revised Monitoring Report and the supporting procedures listed in Annex V, all six issues have been adequately addressed. Section 6 now provides a clear summary of verified removals, transparent allocation to issuance, reserve and buffer, consistent terminology, and a documented approach for handling negative balances and corrective actions. Accordingly, the finding may be considered CLOSED.	

CAR ID	05	Section no.		Date: 20/01/2026
Description of CAR				

Section 7. Environmental and Social Safeguards

Reference:

1. MR Template, Section 7.1- Compliance with “Do-No-Harm” Safeguards
2. MR Template, Section 7.2- Environmental benefits
3. MR Template, Section 7.3- Social engagement & farmer benefits
4. MR Template, Section 7.4- Safeguards Against Negative Impacts

Issues:

1. The MR provides a high-level narrative confirming compliance with “do-no-harm” principles, but it does not explicitly reference the specific safeguard commitments, criteria, or sections defined in the PDD. This weakens traceability between the MR and the validated safeguard framework.
2. Environmental benefits (soil health, water retention, biodiversity) are described narratively, but no quantified indicators, trend references, or tables are provided to substantiate these claims, despite such data being available in Sections 4 and 15.
3. The MR states that farmers received training, recommendations, and economic benefits, but does not describe how engagement was documented, nor whether feedback, grievances, or complaints mechanisms exist or were used.
4. The MR asserts that no displacement or negative impacts occurred but does not present a structured risk assessment identifying potential environmental or social risks and corresponding mitigation measures.

Required Action:

1. Add explicit references to the relevant PDD safeguard sections (e.g. land tenure verification, biodiversity protection, soil conservation measures) and confirm compliance against each with supporting evidence.
2. Include a short table or cross-reference presenting monitored indicators (e.g. SOC trends, ancillary soil parameters, reduced input use) and appropriate evidence that support the stated environmental benefits.
3. Briefly describe supported by suitable evidence that how farmer engagement and capacity-building are documented, whether a grievance or feedback mechanism exists, and whether any complaints or concerns were raised during the monitoring period.
4. Add a concise risk-mitigation summary (narrative or small table) identifying potential environmental and social risks and applied mitigation measures during the monitoring period. Substantiate the same with suitable evidence.

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 7.1. Safeguard compliance summary

Required action 2 is implemented in Section 7.2- Environmental benefits

Required action 3 is implemented in Section 7.3. Social benefits / engagement

Required action 4 is implemented in Section 7.4. Identified risks / mitigation

Documentation provided by project participant

Required action 1:

Farmer contracts sent with 2-CS-BG-North.zip

Farmers copies of the survey cards, registration cards, and IACS applications – provided with validation findings round 1 in folder Supporting documents, subfolder VAL-CAR 12.3:

Farmers copies of the survey cards, registration cards, and IACS applications, including attached parcel maps for 5 years period prior to enrollment.

Individual strategies (PR0103), Technological maps (PR0104) sent with 2-CS-BG-North.zip

Laboratory protocols sent with 2-LoD-North-06.01.26.zip

Provided with this findings, folder supporting documents, subfolder VER-CL 01.2-3:

Leakage and N2O calculation sheets for all farms: files ER calculation_N2O_leakage_v1

Revised PR0205-ER calculation_SOC_v3.1

Farmers declaration provided in folder VER-CAR 05.1, files:

Декларации_Aplend Bulgaria.pdf

Декларации_Sekap Bulgaria.pdf

Декларация_ZK Bezmer.pdf

Декларация_Apis Agro.pdf

Декларации_Mapi 96.pdf

Декларации_ET Tiaso-Dobromir Valtchev.pdf

Декларации_ET Rumen Natsev.pdf

Декларации_Natsevi 2019.pdf

English translation of the declaration provided with file Declaration_template_EN.docx

No Displacement Declaration sent with 2-LoD-North-06.01.26.zip, subfolder PD-11.Stakeholder, file 11-13-NO DISPLACEMENT DECLARATION-North.pdf

Grievances and Complain Mechanism, Grievance Register provided in folder VER-CAR 05.1, files:

Механизъм за получаване и разглеждане на жалби и оплаквания_20.03.2025.pdf

Регистър на жалби и оплаквания_Grievance Register_20.03.2025.xlsx

Leakage assessment:

Please see Leakage Assessment Framework provided with validation findings round 1 in folder Supporting documents, subfolder VAL-CAR 05.5, files:

Пазарен теч-01.04.26-en.pdf

Leakage Risk Assessment Document-North.pdf

Leakage Risk Assessment_North_EN. Xlsx

Leakage calculations:

Folder supporting documents provided with this findings, subfolder VER-CL 01.2-3:

Leakage calculation sheets for all farms: files ER calculation_N2O_leakage_v1

Data Retention Policy - Data Retention Policy provided with validation findings round 1 in folder Supporting documents, subfolder VAL-CL 08, file Политика за съхранение на данни по проект_v1_20.03.26-EN.pdf

BCCR registry entries

<https://bccregistry.org/project/68>

Required action 2:

Folder supporting documents provided with this findings, subfolder VER-CL 01.2-3:

N2O calculation method: Методология за изчисляване на емисиите на диазотен оксид (N₂O)_EN.pdf

Leakage and N2O calculation sheets for all farms: files ER calculation_N2O_leakage_v1

Revised PR0205-ER calculation_SOC _v3.1

Soil sampling protocols and laboratory protocols sent with 2-LoD-North-06.01.26.zip, folder MR-5.GHG Calculations, subfolder 5-1-Lab protocols SOC_MM

Technological maps sent with 2-CS-BG-North.zip

Required action3:

Individual strategies (PR0103), Technological maps (PR0104), on-site monitoring reports (PR0107) sent with 2-CS-BG-North.zip

Agronomic recommendations provided in folder VER-CAR 05.3

Grievances and Complain Mechanism, Grievance Register provided in folder VER-CAR 05.1, files:

Механизъм за получаване и разглеждане на жалби и оплаквания_20.03.2025.pdf

Регистър на жалби и оплаквания_Grievance Register_20.03.2025.xlsx

Stakeholder Engagement Policy provided with validation findings round 1 in folder Supporting documents-VAL , Subfolder: VAL-CL 24, file:

Stakeholder Engagement Policy - Политика за заинтересованите страни_v1_12.03.26-EN.pdf

Required action 4:

Supporting documents for Required action 1 and Risk Assessment- Risk Assessment and mitigation measures already provided in Earthlink Desk Review section - 2-LoD-North-06.01.26.zip, folder PD-8-Durability, files 8-10-Risk Assessment Document-North_05.11.25.pdf and 8-10-Risk Assessment-North_05.11.25.pdf

VVB assessment

Date: 19/05/2026

1. The PP has satisfactorily addressed this issue by introducing Section 7.1, “Safeguard Compliance Summary,” which explicitly links the monitoring report to the validated safeguard commitments in the PDD. Supporting documentation listed in Annex V demonstrates implementation of these commitments, including legal rights verification for all participating farms, national and regional policy compliance, the farm suitability assessment checklist, and the Ministry of Environment and Water (MEW) notification confirming that the project does not trigger EIA requirements. This provides adequate traceability between the Monitoring Report and the validated safeguard framework.
2. The PP has satisfactorily addressed this issue by enhancing Section 7.2, “Environmental Benefits,” with references to monitored indicators and supporting evidence. Quantitative evidence is available from the project calculation summaries, which report plot-level and farm-level changes in soil organic carbon, ancillary soil parameters, and net removals. For example, the recap calculation files show measured increases in SOC and corresponding net CO₂ removals for participating farms. These data substantiate claims regarding improved soil health and carbon sequestration.
3. The PP has satisfactorily addressed this issue by expanding Section 7.3, “Social Benefits / Engagement,” to describe farmer onboarding, training, technical recommendations, and benefit-sharing. Annex V lists supporting evidence including the Farmer Training Policy, onboarding and annual training records, farmer registration applications, and the Register of Unfaithful Projects. These documents demonstrate that farmer engagement is systematically documented and monitored. In addition, the MRV Protocol and related governance documents provide channels for feedback and complaints, and no grievances were reported during the monitoring period.
4. The PP has satisfactorily addressed this issue by adding Section 7.4, “Identified Risks / Mitigation,” summarizing environmental and social risks and the measures applied to mitigate them. Supporting procedures listed in Annex V—including the MRV Protocol, Corrective Actions procedure, Agronomic Assessment Procedure, and Farmer Training Policy—provide an operational framework to identify and address risks such as soil degradation, biodiversity impacts, and participant non-compliance. This satisfies the requirement for a structured risk-mitigation summary with supporting evidence.

Based on the revised Monitoring Report and the supporting documentation provided in Annex V, all four issues under Section 7 (Environmental and Social Safeguards) have been adequately addressed. The report now includes explicit cross-references to the validated safeguard framework, quantitative evidence supporting environmental benefits, documented farmer engagement and grievance mechanisms, and a structured risk-mitigation summary. Accordingly, the finding is considered **CLOSED**.

CAR ID	06	Section no.	Date: 20/01/2026
Description of CAR			

Section 8. Stakeholder Engagement

Reference:

1. MR Template, Section 8.1 Farmer Trainings and consultations (Date, Location/Format, Target group, Topic/Purpose)
2. MR Template, Section 8.2-On-site inspections and monitoring reports
3. MR Template, Section 8.3- Communication and transparency
4. MR Template, Section 8.4- Grievances and complaints

Issues:

1. The MR provides a narrative description of trainings, consultations, and agronomic support; however, it does not present the information in the structured format required by the MR template guideline. Specific dates, locations/formats (on-site/online), target groups, and purposes are not clearly identified.
2. The MR confirms that systematic on-site inspections occurred but does not disclose visit-level information, such as inspection dates, specific farm/participant visited, inspection purpose, or key findings.
3. While access to the ISACO2 platform and periodic updates are mentioned, the MR does not clearly define the communication channels used, nor whether any project information is publicly accessible beyond participating farmers.
4. The MR states that a grievance mechanism exists and that no complaints were recorded; however, it is not represented as the MR template guideline in tabular format mentioning no grievance received.

Required Action:

1. Include a concise table summarizing training and consultation activities during the monitoring period, clearly indicating date, format/location, target group, and topic/purpose as per the MR template guideline and substantiate the same with suitable evidence.
2. Provide a short table or summary listing on-site inspections conducted during the monitoring period, including date, site/participant, purpose, and main findings or corrective actions as per the template guideline. The PP also requested to substantiate the information with suitable evidence.
3. Clarify communication channels used (e.g. platform, email, meetings) and indicate whether non-confidential project information is publicly available or accessible to external stakeholders, in line with PDD transparency commitments.
4. Briefly describe the grievance mechanism (submission channels, handling process) and include a grievance table explicitly stating, "no grievances reported during the monitoring period."

Project participant response

Date: 30/04/2026

Required action 1 is implemented in Section 8.1 Trainings and Consultations

Required action 2 is implemented in Section 8.2 On-Site Inspections and Monitoring visits

Required action 3 is implemented in Section 8.3. Communication and Transparency

Required action 4 is implemented in Section 8.4. Grievances and Complaints

Documentation provided by project participant

Required action 1

Farmer Training Policy provided with validation findings round 1 in folder Supporting documents, subfolder VAL -CL 26, files:

Farmer Training Policy_v1_27.03.26-EN.pdf

Farmers Onboarding_Training_North_EN.pdf

Annual Farmers Training Plan_North_EN.pdf

Agronomic recommendations provided in folder VER-CAR 05.3

Individual strategies (PR0103) sent with 2-CS-BG-North.zip

Required action 2

On-site Monitoring reports (PR0107) sent with 2-CS-BG-North.zip

Required action 3

The following documents were provided with validation findings round 1 in folder VAL-CL 24:

List of municipalities to which notifications have been sent – Списък

обявления_Общини_Карбонсейф_АД_входящ номер.pdf

List of city halls to which notifications have been sent - Списък

обявления_Кметства_Карбонсей_АД_входящи номера.pdf

Content of notifications sent to municipalities - Обявление_Община_ЕО_Карбонсейф_АД-21-si.pdf

Content of notifications sent to city halls - Общини-Кметства_за подпис-1-si.pdf

Notification to the Ministry of Environment and Water - uvedomlenie_EO_Карбонсейф_АД_за допълване и изпращане-si.pdf

Notification registry in the Ministry of Environment and Water - Удостоверение за връчване-21116189_03042026.pdf;

Удостоверение за връчване-21118080_03042026.pdf

Official response received from the Ministry of Environment and Water provided in folder VER-CAR 06.3, file:

26.04.24 Уведомление за проекти_МОСВ.pdf

26.04.24 Уведомление за проекти_МОСВ en-GB.pdf (English translation)

Required action 4

Grievances and Complain Mechanism, Grievance Register provided in folder VER-CAR 05.1, files:

Механизъм за получаване и разглеждане на жалби и оплаквания_20.03.2025.pdf

Регистър на жалби и оплаквания_Grievance Register_20.03.2025.xlsx

VVB assessment

Date: 19/05/2026

1. The Project Proponent has satisfactorily addressed this issue by updating Section 8.1, “Trainings and Consultations,” to include a structured summary of stakeholder engagement activities during the monitoring period. The supporting documentation provided is adequate and includes the Farmer Training Policy, onboarding training materials, and the Annual Farmers Training Plan for the North project. In addition, agronomic recommendations and individual strategies (PR0103) provide participant-specific evidence that consultations and technical support were delivered to farmers. These records substantiate that trainings and consultations are formally planned, documented, and implemented in accordance with the Monitoring Report template requirements.
2. The Project Proponent has satisfactorily addressed this issue by updating Section 8.2, “On-Site Inspections and Monitoring Visits,” and providing on-site monitoring reports (PR0107) for participating farms. These reports contain visit dates, participant identification, inspection objectives, observations, and corrective recommendations where relevant. The evidence demonstrates that systematic field inspections were conducted and properly documented, providing sufficient substantiation for the summary presented in the Monitoring Report.
3. The Project Proponent has satisfactorily addressed this issue by revising Section 8.3, “Communication and Transparency,” to clarify the communication channels used for project engagement, including the ISACO₂ platform, email correspondence, training sessions, and direct agronomic consultations. The supporting documentation includes records of notifications sent to municipalities, city halls, and the Ministry of Environment and Water, along with official acknowledgements and responses. This demonstrates that non-confidential project information has been communicated to external stakeholders and that the project meets the transparency commitments established in the PDD.
4. The Project Proponent has satisfactorily addressed this issue by updating Section 8.4, “Grievances and Complaints,” to describe the grievance mechanism and confirm that no complaints were received during the monitoring period. Supporting evidence includes the formal Grievance and Complaint Mechanism and the Grievance Register. Review of the register confirms that no entries were recorded during the reporting period. This provides adequate evidence that a functioning grievance mechanism exists and that the Monitoring Report now explicitly documents the absence of grievances in the required format.

Based on the revised Monitoring Report and the supporting documentation provided, all four issues under Section 8 (Stakeholder Engagement) have been adequately addressed. The Project Proponent has provided structured summaries and sufficient supporting evidence for training and consultations, on-site inspections, communication and transparency, and grievance management. Accordingly, the findings are considered **CLOSED**.

CAR ID	07	Section no.		Date: 20/01/2026
Description of CAR				

Section 9. QA/QC and Data Management

Reference:

1. MR Template, Section 9.1- Field Sampling
2. MR Template, Section 9.2- Laboratory QA/QC
3. MR Template, Section 9.3- Data processing and calculation QA/QC
4. MR Template, Section 9.4- Data archiving and traceability
5. MR Template, Section 9.1-9.3

Issues:

1. Section 9.1 of the MR describes field QA/QC measures narratively (standardized procedures, GPS checks) but does not present them in the required tabular structure. Responsibilities (named roles or functions) and frequencies (per campaign, per batch, annually) are not explicitly defined.
2. While Section 9.1 of the MR confirms use of accredited laboratories, CRMs, and blind duplicates, it does not specify accreditation standards (e.g. ISO/IEC 17025), acceptance criteria, or corrective action triggers, nor does it clearly reference annexes where detailed lab QA/QC evidence is provided.
3. Section 9.3 of the MR states that agronomists cross-check results but does not describe systematic QA/QC controls, such as independent review, calculation validation steps, use of locked spreadsheets, version control logic, or approval checkpoints prior to reporting.
4. Although section 9.4 of the MR confirms digital archiving, versioning, and traceability, it does not specify retention periods for different data categories, nor does it clearly distinguish storage locations (platform, internal servers, external backups).
5. Corrective actions are mentioned only briefly and informally. There is no clear linkage between detected QA/QC failures and documented corrective or preventive action procedures, as typically expected under robust QA/QC systems.

Required Action:

1. Add a QA/QC table for field data clearly listing check type, description, responsible role/entity, and frequency, aligned with the PDD monitoring plan.
2. Expand the laboratory QA/QC summary to include laboratory accreditation standard(s), key QC elements and acceptance thresholds (high-level) and reference to annexes containing lab certificates, QC reports, or method descriptions.
3. Describe the data processing QA/QC workflow in more detail, including review steps, separation of duties, calculation validation, and approval prior to final aggregation and issuance decisions.
4. Provide a data archiving table as per the MR template guideline identifying data categories, storage locations, minimum retention periods in line with PDD, methodology, and registry requirements.
5. Clarify how QA/QC findings trigger corrective actions, how actions are documented, and how recurrence is prevented, referencing internal procedures or IMS controls where applicable.

Project participant response

Date: 04/05/2026

Required action 1 is implemented in Section 9.1- Field Sampling

Required action 2 is implemented in Section 9.2 Laboratory / third-party quality control

Required action 3 is implemented in Section 9.3- Data processing and calculation QA/QC

Required action 4 is implemented in Section 9.4- Data archiving and traceability

Required action 5 is implemented in Section 9.5. Corrective Actions

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

Required action 5

Folder supporting documents, subfolder, VER-CAR 07.5, files:

PR0804_Isksne_KD&Podobrenia_09.02.2026_подобрения.pdf

(English translation: PR0804_Isksne_KD&Podobrenia_09.02.2026_подобрения en-GB.doc)

PR0804_Isksne_KD&Podobrenia_09.02.2026_коригиращи действия.pdf

(English translation: PR0804_Isksne_KD&Podobrenia_09.02.2026_коригиращи действия en-GB.doc)

PR0804_Isksne_KD&Podobrenia_27.04.2026_подобрения.pdf

(English translation: PR0804_Isksne_KD&Podobrenia_27.04.2026_подобрения en-GB.doc)

VVB assessment

Date: 19/05/2026

The Project Proponent (PP) has adequately addressed the audit finding related to **Section 9: QA/QC and Data Management**. The revised Monitoring Report now includes dedicated subsections 9.1 through 9.5 covering field sampling QA/QC, laboratory and third-party quality control, data processing and calculation QA/QC, data archiving and traceability, and corrective actions, respectively. This directly responds to each of the five required actions identified in the finding.

In addition to the revised MR, the PP has provided formal internal corrective action and improvement records under Form PR 0804, which demonstrate that QA/QC weaknesses identified during the external audit were systematically addressed through the company's Integrated Management System. The corrective action register documents specific actions, responsibilities, implementation deadlines, and effectiveness reviews for issues including data management, storage, archiving, cybersecurity, retention periods, correction mechanisms, and monitoring controls. These records were marked as completed and effective by management, providing objective evidence that corrective and preventive action procedures are operational. The improvement records further demonstrate enhancements to uncertainty treatment, carbon credit issuance controls, and bulk density management, supporting the existence of structured review, version control, and continual improvement processes within the QA/QC framework.

Based on the review of the updated Monitoring Report and supporting evidence, the following conclusions are reached:

1. A structured field QA/QC framework with defined responsibilities and frequencies has been included.
2. Laboratory QA/QC now references accredited laboratories and supporting evidence.
3. Data processing controls and review workflows are described in sufficient detail.
4. Data archiving arrangements and retention requirements are documented.
5. Corrective action procedures are formally established and evidenced through PR 0804 records.

Accordingly, the PP has responded satisfactorily, and the audit findings are considered **CLOSED**.

CAR ID	08	Section no.		Date: 20/01/2026
Description of CAR				

Section 10. Verification Readiness

Reference:

1. MR Template, Section 10.1- Evidence and Documentation Prepared
2. MR Template, Section 10.3- System and platform readiness
3. MR Template, Section 10.4- Updates to MRV protocol
4. MR Template, Section 10.7- Anticipated verification process

Issues:

1. Section 10.1 of the MR provides a comprehensive narrative list of evidence (sampling records, lab reports, calculation files, etc.) but does not present the information in the required structured table. Explicit references to storage location (file path, system, annex ID) and a clear "Status (Y/N)" indicator are missing.
2. Section 10.3 of the MR confirms ISACO2 integration and registry alignment but does not describe user access levels, audit logs, or read-only access arrangements for verifiers, which are relevant to verification readiness and data integrity.
3. Section 10.4 of the MR mentions ongoing data migration to a new software system but does not specify whether this constitutes a formal MRV update, how equivalence is ensured, or how the change is governed under the PDD amendment rules.
4. Section 10.7 of the MR outlines the expected verification scope but does not specify anticipated timing, reporting period coverage, or indicative sampling approach (e.g. farm/plot sampling expectations).

Required Actions:

1. Add a verification readiness table listing each required evidence type, its storage location/reference (ISACO2 module, annex ID, internal register), and a clear availability status (Y/N) as per the MR template guideline.
2. Briefly describe platform access controls for verification (read-only access, user roles, audit trails) to demonstrate full system readiness.
3. Clarify whether the software migration constitutes a non-material MRV update, confirm no methodological or calculation changes, and reference internal change-control or deviation protocols consistent with the PDD.
4. Expand the anticipated verification description to include expected verification timing, scope of review, and indicative site or data sampling approach.

Project participant response

Date: 05/05/2026

Required action 1 is implemented in Section 10.1- Evidence and Documentation Prepared

Required action 2 is implemented in Section 10.3- System and platform readiness

The Project Proponent confirms that the ISACO2 platform incorporates structured access controls and audit trail functionalities to ensure data integrity and verification readiness.

The platform operates under role-based access control, with clearly defined user roles governing data input, validation, and approval.

All data entries and modifications are captured through comprehensive audit logs, including timestamps, user identification, and version history.

As part of the ongoing development of the platform, a dedicated read-only access interface for VVBs is planned for the next stage of system enhancement, further strengthening direct verification capabilities.

For the current verification cycle, the Project Proponent ensures full transparency by providing complete, structured, and verifiable data exports derived from the system.

Datasets are consistent with the platform's internal records and audit trail, ensuring traceability, integrity, and reproducibility of all reported results.

The VVB is therefore provided with sufficient and reliable information to independently assess all relevant project data and calculations.

Required action 3 is implemented in Section 10.4- Updates to MRV protocol

Required action 4 is implemented in Section 10.7- Anticipated verification process

Documentation provided by project participant

Required action 1

2-MR-CS-BG-NORTH_ANNEX I-FARMS_v2_08.05.26

2-MR-CS-BG-NORTH_ANNEX II_v1_08.05.26

2-MR-CS-BG-NORTH_ANNEX III_v1_08.05.26

2-MR-CS-BG-NORTH_ANNEX IV_v1_08.05.26

2-MR-CS-BG-NORTH_ANNEX V_v1_08.05.26

Required action 3

Data migration protocols

Folder Supporting documents, subfolder VER-CAR 08.3, files:

25.08.25-ERP_Protocol_Software Data Migration_Soil Sampling Request.pdf

25.09.19-ERP_Protocol_Software Data Migration_Sampling schedule.pdf

25.09.19-ERP_Protocol_Software Data Migration_Sampling Task.pdf

25.10.10-ERP_Protocol_Software Data Migration_Company data.pdf

25.10.10-ERP_Protocol_Software Data Migration_Plots Cells-shape.pdf

25.12.17-ERP_Protocol_Software Data Migration_Acceptance protocol from sampling.pdf

25.12.17-ERP_Protocol_Software Data Migration_Sampling Protocol.pdf

25.12.29-ERP_Protocol_Software Data Migration_create Agronomic recommendation.pdf

25.12.29-ERP_Protocol_Software Data Migration_Lab result.pdf

VVB assessment

Date: 19/05/2026

1. The Project Proponent has updated Section 10.1 of the Monitoring Report to include a structured verification readiness table identifying the key evidence types, their storage locations, and availability status. The supporting annexes (Annexes I–V) provide organized and traceable documentation, including farm-level data, laboratory reports, geospatial records, and calculation files. This adequately addresses the requirement and enables efficient verification.
2. Section 10.3 of the Monitoring Report now describes the access controls and audit functionalities of the ISACO2/ERP-ISACO2 platform, including role-based access, user-specific permissions, version history, and audit logs. The software migration protocols further confirm that restricted access and control checks are built into the system and that all changes are attributable to specific users and dates. Although dedicated read-only access for the VVB is planned for future enhancement, the PP has demonstrated that complete and traceable data exports are available for the current verification cycle. This response is satisfactory.
3. The Project Proponent clarified in Section 10.4 that the migration from ISACO2 to ERP-ISACO2 constitutes a non-material system update and does not affect the approved methodology, monitoring procedures, or calculation logic. The migration protocols confirm that the purpose of the update is to improve data management while ensuring no data loss, removal of duplicate records, and preservation of data integrity. This provides sufficient evidence that the change is administrative and does not require methodological amendment.
4. Section 10.7 has been expanded to describe the expected verification scope and confirms that all supporting documentation is prepared and available for review. The accompanying annexes and migration records demonstrate that the project has complete datasets for sampling schedules, sampling tasks, laboratory results, agronomic recommendations, and calculation files. This confirms that the project is fully prepared for document review, data sampling, and site verification activities.

Based on the revised Monitoring Report and the supporting documentation, including the software migration protocols and annexes, the Project Proponent has addressed all requirements of the audit finding. The evidence demonstrates that the project is verification-ready and that the findings are considered **CLOSED**.

CAR ID	09	Section no.		Date: 20/01/2026
Description of CAR				

Section 11. Summary of Results

Reference:

1. MR Template, Section 11- Summary of Results

Issues:

1. The Summary of Results clearly reports headline quantitative outcomes (net verified removals, issuable credits, reserve volumes). However, it does not summarize key safeguard elements, such as environmental and social safeguards, permanence protections (buffer, staged issuance), or treatment of negative balances, which are required at a high level in this section.
2. While verification readiness and registry compliance are addressed in Section 10, Section 11 does not explicitly summarize readiness for verification and issuance, which is expected in a concluding section.
3. The summary does not mention that one participating farm was excluded from issuance due to a negative balance, nor how this was conservatively treated. This omission reduces transparency at summary level.
4. Unlike other sections, the summary does not explicitly confirm that results were generated in full consistency with the approved PDD and CSBG-AGRI methodology, which is typically expected in a final summary.

Required Actions:

1. Expand the summary to briefly confirm that environmental and social safeguards were applied, no displacement occurred, and permanence risks are addressed through buffers, reserves, and conservative issuance rules.
2. Add a concise statement confirming that the project is verification-ready, with complete evidence, MRV systems in place, and alignment with BCCR registry requirements.
3. Include a short statement noting that farms with negative or zero balances were excluded from issuance in line with the PDD and methodology.
4. Add a one-sentence confirmation that all reported results were calculated and monitored in accordance with the validated PDD and applied methodology.

Project participant response

Date: 07/05/2026

Required actions 1,2,3,4 are implemented in MR Section 11. Summary of Results

Documentation provided by project participant

2-MR_CS-BG-NORTH_v2_08.05.26

VVB assessment

Date: 19/05/2026

1. The PP has satisfactorily addressed this issue by expanding Section 11, "Summary of Results," to include a high-level confirmation that environmental and social safeguards were implemented throughout the monitoring period, that no material adverse impacts or displacement were identified, and that permanence risks are managed through the project's 5% buffer contribution, 75% reserve retention, and staged credit issuance approach. These statements appropriately summarize the key safeguard and permanence mechanisms already described in Sections 6 and 7 of the Monitoring Report and provide the required contextual information in the concluding section.
2. The PP has satisfactorily addressed this issue by including an explicit statement in Section 11 confirming that the project is verification-ready and that all supporting evidence, monitoring records, and calculation files have been compiled and are available for independent review. The revised summary also confirms that the monitoring and reporting framework is aligned with BCCR registry requirements, thereby providing a clear conclusion regarding readiness for verification and issuance.
3. The PP has satisfactorily addressed this issue by adding a statement in Section 11 noting that farms with negative or zero balances are excluded from issuance in accordance with the validated PDD and approved methodology. The summary specifically reflects the treatment of Sekapp Bulgaria EOOD, which recorded a negative balance and was conservatively excluded from credit issuance while remaining subject to continued monitoring and corrective agronomic support.
4. The PP has satisfactorily addressed this issue by including a concluding confirmation that all monitoring activities, calculations, and reported results were carried out in full accordance with the validated Project Design Document (PDD) and the approved CSBG-AGRI methodology. This statement provides an appropriate overarching assurance regarding methodological consistency and compliance.

Based on the revised Monitoring Report, all four issues identified in Section 11 (Summary of Results) have been adequately addressed. The concluding section now summarizes safeguard implementation, permanence protections, treatment of negative balances, verification readiness, and methodological compliance. Accordingly, the findings are considered **CLOSED**.

CAR ID	10	Section no.		Date: 20/01/2026
Description of CAR				
Section 12. Annexes				
Reference:				
1. Annex 1 – Detailed data tables 2. Annex 2 – Maps and coordinates 3. Annex 3 – Laboratory reports (list or index) 4. Annex 4 – Safeguards and stakeholder evidence (index) 5. Annex 5 – Other supporting documentation				
Issues:				
1. During the desk review, the audit team reviewed all section of the MR document and noticed that Annexures 1–5, as required by the MR template guidelines, were not available for review. As per the template requirements, all annexures shall be included.				
Required Actions:				
1. The PP shall require attaching Annexures 1–5 to the MR document or provide clear and documented justification for the non-applicability of any missing annexure(s).				
Project participant response				Date: 08/05/2026
Annexes as per the template requirements has been added.				
Documentation provided by project participant				
2-MR-CS-BG-NORTH_ANNEX I-FARMS_v2_08.05.26 2-MR-CS-BG-NORTH_ANNEX II_v1_08.05.26 2-MR-CS-BG-NORTH_ANNEX III_v1_08.05.26 2-MR-CS-BG-NORTH_ANNEX IV_v1_08.05.26 2-MR-CS-BG-NORTH_ANNEX V_v1_08.05.26				
VVB assessment				Date: 19/05/2026

The PP has satisfactorily addressed this finding by incorporating the full set of annexes required by the Monitoring Report template. The revised Monitoring Report now includes references to Annex I (Detailed Data Tables), Annex II (Maps and Coordinates), Annex III (Laboratory Reports and Index), Annex IV (Safeguards and Stakeholder Evidence), and Annex V (Other Supporting Documentation). These annexes provide detailed calculation tables, GIS boundary files and coordinates, laboratory report indices, safeguard and stakeholder records, and supporting procedures referenced throughout the Monitoring Report. The inclusion of these annexes ensures that all underlying evidence is properly organized and traceable, in accordance with the template requirements. Supporting documentation reviewed during the audit, including calculation summaries (PR0205), GIS datasets, laboratory reports, safeguard records, and procedural documents, confirms that the annex structure is complete and operational. Accordingly, the required annexes are now available for review, and the finding is considered **CLOSED**.

Table 4. FAR from this verification

FAR ID	01	Section No.	Date: 29/04/2026
Description of FAR			
Observation: The Project Proponent (PP) has introduced the quantification and inclusion of N₂O emissions within the greenhouse gas accounting framework, applying a conservative approach whereby increases in N₂O emissions are deducted from net climate benefits and decreases are not credited. This represents a deviation and enhancement relative to the originally expected methodological treatment. Requirement: As this approach constitutes a modification or extension of the applied methodology and/or standard interpretation, formal confirmation of its acceptance and approval by the relevant standard body (BCCS) and the methodology developer is required to ensure full compliance. Forward Action: The PP shall provide documented evidence, at the next monitoring/verification period, demonstrating that the inclusion and treatment of N₂O emissions within the accounting framework have been formally reviewed and approved by: • The applicable standard (BCCS), and • The methodology developer. Such evidence may include formal approval letters, updated methodology versions, or official correspondence confirming acceptance of the approach.			
Project participant response			Date: 07/05/2026
<i>Carbonsafe acknowledges the observation and confirms that the inclusion and conservative treatment of N₂O emissions constitute an enhancement to the applied accounting approach.</i> <i>After formal review and approval from BCCS and the methodology developer a documented evidence of acceptance, including official correspondence, approval letters, and/or updated methodological documentation, will be provided during the next monitoring and verification period, in accordance with the FAR requirements.</i>			
Documentation provided by project participant			
VVB assessment			Date: DD/MM/YYYY

Appendix 05: Abbreviations

Abbreviations	Full texts
AFOLU	Agriculture, Forestry and Other Land Use
BCCS	Balkan Carbon Credit Standard
BCCR	Balkan Carbon Credit Registry
CAR	Corrective Action Request
CL	Clarification Request
FAR	Forward Action Request
GHG	Greenhouse Gas
GIS	Geographic Information System
ha	Hectares
PDD	Project Design Document
MR	Monitoring Report
MRV	Monitoring, Reporting, and Verification
PP	Project Proponent
RS	Remote Sensing
SDG	Sustainable Development Goals
SOC	Soil Organic Carbon
tCO ₂ e	tonnes (t) of carbon dioxide (CO ₂) equivalent (e)
UNFCCC	United Nations Framework Convention on Climate Change
v	Version
VVB	Validation and Verification Body