

# ORMEX

## Review #3

10 February 2024

Version 1.1

# SUMMARY

The following document outlines the third review of whether ORMEX meets ICROA's Carbon Crediting Programme Endorsement Review Criteria (version 3.1). The first review was carried out between May 13 – August 14, 2024, and is based on the documents submitted to ICROA by ORMEX on May 3, as well as two sets of clarification questions, the responses to which were received on 4 and 17 July 2024.

The second review assesses solely the previously unmet criteria, for which ORMEX provided updates. This assessment was carried out between November 1 – December 4, 2024, and is based on the documents that ORMEX provided to ICROA on November 1, 2024, and a set of clarification questions, the correspondence of which occurred between November 12 and November 22, 2024.

The third review assesses again solely the previously unmet criteria, for which ORMEX provided updates. This assessment was carried out between January 20 – February 7, 2025, and is based on the documents that ORMEX provided to ICROA on January 20, 2025, and a set of clarification questions, the correspondence of which occurred between January 24 – January 28, 2025.

Based on this review, ORMEX meets the requirements for ICROA's conditional endorsement<sup>1</sup>, although there are opportunities to further strengthen approaches related to permanence and positive list additionality. The programme has adequately addressed the comments received through Review #3.

Requirement	Outcome	Explanation
1) Independence	●	<i>Not reassessed (criteria fulfilled in Review #2)</i>
2) Governance	●	<i>Not reassessed (criteria fulfilled in Review #2)</i> The organizational structure of ORMEX has been clarified in additional information provided. However, the governance structure on the Programme's website still refers to this page as "The Executive Team", suggesting this page would include the Standard Executive Committee. This should be corrected.
3) Registry	●	Two projects have been certified thus far, and all necessary documentation is provided and available in English. Credits are appropriately tracked and given unique serial numbers. Furthermore, an editorial review of Programme documentation has been carried out to ensure the language used can be better understood.
4) Validation and verification	●	<i>Not reassessed (criteria fulfilled in Review #2)</i>

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<sup>1</sup> ICROA may award *conditional endorsement* to Programmes that meet all review criteria but do not have at least 10 projects registered or 100,000 tCO<sub>2</sub>e issued.

Requirement	Outcome	Explanation
5) Carbon Crediting Principles	●	<p>Unique: <i>Not reassessed (criteria fulfilled in Review #2)</i></p> <p>Real: <i>Not reassessed (criteria fulfilled in Review #2)</i></p> <p>Permanent: The programme has a risk mitigation mechanism in place to ensure that any carbon credits lost to reversals are replaced. A Project Holder must compensate for any reversals from their own projects. ORMEX is currently exploring developing a collective Risk Buffer Pool, although this is not yet established.</p> <p>Additional: Projects need to demonstrate additionality using a financial, regulatory and barrier analysis. The result of these analyses is on a sliding scale: either 'not additional', or ranging from 'low level' additionality to 'very-high level' additionality. The Programme also permits the use of a positive list that allows automatic additionality for projects located in countries that meet certain criteria. The reasons for such projects being deemed automatically additional are now substantiated.</p> <p>Measurable: ORMEX's ERA methodology applies the FAO-NEXT tool for calculating emission reductions and removals. It identifies the baseline and project emissions and requires deductions for uncertainty. Upon the second review, ORMEX changed its procedures to include leakage. Now, projects are required to conduct a leakage risk assessment and, in case leakage risk is found to be higher than 5%, either justify this is the case only because of exceptional or unpredictable circumstances, deduct the carbon credit results, or exclude the area and where leakage has happened and the respective credits from the project.</p>
6) Environmental and social impacts	●	<i>Not reassessed (criteria fulfilled in Review #2)</i>
7) Stakeholder considerations	●	<p>A project-level stakeholder assessment has been conducted for the two projects available in the registry. These demonstrate that the consultation was conducted in the local language.</p> <p>ORMEX has now developed a Stakeholder Consultation Guidance, setting out the processes of how the stakeholder consultation must be conducted and guiding the project holder through the stakeholder consultation process. The guidance now also includes requirements for consultations to be carried out in the local language(s).</p>
8) Scale	●	<p>ORMEX has certified two national scale projects, which both include seven regional sub-projects (i.e. 14 sub-projects in total).</p> <p>The programme has issued 953,163 tCO<sub>2</sub>e on its registry.</p>

Requirement	Outcome	Explanation
9) Additional considerations	●	<i>Not reassessed (criteria fulfilled in Review #2)</i>

# ORMEX

## Review #2

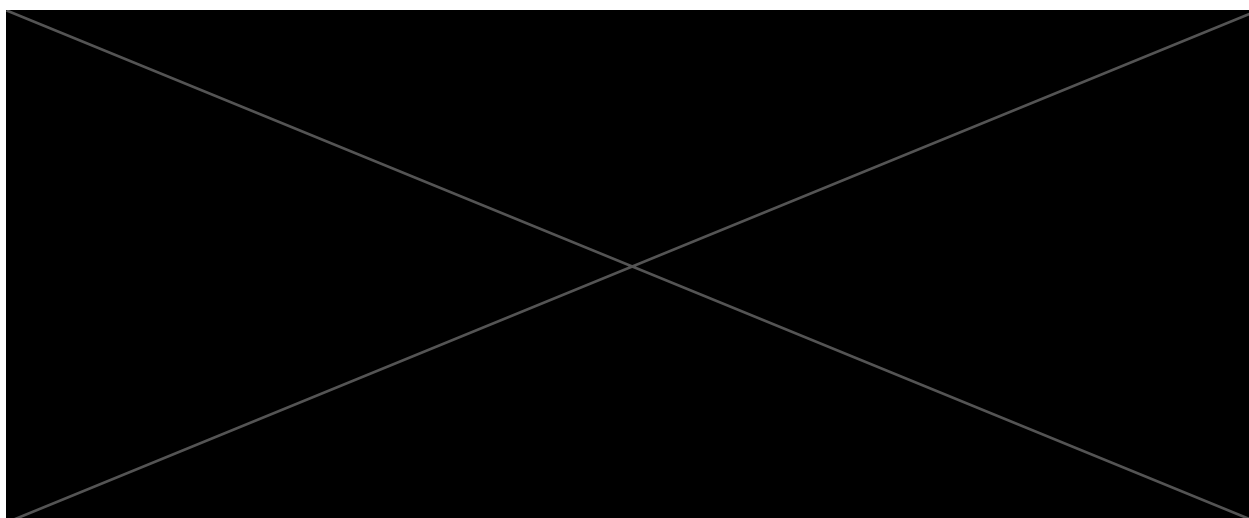
13 December 2024

Version 1.1

# SUMMARY

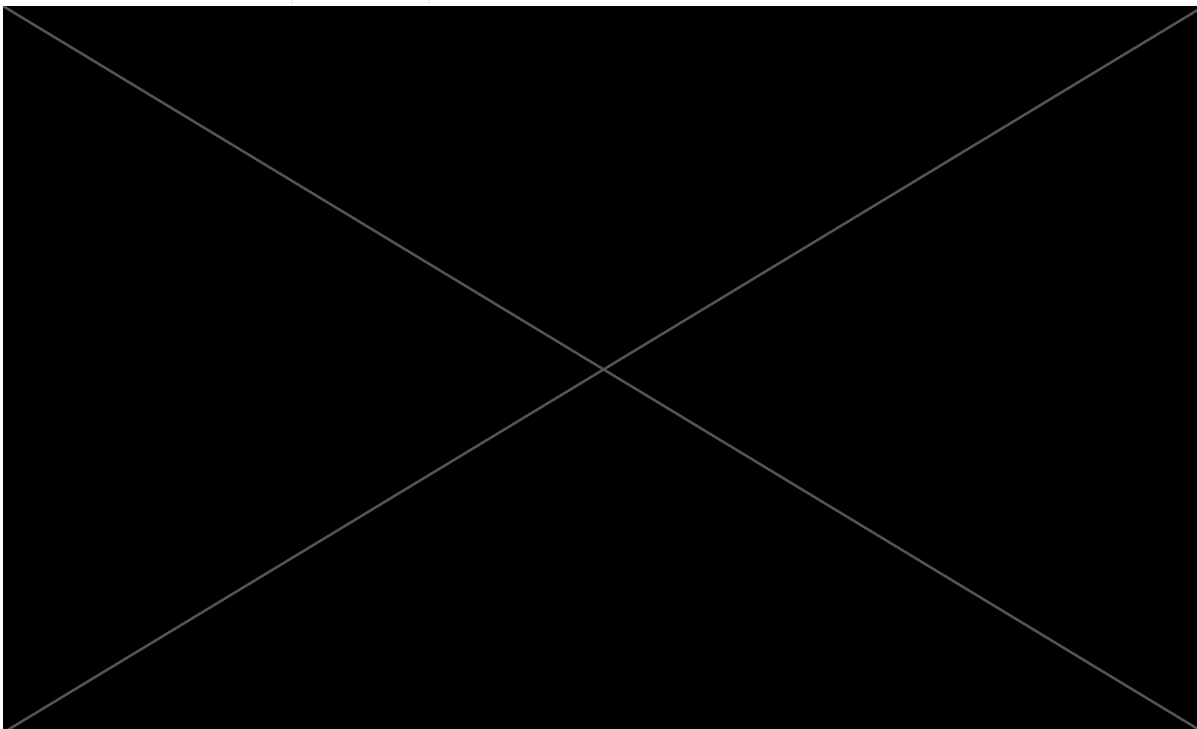
The following document outlines the second review of whether ORMEX meets ICROA's Carbon Crediting Programme Endorsement Review Criteria (version 3.1). The first review was carried out between May 13 – August 14, 2024, and is based on the documents submitted to ICROA by ORMEX on May 3, as well as two sets of clarification questions, the responses to which were received on 4 and 17 July 2024. The outcome of the first review was that ORMEX did not meet all of ICROA's endorsement criteria.

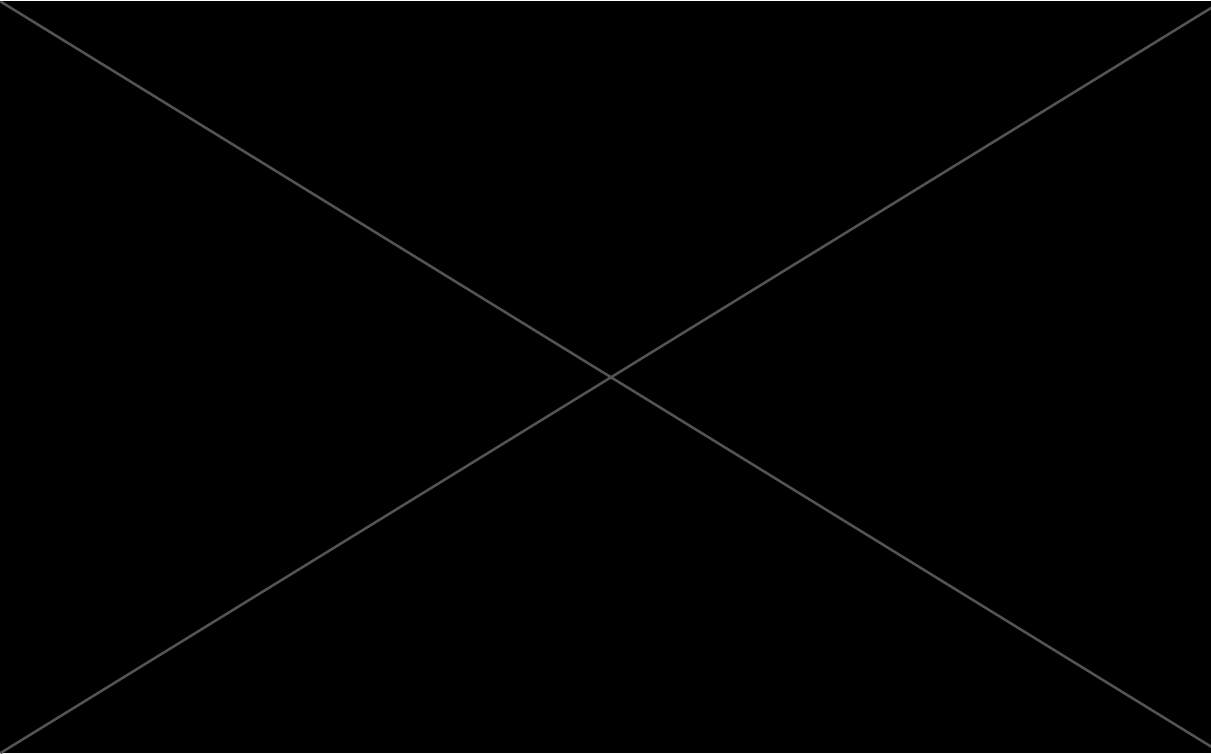

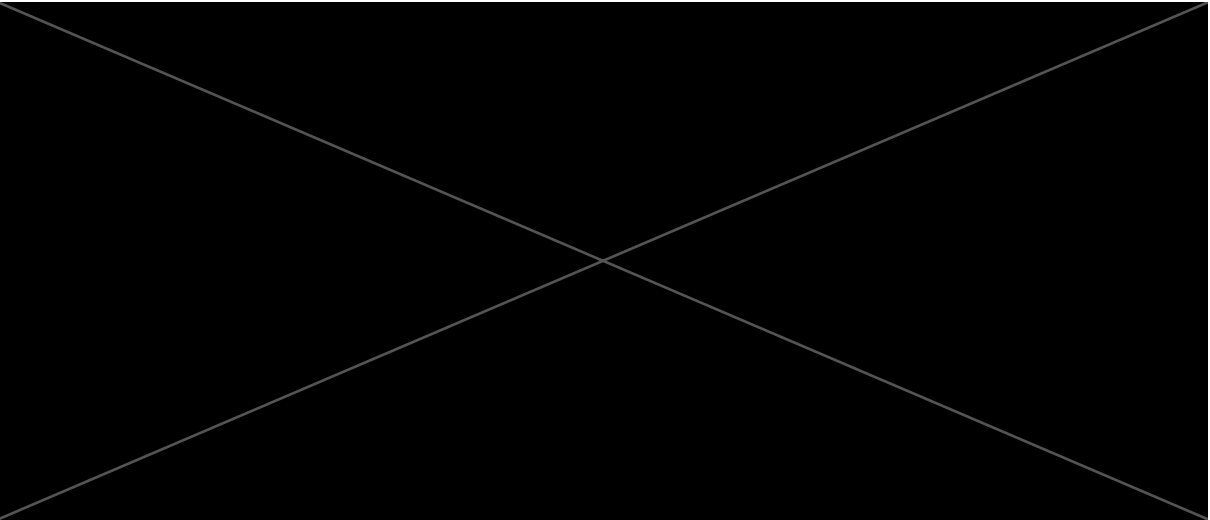

The second review assesses solely the previously deemed insufficient outcomes, for which ORMEX has provided updates. This assessment was carried out between November 1 – December 4, 2024, and is based on the documents that ORMEX provided to ICROA on November 1, 2024, and a set of clarification questions, the correspondence of which occurred between November 12 and November 22, 2024.



Requirement	Outcome	Explanation
1) Independence	●	<p>ORMEX has a code of ethics in place, on which a Conflict of interest (COI) and impartiality policy and COI statement form are based. With these documents in place, it ensures impartiality and the correct handling in case of COIs between all employees and related staff. ORMEX plays no role in the development of projects, and does not actively market or sell carbon credits.</p> <p>Furthermore, ORMEX is not exposed to the sale price of carbon credits, as the pricing model is now solely dependent on the volumes of V-ACORs, and not the price that is negotiated between the buyer and seller. However, ORMEX' Programs Fees document is not publicly available. This has reportedly been discussed with ICROA.</p>
2) Governance	●	<p>The organizational structure of ORMEX has been clarified in additional information provided. However, the governance structure on the Programme's website still refers to this page as</p>

Requirement	Outcome	Explanation
		<p>“The Executive Team”, suggesting this page would include the Standard Executive Committee. This should be corrected.</p> <p>All necessary documentation has been made publicly available on the website.</p> <p>ORMEX has finalized its internal Quality Management System, detailing procedures, quality control mechanisms, and risk assessments in line with ISO 9001 and ISO 31000.</p> <p>The process of drafting program documents and methodologies has been clearly explained in ORMEX’ program documents. This includes the requirements for public consultations.</p>
3) Registry	●	<p>Two projects have been certified thus far, and all necessary documentation is provided and available in English. Credits are appropriately tracked and given unique serial numbers.</p> <p>However, Review #1 recommended that an editorial review of Programme documentation be carried out to ensure comprehensibility and correct language use. This remains outstanding.</p>
4) Validation and verification	●	<p>ORMEX requires that VVBs are qualified, and audits VVBs every three years. Oversight that ORMEX provides to the VVBs includes spot-checks, rotation requirements, and onboarding. The VVB training is not available online.</p> <p>A training program for VVBs has been developed by ORMEX and, among others, covers the Standard’s objectives, spirit, and principles.</p>



Requirement	Outcome	Explanation
		
6) Environmental and social impacts		ORMEX requires projects to follow the “Do No Harm” principle. Further, each project has to conduct an environmental and social assessment that considers and mitigates environmental, social and political risks. This assessment is provided in the documents that undergo validation and verification.
		
9) Additional considerations		Media cover on the Programme and its projects are neutral or positive.



# ORMEX

## Review #1

20 August

Version 1.0

# SUMMARY

The following document outlines a review of whether ORMEX meets ICROA's Carbon Crediting Programme Endorsement Review Criteria (version 3.1). The review was carried out between May 13 – August 14 2024, and is based on the documents submitted to ICROA by ORMEX on May 3, as well as two sets of clarification questions; the responses to which were received on 4 and 17 July 2024.



Requirement	Outcome	Explanation

Requirement	Outcome	Explanation
		
9) Additional considerations		There is no suggestion of negative coverage on the standard or its projects.

## CARBON CREDITING PROGRAMME ENDORSEMENT APPLICATION FORM



Instructions *(may be deleted upon submission)*

- Before applying, the Carbon Crediting Programme (“Programme”) should review and understand all criteria in the Programme Endorsement Review Criteria (“Criteria”) and requirements outlined in the Programme Endorsement Procedure Guide.
- Throughout the application process, you must refrain from externally communicating any association with ICROA, including publishing any statements such as “pending ICROA endorsement.”
- Important: All Programmes, new and currently Endorsed, are required to proactively inform ICROA of any updates or changes to the Standard’s programme operations or methodologies and provide information regarding the impacted criteria. The IETA Secretariat will review the changes and determine whether a full third-party assessment is required to evaluate compliance with the Criteria.

### Contact Information

Please complete the following table with up-to-date contact information.

<b>Name of Programme</b>	ORMEX
<b>Contact Person</b>	Laure Douesneau, Head of Legal&Standard
<b>Contact Email</b>	<a href="mailto:Laure.douesneau@ormex.io">Laure.douesneau@ormex.io</a>
<b>Date of Submission</b>	January 24, 2024
<b>Version of Submission</b>	Version 4.0.
<b>Brief Overview of Programme</b> (max 150 words)	<p>ORMEX STANDARD (<a href="http://www.ormex.io">www.ormex.io</a>) is a globally recognized standard in the voluntary carbon market for the certifying projects that aim to reduce GHGs emissions, naturally store carbon in the soils through implementation of regenerative practices in the agricultural sector of Agriculture, Forestry and Other Land Use (AFOLU), and contribute to the improvement of Sustainable Development Goals according to the UN’s 2030 Agenda, through a holistic approach.</p> <p>ORMEX PUBLIC REGISTRY is originally designed with ORMEX’ proprietary blockchain solution which enhances</p>

	trustworthiness and tradability. ORMEX provides access to a credible, robust and secure digital platform called the “ORMEX STANDARD REGISTRY PLATFORM” or “the Platform” ( <a href="https://www.ormex.app/registry/">https://www.ormex.app/registry/</a> ). This platform utilizes blockchain technology to assist project holders in carrying out the phases to obtain certification, registration of verified carbon credits (designated “V-ACORs”), and tracking transaction between sellers and buyers on the ORMEX PUBLIC REGISTRY through ordering transfer for reason of offset or re-sale purposes.
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**Preliminary note:** “1” Refers to Confidential information that can be only disclosed to the ICROA staff on a need-to-know basis and the auditors appointed by ICROA for the assessment of ORMEX applying to the ICROA Program Endorsement. ICROA and the auditor organization must not disclose such information to third parties. The documents identified in this submission are communicated to ICROA.

## APPLICATION QUESTIONS

### 1. Independence

#### 1.1 Conflicts of Interest

##### 1.1.1 Provide evidence of the procedure in place to identify and mitigate conflicts of interest (COI) between staff, board members, contractors, and the projects developed under the Programme.

Response here

ORMEX acknowledges the importance of avoiding Conflicts of interest (COI) and maintaining impartiality among all ORMEX’s stakeholders as fundamental principles of its operations and ethical behavior. This is a crucial value for ORMEX as it contributes to the credibility and the reliability of the Voluntary Carbon Market (VCM). ORMEX relies on stakeholders’ confidence in ORMEX ‘s activities and expects them to adhere to high standard in this regard.

All employees, associates, members of the executive/strategic board, managing directors of ORMEX, members of any advisory councils established according to the ORMEX governance model, clients, subcontractors, partners, third-party auditors, and project holders, (collectively referred to as “Stakeholders”) are expected to act in a way that prevents and avoids any COI that could be detrimental to ORMEX and/or other Stakeholders, both in terms of their actions and responsibilities.

Therefore, ORMEX is committed to ensuring impartiality in all its activities based on COI principles - COI is part of the CODE OF ETHICS -and has developed, defined, and documented a [CONFLICT OF INTEREST AND IMPARTIALITY POLICY](#) (COI&IMPARTIALITY POLICY) in order to uphold impartiality and demonstrate ORMEX’s clear understanding of the potential influence that may impact ORMEX as an organization, its employees in the performance of their duties, and/or any decision made by ORMEX

The ORMEX Code of Ethics and the COI & Impartiality Policy, and other documents listed below are publicly available on:

- ✓ <https://www.ormex.io/conflict-of-interest-and-impartiality>
- ✓ as well as at <https://www.ormex.io/documents-library> (under Governance)
- ✓ Stakeholders are invited to read and agree on [ORMEX Code of Ethics](#) when opening an account on the Platform, and employees, directory members and any member of governance or advisory councils are required to comply with the [COI & Impartiality Policy](#) and to sign a COI Statement Form.

**1.1.2 Provide evidence of the COI declaration for all staff, board members and contractors to sign, and provide evidence that the COI declaration has been signed by the relevant parties.**

Response here

➤ **Stakeholders have to sign a COI declaration:**

COI Statement Form for all staff, board members and contractors

Please refer to:

- ✓ The section 2.4.3 of the [ORMEX COI & IMPARTIALITY POLICY](#)
- ✓ The COI Statement Form Template for staff and board/committee members
- ✓ The Engagement Letter Template<sup>1</sup> for Standard Advisory Council (SAC-previously designated OSC) and copies of the signed Letters (attached to the submission-confidential)<sup>1</sup>
- ✓ The copies of the COI Statement Forms signed by the staff, board members and contractors (attached to the ORMEX Submission - confidential)<sup>1</sup>

➤ **COI representation by the Validation Verification body**

Please refer to:

- ✓ The section 2.4.3 of the [ORMEX COI & IMPARTIALITY POLICY](#)
- ✓ The section 1.4 of the [VALIDATION AND VERIFICATION BODIES REQUIREMENTS](#) document, (publicly available on <https://www.ormex.io/documents-library>)
- ✓ The sections 5 and 15 of the [VALIDATION AND VERIFICATION BODY TERMS AND CONDITIONS](#) and the signed copies by the VVBs currently approved by ORMEX (attached to the ORMEX Submission - confidential)<sup>1</sup>
- ✓ The section 1.4 of the Validation and Verification Body Application Form<sup>1</sup>
- ✓ The copies of the signed Validation and Verification Body Application Form (attached to the ORMEX Submission - confidential)<sup>1</sup>
- ✓ The Validation Certificate Form<sup>1</sup> and the Verification Certificate Form (attached to the ORMEX Submission
  - ORMEX\_VVB Validation Certificate \_v1.0\_2023\_06\_08\_EN\_V1
  - ORMEX\_VVB Verification Certificate \_v1.0\_2023\_06\_08\_EN\_V1)
- ✓ The signed copies of the Validation/Verification Forms by the VVB.  
Attached to the ORMEX Submission,
  - ORMEX\_VVB Validation Certificate \_v1.0\_2023\_11\_10\_EN\_V2
  - ORMEX\_VVB Verification Certificate \_v1.0\_2023\_11\_10\_EN\_V1\_EARTHOOD

Public documents related to VVBs are publicly available on Ormex website <https://www.ormex.io/documents-library> under "Verification & Validation Body (VVB).

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<sup>1</sup> Refers to Confidential information that can be only disclosed to the ICROA staff on a need-to-know basis and the auditors appointed by ICROA for the assessment of ORMEX applying to the ICROA Programme Endorsement. ICROA and the auditor organisation must not disclose such information to third parties.

**1.1.3 Provide evidence that the Programme does not have conflict of interest with validation and verification bodies (VVBs) and project developers. Describe how, and at what frequency, the Programme checks to ensure no COIs are present.**

Response here

**Programme does not have conflict of interest with VVB and project developers**

ORMEX organization has no activity and no direct or indirect relationship with any VVB activities or potential Project Holders.

ORMEX is not controlled by other legal entity or group. ORMEX does not have any affiliated companies, branches, or other offices that are involved in the ORMEX PROGRAM and STANDARD.

Please refer to:

- ✓ ORMEX Shareholders Certificate (attached to the ORMEX Submission - confidential) <sup>1</sup>

**Programme COI control**

ORMEX implements necessary measures to ensure that each Project is independently verified. ORMEX has defined conditions and requirements that the VVB must comply with in order to be approved by ORMEX and granted the rights to propose Validation and/or Verification Services.

VVBs must adhere to the [VVB REQUIREMENTS](#), complete the VVB APPLICATION FORM for validation, and sign the [VVB GENERAL TERMS AND CONDITIONS](#) before being authorized to begin any Project assessment. Declarations regarding COI are included in this contractual documentation.

The VVB must provide detailed information about its conflict of interest policy, impartiality, and third-party eye review management as requested by the VVB Application Form. The VVB must also comply with [ORMEX CODE OF ETHICS](#) and declares that they have no COI. Immediate termination will be notified in the event of breach of any representation.

ORMEX regular oversights are implemented and new representation is required when the VVB has to renew the ORMEX's approval.

For Governmental/Regional organization acting as Project Holders, the applicable impartiality rules are those related to Public Procurement Law. Private organizations must provide evidence of their own COI Policy and its implementation.

Any employees or third parties involved in ORMEX STANDARD's activities are required to undergo a COI assessment and sign a conflict of interest statement. This statement requires individuals to disclose and report any real or potential COI to the STANDARD EXECUTIVE or any other relevant designated committee, at any time.

According to [ORMEX COI & IMPARTIALITY POLICY](#), a COI assessment is initiated with all possible threats to COI & Impartiality when:<sup>2</sup>

- ✓ a new Stakeholders is identified (including executive and strategic board and committees' members),

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<sup>2</sup> Section 2.4.1 of the COI&Impartiality Policy

- ✓ ORMEX negotiates with another group entity, for whatever reason,
- ✓ a Clients (Project Holders or Buyers) are registered in ORMEX's Platform,
- ✓ VVB entered into the VVB approval procedure,
- ✓ ORMEX negotiates with suppliers or service providers,
- ✓ it is notified by a Stakeholder of a potential situation from the grievance mechanism or any other form of notification,
- ✓ a potential situation appears following regular or one-off assessment.

Same applies in the event of significant change in ORMEX's activities such as changes in the organizational structure, like implementation of new domain of business, mergers, or acquisitions of other organizations.

In addition, every year an organization COI assessment (including new COI Statement Form to be provided by all directors, managers and employees) is performed. Any changes to the provided information must be promptly notified to the Standard Executive Committee Secretary.

- ✓ Creating the Project Holder Account (Service charged to Project Holders designated "On-boarding on ORMEX STANDARD REGISTRY PLATFORM"): fixed annual price
- ✓ Project Creation, Project Design, Validation and Certification (Service charged to Project Holders designated "Project Certification Service"): fixed price per credit for the estimated quantity of tons of CO2 eq. for the Certification duration
- ✓ Verification of Project Performance and Issuances (Service charged to Project Holders designated "Issuance of V-ACORs on ORMEX PUBLIC REGISTRY"): fixed price per verified net carbon credit
- ✓ Position Keeper & Transfer operation through Ormex platform and registered on Blockchain (Service "Position keeper and Transfer", charged to the Buyers): fixed price according to the volume of transferred carbon credits
- ✓ Verification and Satellite monitoring (Service charged to Project Holders designated "Verification and satellite control"): fixed price /ha/year
- ✓ Technical support (not charged)
- ✓ Credits Reversibility Support (priced on a case by case basis)

ORMEX STANDARD is not involved in the transfer agreement signed between a project holder and a buyer.

#### **1.1.4 Describe how carbon credits from the Programme go to market and the stakeholders involved.**

**Describe the Programme's revenue structure and confirm the Programme is not exposed to the sale price of a carbon credit.**

Response here

ORMEX PUBLIC REGISTRY's original design with ORMEX' proprietary blockchain solution that makes projects more trustworthy and tradeable. ORMEX provides services to Project holders willing to participate in the ORMEX STANDARD program by granting them access to a digital platform (<https://www.ormex.app>) using blockchain technology to assist them in carrying out the various phases provided for by the ORMEX STANDARD up to transfer of credits for reason of offset or re-sale.

As part of the Services, smart contracts on blockchain are deployed using the ORMEX Platform for



the certification of projects, V-ACORs issuances, reservation, and transfer of carbon tokens. All these transactions are automatically tracked on the [ORMEX PUBLIC REGISTRY](#).

This solution requires a project holder and an interested buyer to open a dedicated account on the Platform and be authorized by ORMEX to access the platform following the signature of the General Terms and conditions of use.

ORMEX STANDARD is not involved in the transfer agreement signed between a project holder and a buyer.

ORMEX's revenue structure is related to services to be paid by the Project Holder and Buyers using the Platform/Blockchain and for ORMEX STANDARD management.

The Revenue structure is communicated by the Program to the interest person on demand.

## 1.2 Project Development

### 1.2.1 Describe the Programme's role in the development of carbon credit projects, if any. Confirm the Programme owner / operating entity does not act in the capacity of a project developer.

Response here

ORMEX STANDARD has no role in the development of carbon credit projects.

Based on the EU Directive 2015/849/EU of the prevention of money laundering and terrorist financings, and EU Directive 2018/843 of 30 May 2018 in force since 9 July 2018, transposed into French law (Article L.561-45 French Monetary and Financial Code), legal entities and structures have to declare the "Beneficiary owner" on a dedicated national registry. The legal entities must identify and register all individual owner who directly or indirectly owns more than 25% of the capital or voting rights, or who exercises control over the company's management bodies. ORMEX's Beneficiary Owner registered is the individual, Mrs. Goulmara AGUIAR (funder of ORMEX legal entity).

ORMEX owner and operating entity have no activities with regard to project development.

Please refer to:

- ✓ ORMEX Shareholders Certificate (attached to the ORMEX Submission - confidential)<sup>1</sup>

## 1.3 Marketplaces

### 1.3.1 Describe the Programme's role in the sale of carbon credits, if any. Confirm the Programme does not pursue buyers, act in a brokering capacity, or actively market carbon credits.

Response here

ORMEX does not act in a brokering capacity nor actively market carbon credits. In addition to its role as a Standard and registry role, ORMEX is a technical provider of the Platform. ORMEX does not participate to any commercial agreements between Project Holders and Buyers. The Platform is designed for Project Holders and Buyers to follow a confirmation process that triggers the transfer operation through a smart contract to the position holder and the registration of such operation on the [ORMEX PUBLIC REGISTRY](#).

**1.3.2 If the Programme has a marketplace, describe how the marketplace functions. Provide evidence that the Programme does not set the price of carbon credits that are sold on its marketplace.**

Response here

ORMEX does not act as a marketplace and the prices are fixed exclusively by the buyers and sellers of Carbon credit without ORMEX's participation.

Please refer to

- ✓ Section 3 of the [GENERAL TERMS AND CONDITIONS OF USE OF THE ORMEX STANDARD REGISTRY PLATFORM AND SALES OF ASSOCIATED SERVICES \(GTCUS-PH\)](#) – same section is part of the terms and conditions to be signed by [Buyers](#).
- ✓ The copy of the signed version of the GTCUS-PH, (Section 3 and last page - French version "GTUS – E" attached to the submission – confidential)<sup>1</sup> by the Benin Government for the certified two National-scale grouped projects in Benin (National Regenerative Agriculture: Cashew Trees and National Regenerative Agriculture: maize, cotton, soja).

## 2. Governance

### 2.1 Effective Governance

**2.1.1 Share the Programme's publicly available organisation chart that shows the governance structure, including the makeup of the Board. Describe the responsibilities of the Board.**

Response here

The Governance structure is publicly available on our website through this link: <https://www.ormex.io/ormex-governance>

ORMEX STANDARD is designed by ORMEX, a French legal private entity, registered in a form of "société par actions simplifiée" in accordance with the French Corporate Law (art. L.227-1 – L.227-20 of the French Commercial Code) and acting at the international level. ORMEX is registered in PARIS Trade and Companies Register n° 888 173 218.

All decisions made by ORMEX's corporate directory are in accordance with the rules stated in the articles of association (AoA) and adhere to all applicable regulations. According to French Corporate Law and ORMEX's AoA, all civil and criminal liabilities of the company are clearly defined and apply to both the directory and appointed board executive members, if any. The rules of the corporate Legal representatives align with French Law.

Please refer to:

- ✓ ORMEX Shareholders Certificate (attached to the ORMEX Submission, ATTESTATION URSSAF\_06 2024)<sup>1</sup>
- ✓ ORMEX – Extrait RCS – kbis (attached to the ORMEX Submission, [ORMEX EXTRAIT RCS kbis](#))

ORMEX does not have any affiliated companies, branches, or other offices that are involved in the ORMEX PROGRAM and STANDARD. The registered office of ORMEX in Paris is responsible for all contracts related to its VCM global standards activities.

The members of ORMEX's Standard Executive Committee, Standard Advisory Board, and Strategic Advisory Board are highly experienced individuals with many years of professional background on their respective domains.

Based on this, ORMEX's organization is capable of handling all issues related to the design and evolution of the ORMEX STANDARD and PROGRAM, in order to maintain the expected level of quality in the Voluntary Carbon Market, and to meet the best market requirements.

The Governance main principles are defined in the Section 4 of the [PROGRAM OVERVIEW](#).

There are:

- ✓ Accountability
- ✓ Transparency
- ✓ High integrity

The Governance guiding principles, the organization, the role and responsibilities are set out in the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#).

Please refer to:

- ✓ document [PROGRAM OVERVIEW](#)
- ✓ document [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#)  
(<https://www.ormex.io/documents-library>)

### **2.1.2 Provide evidence of the publicly available description of how appointments are made to leadership, committees, and groups.**

Response here

Leadership appointments are made by ORMEX 's directory following professional interviews, and potential candidates' profiles are shared with Strategic advisors. The Standard Executive Committee is responsible for appointing members of the Standard Advisory Council, and their appointments are valid for one year.

For more details:

<https://www.ormex.io/the-program-committees#SB>  
<https://www.ormex.io/the-program-committees#SEC>

Here are the members of the Standard Advisory Council, visible on: <https://www.ormex.io/the-program-committees#SAC>

The members of the Leaders are visible on: <https://www.ormex.io/operational-management-leaders>

The [PROGRAM OVERVIEW](#) defines the main principle of the Governance structure (Section 4). More information is provided in the Section 2 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#). Additional information is outlined in the SEC BYLAWS and in the SAC BYLAWS, and specifically in some procedures and policies.

These documents outline all the appointment processes and are publicly available on <https://www.ormex.io/documents-library>

#### **Standard Executive Committee (SEC)**

The SEC is responsible for the design and the development of the Program, and for determining or modifying rules and requirements. It is the SEC that decides, among other domains of responsibilities, the responses and actions related to the Grievance Mechanism, conflict-of-interest management, and Ormex's oversight and control of the Validation and Verification phases of the Projects.

There are members by law (CEO, CTO, Head of Legal & Standard, and the General Secretary of the Scientific Advisory Council) and appointed members.

Regular meetings are organized according to the scope of responsibilities.

To have a fully transparent decision-making process, the SEC's major decisions related to the Program are published on <https://www.ormex.io/the-program-committees#sec-decisions>.

### **Standard Advisory Council (SAC)**

The Standard Advisory Council comprises at least 5 members up to 10 members. They are independent experts involved in the Voluntary Carbon Market, SDG program, international bodies or scientists working in relation to the VCM, agroecology or agriculture.

The purpose of the SAC is to provide expertise and guidance on scientific matters, carbon policy and international carbon frameworks related to the Program to the SEC. It must provide its opinion to decisions relating to the Standard requirements before final approval for public edition and - if decided by the Complaint Panel - on topics related to a Complaint notified to the SEC according to the Grievance Mechanism. The SAC may propose guidance to reach an amicable resolution of disputes. The SAC may be appointed by SEC decision to give opinions, advice, recommendations or guidance before the approval of a Methodology, VVB situation, matters from public consultations, or on specific topics. It may be required to contribute to an assessment on a VVB's quality and compliance with the requirements set forth in the VVB REQUIREMENTS document.

### **Specific Expertise**

Where there is either a difference of views, matters of policy or technical expertise issues, the SEC can refer those issues to specific experts for consideration, views, and additional opinions on specific topics.

### **Leaders**

The Leaders have the responsibility of the operational development of the Program, within their dedicated technical domains.

#### **2.1.3 Confirm the Programme complies with all laws and regulations related to the business in the jurisdiction in which it is registered as a business. Provide evidence, as available.**

Response here

ORMEX complies with all relevant laws and regulations. The Company has chosen to have a single internal department that effectively manages legal matters, Standard policies, and quality concerns. The legal department of ORMEX handles all legal issues and seeks support from law firms when necessary. Regular legal assessments of ORMEX's activities are conducted. Currently, ORMEX is not involved in any litigation or facing any legal complaints from public authorities, other private counterparts, or employees.

Please refer to:

✓ The Attestation Urssaf – 06.2024 document (attached to the ORMEX Submission)<sup>1</sup>

#### **2.1.4 Describe how the Programme transparently makes decisions. Provide evidence of decision-making provisions in the bylaws or Terms of Reference of specific decision-making forums.**

Response here

The ORMEX PROGRAM outlines the decision-making provisions regarding the Standard Executive Committee (SEC), whose main role and responsibilities are related to ORMEX STANDARD duties (including concerns regarding grievance and conflict of interests) and PROGRAM decisions. The SEC's major decisions are announced on ORMEX website when necessary <https://www.ormex.io/the-program-committees#sec-decisions>

Please refer to

✓ The Section 4.2.2 of the [PROGRAM OVERVIEW](#)

- ✓ The Section 2.3.3 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#)
- ✓ The section 4 of the SEC BYLAWS<sup>1</sup>
- ✓ The signed minutes of the Standard Executive Committee dated 02 October 2023 (example) (attached to the ORMEX Submission – confidential, 2023\_10\_02\_SEC\_Meeting\_minutes)<sup>1</sup>

**2.1.5 Provide evidence of publicly available procedures and quality control mechanisms to enforce procedures. Describe how these procedures were developed and which standards they are based upon (i.e., ISO 9001, 31000).**

Response here

ORMEX is a young company that is currently developing its internal procedures for quality management and risks assessments in preparation for ISO 9001 and 31000 certifications in the coming years.

Furthermore, the ORMEX PROGRAM combines user’s experiences and feedback with the initial and ongoing involvement of experts and other stakeholders. The diversity of perspectives and high level of expertise ensure a highly qualified program. The ORMEX PROGRAM and STANDARD are designed to be adaptable to new scientific and technological innovations, and aim to incorporate as many best practices, science, and technical expertise as possible.

ORMEXs governance organization regularly monitors scientific and technological advancements, and the SEC and the Standard Advisory Council can request additional recommendations and proposals from scientific or VCM experts as needed.

Any regulatory developments are closely monitored and analyzed. ORMEX provides funding for training programs on ISO 14064-3. (For instance, refer to the attached document: Certificate of attendance IS)<sup>1</sup>

**2.2 Transparency and Publicly Available Information**

**2.2.1 Provide evidence that the following information is publicly available on the Programme’s website and/or in standalone, version-controlled documents:**

- **Operating procedures that include, at minimum, how Programme rules are drafted and revised and how committees are formed, as well as how these are approved by the board.**
- **Methodology development procedures that include, at minimum, requirements for expert involvement and public consultation, and a description of the frequency at which methodologies are updated.**
- **A grievance and redress mechanism that is accessible to project developers, project stakeholders, and the public, and includes, at minimum, a description of how grievances will be addressed by the Programme.**

Response here

The operating procedures, including the Program rules, governance guiding principles are outlined in the [PROGRAM OVERVIEW](#) (Section 4) and the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#), which are publicly available on <https://www.ormex.io/documents-library>.

The Methodology development procedure is described in the Section 7 of the [PROGRAM OVERVIEW](#) and the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#).

According to the Section 4.5 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#), the Program applies a case-by-case revision procedure generated by inputs (Section 4.2) and initiate regular revisions procedure as follow:

- ✓ The quality representative of the SEC must initiate a yearly regular development internal review as per the quality process requirement,

**Large Public scientific and technological review:** The SEC must initiate a large public scientific and technological review for the Methodologies and the standard requirements. At least every 3 calendar years, for the standard requirements and all approved Methodology, or at any time in the event of a consensual SAC decision to have this large review initiated, or following an ad-hoc decision by the SEC, or when there is material modification in science, technology or regulation that has a major impact on the Methodology requirements, or when inputs received are so major that they create the necessity to open an ad hoc one.

<https://www.ormex.io/public-consultations>

The grievance mechanism is described on Ormex website <https://www.ormex.io/grievance-mechanism> and also in the document [GRIEVANCE MECHANISM](#), which is publicly available on <https://www.ormex.io/documents-library>

**2.2.2 If the Programme references other Standards (i.e., CDM additionality tool, methodologies), describe the process in place to ensure that changes to the referenced Standards are reflected in the Programme's processes.**

Response here

For the time being, ORMEX STANDARD does not reference other standards.

### 3. Registry

**3.1 Describe the registry provider and relationship to the Programme. Provide evidence the registry is publicly available and available internationally.**

Response here

ORMEX PUBLIC REGISTRY was originally designed with ORMEX' proprietary blockchain solution to enhance the trustworthiness of projects and traceability of verified carbon credits.

ORMEX offers project holders who wish to participate in the ORMEX STANDARD program access to a digital platform (<https://www.ormex.app/>) to assist them in fulfilling the various phases required by the ORMEX STANDARD in order to obtain certification and registration of verified carbon credits (designated "V-ACORs"), as well as manage them on the ORMEX PUBLIC REGISTRY through the ordering transfer process for the purpose of offsetting or resale.

The ORMEX PUBLIC REGISTRY is publicly accessible (<https://www.ormex.app/registry>) and available for international projects, and it operates independently by the Project Holders or Buyers. There is no third-party registry provider; ORMEX handles it.

Please refer to

- ✓ The GTCUS-PH ([PROJECT HOLDER T&CS](#)) or GTCUS-Buyers ([BUYERS T&CS](#)) for the information about the registry process - <https://www.ormex.io/documents-library>)

### **3.2 Provide evidence that the registry provides public access to underlying project information including, at minimum, project descriptions, monitoring reports, and validation and verification reports.**

Response here

The following documents are publicly available on (<https://www.ormex.app/registry>).

Please follow the link, click on a Certified Project and go to “Attachment” tab.

- ✓ The Project Design Description and attached appendices
- ✓ Any Monitoring Reports (delimited surface in KML files)
- ✓ VVB final Validation Report, Opinion and Certificate
- ✓ VVB final Verification Report, Opinion and Certificate

Here is an example of one of the projects: <https://www.ormex.app/registry/0a4880d5-8940-1052-8189-40fee4be0000>)

### **3.3 Provide evidence that the registry individually identifies units through unique serial numbers.**

Response here

The ORMEX registry identifies carbon credits units through unique serial numbers. Within the issuance Batch, all the credits are unique and have a number associated with each of them. The serial number is constituted with the Project\_Id + Certification Id + Vintage start date and end date and the number of credits within this issuance batch (example from 1 to 1000).

This measures within ORMEX STANDARD are ensured by the blockchain technology used in the ORMEX platform, which assigns a unique registry identification number to each project holder, related projects, and issuances of credits Each Transfer of units is always linked to a particular Issuance, Vintage and a Certified Project

This blockchain technical solution is a significant tool for improving the avoidance of double counting issues. The digital representation of V-ACORs (designated as Carbon Tokens – see definition of the GTCUS), in a form of non-fungible tokens, only exists on the Ormex blockchain application and its registry. They cannot exist outside of it. The digital representation of the V- ACOR allows for its identification. These are not crypto-currencies and they cannot be sold or exchanged in any form on the blockchain. Ormex tokens can only be exchanged through the Ormex registry and only by registered members on Ormex platform.

However, since this is a public blockchain, they are visible as ORMEX tokens that are non- exchangeable outside of the Ormex platform or registry to any technical specialist.



The [ORMEX Public Registry](#), where anyone can see certified projects, issuances, and transfers of V-ACORs, is generated by the ORMEX blockchain application. This public registry is organized to provide a clear view on Certified Projects identified by a unique Identification number and to provide transparency information about the Project's and credits status.

- ✓ [Project ID identification on ORMEX Public Registry](#)
- ✓ [carbon credits units through unique serial numbers](#)

The unique serial number is publicly available on the column "V-ACOR issued" at the date of the V-ACORs issuances by the Project Holder.

### **3.4 Provide evidence that the registry can identify credit status including, at minimum, "issued", "retired", and "cancelled".**

Response here

As part of the technical services provided by ORMEX, smart contracts on the blockchain are deployed by using the ORMEX's Platform/Blockchain for the certification of projects, V-ACORs issuances, reservation, and transfer of carbon tokens for offset or resale purposes. All these transactions initiated and tracked on the blockchain are simultaneously visible on the [ORMEX PUBLIC REGISTRY](#). When ORMEX uses the term "transfer", it refers to the transfer of the digital representation of V-ACORs from one blockchain account to another blockchain account created in the ORMEX blockchain as ordered and confirmed by the account holders through the applicable process. This process requires the new holder to open an account to be known by the registry.

Therefore, the V-ACORs that are "issued", "retired" or "cancelled" public status, are appropriately tracked on the ORMEX PUBLIC REGISTRY.

### **3.5 Provide evidence that the registry has publicly available rules and procedures that include, at minimum, all account holders undertake and pass "know your customer" checks, and a description of how the registry operators guard against conflicts of interest.**

Response here

The rules and procedures related to the Platform/Blockchain that are to be followed by Projects Holders and buyers are described in the [PROGRAM OVERVIEW](#), [STANDARD PRINCIPLES AND REQUIREMENTS](#), and in the document GENERAL TERMS AND CONDITIONS OF USE AND SALE (GTCUS)" that must be signed by Project Holder and Buyer, respectively.

These documents are publicly available on <https://www.ormex.io/documents-library>.

ORMEX applies a [KYC POLICY](#). The Procedure is outlined in the [PROGRAM OVERVIEW](#). It is implemented during the registration of the Project Holders and the Buyers. ORMEX has chosen a KYC independent expert agency for the investigation and apply the KYC process.

Please refer to the PROGRAM OVERVIEW and the KYC POLICY, documents publicly available on ORMEX website <https://www.ormex.io/documents-library>



**3.6 Provide evidence that registry functions, programme documents, and methodologies are available in English.**

Response here

Yes, all documentation and functions are in English. (<https://www.ormex.io/documents-library> and <https://www.ormex.app/registry>).

Here are some of the main documents:

[ORMEX PROGRAM v1.1 EN 2024 SEPT 27.pdf](#)

[STAKEHOLDERS-PUBLIC-CONSULTATION v1.0 EN 2024 SEPT 27.pdf](#)

[GOVERNANCE AND PROGRAM DEVELOPMENT v1.0 +2024 SEPT 27 EN.pdf](#)

[STANDARD PRINCIPLES AND REQUIREMENTS v1.3 2024 SEPT 27 EN.pdf](#)

[METHODOLOGY ERA v2.5 2024 SEPT 27 EN.pdf](#)

**3.6.1 Confirm understanding that where the Assessor seeks evidence that is not available in English (i.e., when doing spot checks of project documents) ICROA may have to charge the Programme a fee to have the relevant document translated.**

Response here

Noted

## 4. Validation and Verification

### 4.1 Third-party validation and verification

**4.1.1 Provide evidence that all projects are verified to a reasonable level of assurance as defined in ISO 14064-3**

Response here

The robustness of Project's audits is a key objective of the Ormex's Program. Confidence in the Project, consistency, transparency, and integrity cannot be achieved without high-quality auditing and verification processes.

The Program requires that:

- ✓ The Validation and Verification shall be carried out by the VVB in compliance with ISO 14064-3:2006 and ISO 14065:2013
- ✓ A "high" or "positive" assurance regarding the degree of confidence related to material errors, omissions, and misrepresentations. This assurance applies to both Validation and Verification.

Please refer to:

- ✓ Section 7 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#)
- ✓ Section 3 and 4.1 of the [VALIDATION AND VERIFICATION BODY REQUIREMENTS](#)
- ✓ The [VVB Application Form](#)
- ✓ The [VALIDATION AND VERIFICATION BODY GENERAL TERMS AND CONDITIONS](#)

The documents are publicly available on <https://www.ormex.io/documents-library>.

## 4.2 VVB Qualifications

### 4.2.1 Provide the list of approved VVBs and a link to where this is published on the Programme's website.

Response here

The following VVB are approved by ORMEX for the duration of their international accreditation:

- ✓ **Earthood Services Private Limited**, 1203-1205, 12th Floor, Emaar Digital Greens, Tower B, Golf Course Extension Road, Sector 61, Gurugram, Haryana 122011.  
Approval up to February 9, 2029 (end date of international accreditation)
- ✓ **Carbon check Private Limited**, 2071/38, 2nd floor, Naiwala, Karol Bagh, New Delhi-110005  
Approval up to June 27, 2029 (end date of international accreditation)

<https://www.ormex.io/approved-vvbs>

### 4.2.2 Confirm the organisation has at least two organisations approved as VVBs, or an explanation of why not, if fewer than two are approved.

Response here

Yes, ORMEX has two VVBs with AFOLU background approved. <https://www.ormex.io/approved-vvbs>

### 4.2.3 Provide evidence of the publicly available list of qualifications for VVBs that includes, at a minimum,

- requirements that VVBs must be accredited under a relevant accreditation programme, such as ISO 14065, CDM/A6.4 Accreditation programme, etc.
- that VVBs may only perform validation and/or verification activities for the sectoral scope for which they have been accredited.

Response here

The VVB approval procedure is outlined in section 7.1 of the document [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#), and section 2.1 of the document [VVB REQUIREMENTS](#) (<https://www.ormex.io/documents-library>.)

The VVB must provide the necessary information and documentation required by the VVB Approval Procedure and be engaged by the [VALIDATION AND VERIFICATION BODY \(VVB\) GENERAL TERMS AND CONDITIONS](#) before any approval by the ORMEX STANDARD.

Among other eligibility conditions listed in the [VVB REQUIREMENTS](#) document, the VVB must demonstrate:

- ✓ International Accreditation by the UNFCCC CDM executive board or accreditation in relation to the current edition of ISO 14065 and ISO 14066 by a member body of the International Accreditation Forum (IAF).
- ✓ Capacity to assign proper expertise on AFOLU subsectors.
- ✓ Appropriate organization and resources for the delivery of Validation or Verification Services.
- ✓ Appropriate internal processes on Conflicts of interest and Impartiality assessments.
- ✓ Implementation of Internal quality processes and risks management.
- ✓ Existence of a grievance procedure.

ORMEX Standard is specifically dedicated to the agriculture sector. Therefore, they are accredited for validation/verification only in the agriculture sector.

Section 1 of the [VALIDATION and VERIFICATION BODY REQUIREMENTS](#) set out the eligibility conditions the VVB must comply with to be accredited by the Ormex's Program.

**4.2.4 Describe how, and at what frequency, the Programme checks the qualifications of the Programme's approved VVBs against the list of requirements.**

Response here

The VVB's approval is valid for the duration of its international accreditation. Consequently, its approved VVB status terminates with the expiration of this accreditation and it must renew it in order to require the renewal of ORMEX's approval, and to continue performing Validation and/or Verification Services under ORMEX STANDARD.

This international accreditation must be in effect at the time of the submission of the VVB APPLICATION FORM and throughout the Validation and/or Verification Phases, as well as during the submission of the final version of its opinion, final report, and certificates.

ORMEX will ensure that the international accreditation is effective at the time of the VVB's approval decision pursuant to the VVB Approval Procedure outlined in Section 4 of the [VVB REQUIREMENTS](#), and that it is not suspended or revoked during the duration of the VVB Role. If the Approved VVB fails to fulfill its obligations or warranties according to its VVB Role as stated in the [VVB GENERAL TERMS AND CONDITIONS](#) or fails to provide Validation or Verification Services, ORMEX may terminate its approval.

ORMEX will ensure that the international accreditation is effective at the time of the VVB's approval decision pursuant to the VVB Approval Procedure outlined in Section 2.1 of the [VVB REQUIREMENTS](#), and that it is not suspended or revoked during the duration of the VVB Role. If the Approved VVB fails to fulfill its obligations or warranties according to its VVB Role as stated in the [VVB GENERAL TERMS AND CONDITIONS](#) or fails to provide Validation or Verification Services, ORMEX may terminate its approval (Section 3.3.1 of the [VVB REQUIREMENTS](#)).

The [VVB GENERAL TERMS AND CONDITIONS](#) govern the termination or suspension of the VVB Role.

Additionally, ORMEX conducts regular audits of the Approved VVB. An audit is carried out every three (3) years by a certified ISO/IEC 17011 third-party body appointed by ORMEX STANDARD. ORMEX also reserves the rights to initiate unscheduled performance audits with a minimum notice of five (5) calendar days.

If poor VVB performance is reported to ORMEX STANDARD EXECUTIVE COMMITTEE (SEC), (by Project Holder or Accreditation Body), ORMEX may take dedicated improvement measures. If the Approved VVB does not implement corrective actions, ORMEX may report the poor performance to the Accreditation body. In cases of major poor performance or breach of VVB's commitments, ORMEX may decide to suspend or revoke the VVB Role through the termination of the [VALIDATION VERIFICATION BODY TERMS AND CONDITIONS](#) signed with the VVB (<https://www.ormex.io/documents-library>).

**4.2.5 If applicable, describe the rules that outline the scenarios when it is acceptable to have validation or verification completed by a qualified individual (sole proprietor). Describe what qualifications are required of the individual.**

Response here

ORMEX does not have a scenario in which an individual can be granted a VVB role. ORMEX refers specifically to VVB being a legal entity with appropriate organization, staff qualifications and skills.

**4.3 Programme Oversight of VVBs**

**4.3.1 Provide evidence of the publicly available procedure for providing oversight to VVBs that includes, at minimum:**

- **Requirements for the VVB to prove independence from the Programme, market, and project.**
- **At least two individuals involved in validation and/or verification of each project (peer review)**
- **Minimum requirements for site visits are specified**
- **A rule on what number of sequential verifications are allowed before the project must be verified by a new VVB.**
- **Procedure for spot checks on quality of validation/verification reports, and mitigation plan**

Response here

**4.3.1.1 Requirements for the VVB to prove independence from the Programme, market and project**

ORMEX implements necessary measures to ensure that each Project is independently verified. (refer to section about conflict of interests). ORMEX has defined certain conditions and requirements that the VVB must comply with in order to be approved by ORMEX and granted the rights to propose Validation and/or Verification Services.

ORMEX has defined on the publicly available [VALIDATION AND VERIFICATION BODY REQUIREMENTS](https://www.ormex.io/documents-library) document (<https://www.ormex.io/documents-library>) and [ORMEX VVB Application+Form TP EN v1.1 2024 09 27.pdf](#), an oversight procedure that includes:

✓ Avoidance of conflict of interest (Section 1.4.1)

Ormex applies its [CONFLICT OF INTEREST AND IMPARTIALITY POLICY](#) to oversight the COI situation in relation with the VVB. In addition, according to the Sections 1.4.1, the VVB is requested to prove it has its own COI procedure and appropriated organisation dealing with the COI risks and how it deals with them when a potential COI situation is identified.

VVB is committed to additional professional and high-quality representation through the effective [VALIDATION AND VERIFICATION BODY GENERAL TERMS AND CONDITIONS](#).

#### 4.3.1.2 At least two individuals involved in validation and/or verification of each project (peer review)

ORMEX has defined on the publicly available [VALIDATION AND VERIFICATION BODY REQUIREMENTS](#) document and [VVB Application Form](#),

(<https://www.ormex.io/documents-library>) an oversight procedure that includes:

- ✓ Impartiality including avoiding internal self-review, implementation of peer-review process, avoidance of intimidation, restriction of appointment, and ensuring impartial decision-making (Section 1.4.2)
- ✓ A single person can never be granted the VVB Role

#### 4.3.1.3 Minimum requirements for site visits are specified

As per Section 4.3 of the [VVB REQUIREMENTS](#) document (<https://www.ormex.io/documents-library>) a site visit and stakeholders 'meetings are required.

#### 4.3.1.4 A rule on what number of sequential verifications are allowed before the project must be verified by a new VVB.

The Project Holder must not select an Approved VVB in compliance with the following restriction rules as stated in the table below:

	Validation	First Verification	Subsequent Verifications
Past-started Projects	Same VVB Combined Validation/ Verification for past Vintages		Same VVB may perform the first and the second Verification (whatever the number of Vintages covered), provided the second Verification is initiated within the 3 calendar years following the date of the Submission for the combined Validation/Verification  Every subsequent Verification (whatever the number of Vintages covered). must be performed by different VVB.
Future Projects	Same VVB may perform the first Verification if it is initiated within the 3 calendar years (whatever the number of Vintages covered) following the date of the Submission for Validation		If the same VVB has performed the Validation and the first Verification (whatever the number of Vintages covered), the third Verification must be done by another VVB.  If not, the same VVB which performed the Validation may perform the second Verification (whatever the number of Vintages covered).  Every subsequent Verification must be performed by different VVB.
Exceptional situation	<ul style="list-style-type: none"><li>✓ Due to logistical constraints, like <i>absence of alternative option</i><sup>49</sup>, the Project Holder can appoint the same VVB.</li><li>✓ In such cases, the Project Holder must justify this exception. The Verification Report of the VVB shall identify its involvement on the Validation part. and, when possible, in consideration of the constraints, assign competent Assessors other than the Assessors having performed the Validation.</li></ul>		

#### **4.3.1.5 Procedure for spot checks on quality of validation/verification reports, and mitigation plan**

The Section 2.1 and 5.1 of the [VVB REQUIREMENTS](#) set out the spot checks performed by Ormex on quality of validation/verification reports, and mitigation plan.

#### **4.3.2 Provide evidence that the procedure described in Section 4.3.1 is being followed.**

Response here

Refer to the attached document ORMEX\_OV\_OR.VAL.23.11\_2023\_11\_09 (attached to the submission)<sup>1</sup>.

#### **4.3.3 Describe the capacity building support the Programme provides to the VVBs, including onboarding, training, and explanations of what the VVB must look at when completing validations and verifications.**

Response here

##### VVB Approval procedure:

ORMEX initiates several meetings with a VVB that would like to be approved by ORMEX Standard.

Refer to Section 2.1.2 of the VVB REQUIREMENTS

To apply for the Approved VVB status, VVBs must submit the [VALIDATION AND VERIFICATION BODY APPLICATION FORM](#) and sign the VALIDATION AND VERIFICATION BODY GENERAL TERMS AND CONDITIONS

##### VVB onboarding procedure

When approved, ORMEX initiates an onboarding meeting with the VVB to introduce the respective team, answer any question, clarify ORMEX standard principles and requirements, and provide a demonstration of the Platform and the Framework methodology and tools.

During the Validation/Verification process, the Approved VVB can ask ORMEX any question necessary questions.

#### **4.3.4 Provide evidence of the procedure that ensures VVBs operate to the spirit of the Standard and projects are working towards the goals of the Programme.**

Response here

The Ormex's Program ensure the VVB operates to the spirit of the Standard and projects are working towards the goals of the Programme through:

- ✓ A clear Program' spirit and objectives set out in the [PROGRAM OVERVIEW](#) (Section 2) and in the [VVB REQUIREMENTS](#) (Section 1).
- ✓ The document which is communicate to the VVB during the Approval Procedure.
- ✓ The implementation of clarification meetings during the Approval Procedure (Section 2.1.2 of the [VVB REQUIREMENTS](#))
- ✓ The Implementation of a training program for the completion of the Onboarding phase of approved VVB (Section 2.2 of the [VVB REQUIREMENTS](#)).
- ✓ The VVB commits to comply with the [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) by signing the [VALIDATION AND VERIFICATION BODY GENERAL TERMS AND CONDITIONS](#).

Refer to the attached document ORMEX\_OV\_OR.VAL.23.11\_2023\_11\_09<sup>1</sup>

## 5. Carbon Crediting Principles

### 5.1 Unique

#### 5.1.1 Provide evidence of the procedure in place that ensures carbon credits are not double counted.

Response here

#### Avoidance of double-counting at Standard level

To avoid double-counting with another standard mechanism, ORMEX applies the following principles:

- ✓ The Project Holder is committed not to register the Project on any other Standard Mechanism. The Project Holder is required to make an appropriate representation and warranty regarding the registration of the Project to a unique standard mechanism for the Certification.
- ✓ ORMEX STANDARD performs its own overview.
- ✓ ORMEX STANDARD (Section 5.4.1) and the [VALIDATION AND VERIFICATION BODY REQUIREMENTS](#) (Section 3.11.2.2) requires the Selected VVB to control any overlap and to inform ORMEX immediately of any double-counting situations with different Standard mechanisms.

#### Avoidance of double counting in the Registry

The Ormex blockchain plays a central role. ORMEX Public registry is originally designed on ORMEX's proprietary blockchain solution. All project certifications and verified carbon credits issuances take place on ORMEX blockchain through a digital unique representation in a form of non-fungible tokens. Therefore, measures to avoid Double Counting (double claiming or double issuance) are ensured by the blockchain technology used in the ORMEX Platform. This technology assigns a unique registry identification number to each project holder, related projects, issuances and carbon units. Unlike other standard, the original blockchain solution does not allow the separation of verified carbon credits issuances from a Certified Project and its digital representation in a form of non-fungible tokens. Both are registered in smart contracts. The V-ACORS' digital representation, when registered in ORMEX registry, cannot exist outside of the Registry and ORMEX's Blockchain application. Consequently, the sole digital representation of V-ACORS is on Ormex blockchain. This is the main difference compared to other standards.

Therefore, each V-ACOR unit through its digital representation (carbon tokens), has a serial number with Project ID, Certification ID, Issuance ID, vintage start date and end date as well as the unique unit Id assigned to each credit. It also includes Certification ID. This digital representation allows for identification of the V-ACOR. As mentioned in sections above and for clarification, ORMEX' non fungible tokens are not cryptocurrency and are not sellable or exchangeable in any forms on the blockchain, but solely through Ormex registry and only by the members registered on Ormex platform having a blockchain account.

[ORMEX PROGRAM](#) (Section 7.3.2) details the safeguard measures that are implemented by ORMEX in the event of double-counting situation.



## 5.2 Real

### 5.2.1 Provide evidence that carbon credits are measured, monitored, and verified ex-post. Identify any methodologies under the Programme that issue carbon credits ex-ante.

Response here

#### ➤ Carbon credits measured, monitored and verified ex-post

V-ACORs are verified ex-post. They undergo measurement, monitoring, and verification during the Verification phase by the selected VVB.

The [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) document (Section 5) describes the requirements related to past and future projects.

#### ➤ Ex-ante carbon credits

As a Project needs upfront finance when it is most needed (implementation costs can be significant before the Verification Phase), ORMEX STANDARD has created V-ACOR-FUT, for ex- ante credits.

These credits represent intended GHG emission reductions and/or CO2 removals that will occur in the future but have not yet been verified. Until verification, the digital representation of V-ACORs FUT is issued as specific V-ACORs FUT and cannot be resold or offset. They can

only be reserved in a beneficiary' account as requested by the Project Holder until their verification is confirmed.

The Project Holders use the Platform to initiate the reservation of V-ACORs-FUT in favor of the identified Carbon Buyer, according to their related engagement.

Following completion of the verification, the reserved V-ACORs-FUT are cancelled and an equivalent volume of V-ACORs is issued on the ORMEX PUBLIC REGISTRY for transfer to the beneficiary.

V-ACORs-FUT are only applicable for a Certified Project that has already started, and only for 10 vintages, without exceeding the term of the ORMEX PROJECT CERTIFICATION.

- ✓ The [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) document (Section 5.5) describes the process applicable to V-ACORs-FUT.

## 5.3 Permanent

### 5.3.1 Identify the project types under the Programme that have a risk of reversal. Describe the Programme's requirements for a multi-decadal term/commitment by the project developer.

Response here

While it is impossible to scientifically guarantee a permanent situation, droughts, natural disasters, and agricultural practices can release stored carbon, and any destocking can lead to the re-emission of carbon into the atmosphere. ORMEX's intention is to require the Project holder a strong risk assessment to consider, address, and limit the risks that may reduce the efforts towards emission reduction or Removal by causing a "reversed" situation. The ORMEX standard, being agroecology-based, participates in the risk mitigation by requiring the Project Holder to implement a project that considers ecosystem functions such as water filtration and retention, soil life, crop auxiliaries, and plants diversity. All ecosystem functions are part of the agriculture resilience model to face and limit the impact of droughts and floods.

A reversed situation occurs when an unexpected event happens during the Project Timeline that accelerates GHG emission to a level that exceeds what would have occurred had the Project never happened. If a natural disaster cannot be avoided in agriculture, the impact may be limited on carbon



storage in the soil and soil biomass.

Nevertheless, ORMEX STANDARD has established non-permanent rules and requirements aimed at strengthening the Project Holder's "motivation" to uphold the Regenerative Activities throughout the Project Timeline.

- ✓ The project can only be certified under ORMEX STANDARD for 10 years (from its Certification Date with regard to a future Project, or related to 10 Vintages for Past- Started Project) regardless the Project Timeline. ORMEX STANDARD Certification must be renewed upon demand according to the Certification Renewal.
- ✓ The Non-Permanency Risks assessment must be implemented by the Project Holder as part of its risks management and reviewed by the Selected VVB during the Validation and the Verification.
- ✓ According to Section 3.1.1 of the [ECOSYSTEMIC REGENERATIVE AGRICULTURE METHODOLOGY FRAMEWORK](#) document, the Project timeline must be at least 20 calendar years during which the Project Holder is committed to pursuing the Regenerative Activities.

### **5.3.2 For projects with a risk of reversal, describe the requirements for the project to complete a risk mitigation plan that includes, at minimum, a description of how risks of reversal will be minimised.**

Response here

A Risk management is required from the Project Holder

- ✓ The Non-Permanency Risks assessment is necessary to determine the Risks assumptions and risks exposures, and consequently the Risks Buffer output. It is requested from the Project Holder to identify mitigation or recovery action.
- ✓ The Non-Permanency Risks analysis must be monitored according to the Selected Methodology, or if not specified annually. Evidence of such monitoring must be provided to the Selected VVB upon request.
- ✓ The Risk Buffer definition rules are defined in [ORMEX ECOSYSTEMIC REGENERATIVE AGRICULTURE FRAMEWORK METHODOLOGY](#) document in Section 4.3 (<https://www.ormex.io/documents-library>).

### **5.3.3 For projects with a risk of reversal, describe the risk mitigation mechanism(s) in place to ensure any carbon credits lost to intentional or unintentional reversals are replaced.**

Response here

Based on the risk management requirements:

- ✓ The Project must quantify the Risks Buffer for the Project Timeline and for every year. The total Buffer Volume of tCO<sub>2</sub>eq. and every yearly volume are identified in the Project Design Description,
- ✓ A Buffer Adjustment (Section 4.8.2.5 and 4.8.2.6) and a reversal procedure (Section 7.8.3) are implemented by the Program to take in consideration the risk management and the occurrence of un-avoidance and avoidance events that may impact the Carbon Quantification (refer to the STANDARD PRINCIPLES AND REQUIREMENTS)

**5.3.4 Provide evidence that the requirements and mechanisms described in Sections 5.3.1-5.3.3 are in place and followed.**

Response here

Please refer to section 6 of the [ECOSYSTEMIC REGENERATIVE AGRICULTURE FRAMEWORK METHODOLOGY](#) document, Section 6 (<https://www.ormex.io/documents-library>), which outlines the risk management mechanism requirements Projects must comply with.

Refer to the Annex 9a of the Project Design Description associated to the project Ecosystemic Regenerative Agriculture: Cashew Tress - [https://www.ormex.app/registry/Ecosystemic Regenerative Agriculture - Cashew Trees](https://www.ormex.app/registry/Ecosystemic%20Regenerative%20Agriculture%20-%20Cashew%20Trees).

**5.4 Additional**

**5.4.1 Describe the methods the Programme uses to assess additionality.**

Response here

The [ADDITIONALITY METHODOLOGY](#) document provides details about the requirements to determine additionality. This document is publicly available on <https://www.ormex.io/documents-library>.

**5.4.2 If the Programme pre-defines certain projects as automatically additional (e.g., through a “positive list” of eligible project types), describe how the activity was determined to be additional. Provide evidence that the criteria for such positive lists are publicly disclosed, and conservative.**

Response here

The positive list is described in section 2 of the [ADDITIONALITY METHODOLOGY](#).

As stated by the United Nations Conference on Trade and Development UNCTAD/ALDC/2018/4 12, with regard to the SDG 13, *“the challenges posed by climate change are especially pressing for LDCs and small island developing States (SIDS). Like other developing countries, these economies are obliged to integrate responses to climate change into their national development strategies, but they are more heavily affected than others by the impacts of climate change.”*

The Project Holder must demonstrate that the Project enters into one of the following assumptions to be automatically identified as Additional:

- ✓ The Project is located in a Least Developed Country (LDC) [<https://www.un.org/ohrlls/content/list-ldcs>], OR
- ✓ Small Island Developing States (SIDS) [<https://www.un.org/ohrlls/content/list-sids>], OR
- ✓ A Landlocked Developing Country (LLDC) [<https://www.un.org/ohrlls/content/list-lllcs>].

The criteria for LDCs and SIDs were established considering the main recommendation of the Clean Development Mechanism (CDM) under the Kyoto Protocol and CMA negotiation on Art6 of Paris Agreement, on the necessity to encourage the sustainable development and climate action in these lower-income countries, through given special considerations.

The criterion to include LLDCs in the positive list is based on Multidimensional Vulnerability Index (MVI) of United Nations, published in February 2024: *“The MVI results by country characteristics show that, on average, LDCs, LLDCs and SIDS are the most vulnerable groups.”* [High level panel on the development of a Multidimensional Vulnerability Index, FINAL REPORT, 2024, p.42 [https://www.un.org/ohrrls/sites/www.un.org.ohrrls/files/final\\_mvi\\_report\\_1.pdf](https://www.un.org/ohrrls/sites/www.un.org.ohrrls/files/final_mvi_report_1.pdf)]

Although the assessment of a country’s economic development, resources for investment, and the need for international assistance is often determined by a country’s national income and assets, measured by its GNI pc, the MVI moves beyond the confines of Gross National Income (GNI) per capita.

It establishes a recognition that a country's vulnerabilities to exogenous shocks and stressors are an impediment to its sustainable development and should be taken into account in determining its eligibility for development assistance, particularly if it also lacks inherent resilience.

Countries as LLDCs prone to external shocks and stressors are structurally vulnerable. While in theory, wealthier countries should typically have more resources to manage the impacts of shocks and stressors, in practice, many countries exhibit much higher levels of vulnerability than their income levels would suggest. Such countries deserve special assistance, particularly if they also lack inherent resilience.

The Multidimensional Vulnerability Index is determined, according to 26 indicators and has two pillars:

- 1) **structural vulnerability**: the risk of a country’s sustainable development being hindered by recurrent, adverse, exogenous shocks and stressors.
- 2) **lack of structural resilience**, represent the inherent and structural factors that contribute to mitigating the long-term impacts of external shocks and stressors, while also facilitating a more rapid transition out of vulnerability.

Each of these two pillars has 3 dimensions: economic, environmental and social, representing the country’s inherent and inherited factors.

The reason is the structural barriers preventing the development of carbon projects in lower income countries which have low capacity-building to support the design of sustainable climate projects (such as lack of technical, financial resources, or data barriers). In LLDCs, the reason is linked to their geographical position, generating structural vulnerability barriers and the severe lack of structural resilience, with resources typically allocated to manage the impacts of shocks and stressors, rather than the development of carbon projects in these countries.

This simplified process reduces such burdens and positively influences the development of the carbon projects in these most vulnerable countries and supports them to face the climate impacts on their population.

## 5.5 Measurable

### 5.5.1 Provide evidence that carbon credits are issued from project-based standards and methodologies. Describe any methodologies where carbon credits are issued from a product-based methodology or via lifecycle assessment.

Response here

ORMEX STANDARD is dedicated to agriculture. A framework methodology is proposed and must be applicable for all projects, with approved additional sub-methodology if any.

Quantification using the FAO tool is mandatory. The quantification methodology is explained in Section 4 of [ORMEX Methodology Framework](https://www.ormex.io/documents-library). (<https://www.ormex.io/documents-library>).

**5.5.2 Provide evidence of procedures in place to ensure projects are measurable and backed by data. These procedures must include, at minimum, requirements for:**

- **All projects to clearly define the business-as-usual baseline scenario.**
- **All projects to identify and mitigate leakage of emissions.**
- **Projects to use conservative estimates if real project data is not available.**
- **All projects to re-calculate baselines, at minimum, upon each crediting period renewal.**

Response here

The ORMEX Standard and Methodology require Projects to be measurable and backed by data, as follow:

- ✓ **Baseline Scenario:** The project holder must demonstrate a net positive balance compared to a reference scenario (Baseline Scenario -BS) and it must be measured for the same total surface area of the project scenario. Among the different potential scenarios possible, the project should choose the most likely land use and/or land management in the absence of project implementation. If any, the degree of conservativeness and uncertainties of the selected BS should be indicated. Additionally, the Project should determine any existing government policies and legal requirements that support the determination of the selected BS that might have an impact on it. The Selected Methodology can provide additional information to determine the choice of the appropriate BS. (Sections 5.3)
- ✓ **Leakage:** ORMEX STANDARD considers significant Leakage. It must be determined and quantified according to the selected methodology. A “significant” leakage is defined as greater than the de minimis threshold of 5 percent of the total estimated carbon quantification (Gross quantification). (section 4.8.2.1)  
The section 4.1.6 of the [ERA METHODOLOGY](#) defines the leakage and the method of calculation.
- ✓ **Conservative estimates if real project data is not available:** ORMEX STANDARD requires a robust project design with reliable and accurate assumptions based on conservatism principles. The Project must clearly state all assumptions, carbon pools, and sources of data used to estimate the expected Carbon Positive Impact, and demonstrate that these meet the requirements of the selected methodology. The monitoring report must record data, methods used (Tier 2, 3 or 1), parameters, and results. It should be noted that the ORMEX STANDARD mandates the methodology to propose a Tier 3 or Tier 2 method (with a possibility of Tier 1 in some non-significant data). (Section 8).
- ✓ **New estimation of the BS:** The Project Holder is required to monitor any occurrence of changing circumstances impacting the BS. These occurrences should be identified and the potential impact described. The Approved VVB appointed by the project holder for the verification will analyze the relevant impact of the changing circumstances on the Carbon Quantification.  
Additionally, for the renewal of ORMEX certification, the project holder must conduct an internal audit to the Baseline Scenario and identify any major changes that impact the quantification. (Section 7.3.2).

The above-referenced sections are related to the document [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) - <https://www.ormex.io/documents-library>.

All the quantification aspects are explained in Section 4: Carbon Impact Quantification of [ECOSYSTEM REGENERATIVE AGRICULTURE METHODOLOGY FRAMEWORK](#).

**5.5.3 Provide evidence that all methodologies under the Programme have monitoring requirements that are validated and verified for each project.**

Response here

ORMEX STANDARD has decided to implement a framework methodology that all other subsequent methodologies must comply with in order to respond and adapt to the territorial diversity and complexity of agricultural activities.

As per sections 9.5 and 9.6 of the [PROGRAM OVERVIEW](#), the section 6.3 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#), Section 3.13.1 of the [VVB REQUIREMENTS](#), and Section 7.2.5 of [ECOSYSTEMIC REGENERATIVE AGRICULTURE METHODOLOGY FRAMEWORK](#), the Project Holder must implement a Monitoring plan that must be validated and verified by the VVB.

These sections outline the Monitoring requirements, reporting and verification.

<https://www.ormex.io/documents-library>.

**5.5.4 Demonstrate that the Programme's methodologies are based on scientifically robust or peer-reviewed methods and go through a public consultation process.**

Response here

ORMEX STANDARD and its associated methodologies are based on a peer-reviewed methods that have undergone consultation with the Standard Advisory Council and the public.

The copy of the SAC (previously designated "OSC") first meeting (2023.06.16) (attached to the submission -confidential)<sup>1</sup>

Refer to:

- ✓ Section 7.2 of the [PROGRAM OVERVIEW](#) related to the approval procedure of the Methodology.
- ✓ Section 6.1 of the [PROGRAM OVERVIEW](#) that describes the principles apply by Ormex with regard to the Program Development and public consultation process.
- ✓ The Section 4.3.2 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#), that set out the rules applicable on these topics.
- ✓ The SAC Bylaws (Section 1)<sup>1</sup>.

These documents are publicly available in <https://www.ormex.io/documents-library>.

## **6. Environmental and Social Impacts**

**6.1 Provide evidence of the publicly available rules and requirements that ensure all projects identify and mitigate and potential environmental or social impacts. These rules and requirements must include, at minimum, the "No Net Harm" principle is fulfilled by all projects.**

Response here

ORMEX Standard is rooted in agroecological principles. As a result, it employs an ecosystemic approach, which means that environmental and social impact objectives (both mandatory and optional ones) must be incorporated into the project design and monitoring, rather than being treated as an add-on. ORMEX STANDARD aims to certify a combination of positive impacts on climate security (SDG 13), specifically in terms of carbon benefits, as well as specific environmental, biodiversity, and social objectives chosen by the project holder. To achieve this, the project holder must determine the appropriate environmental, biodiversity, and social objectives as outline in the selected methodology. By selecting these objectives, the project holder agrees to monitor and take actions to improve them based on the project's capabilities

and performance.

Please refer to Section 5.6.2 and 6.3.4 of the [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) document related to the Ecosystemic Benefice and their Monitoring, as well as the [“Ecosystemic Regenerative Agriculture” framework methodology](#) document for further information - <https://www.ormex.io/documents-library>.

Furthermore, the eligibility of the project necessitates representation of human rights, compliance with non-discrimination principles, and adherence to non-deforestation conditions. (Section 4 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#)).

As set out in section 6.2.1 of the [PROGRAM OVERVIEW](#), the “do-no-harm” requirements are defined in the [STANDARD PRINCIPLES AND REQUIREMENTS](#) in the Section 5.7. This Section set out the requirements and how the Project Holder must fulfill them. As per this section, the Project must apply a “do-no-harm” principal in treating nature, biodiversity and people within the Project. Thus, a Project implementation must not cause environmental, biodiversity or social damages, negative impacts, or adverse effects when the Project will be implemented (the Adverse Effects). This means that the Project Holder must assess the potential Adverse Effects that may be caused by the Project Design or by the implementation of the Project. It must consider that the negative impacts (by design or implementation) must be discovered during the Project duration.

Consequently, the Project Holder must design the Project carefully to avoid the Adverse Effects (Section 5.7.1) and, implement a continuous Do-no-harm vigilance and safeguard measures to identify and monitor them as part of its Risk Management. (Section 5.7.2). The Project Holder must demonstrate how the Do-no-harm vigilance requirements as stated above are organized and implemented. This demonstration has to be done towards the VVB during the Validation and Verification. The Project Holder must provide to the Selected VVB the appropriate evidences to demonstrate its compliance.

**6.2 Provide evidence of how projects undertake a risk assessment for potential environmental and social impacts. Confirm this is included in the project documents that undergo validation or verification.**

Response here

The Risk assessment is part of the [PROGRAM OVERVIEW](#) (Section 8).

As per the [STANDARD PRINCIPLES AND REQUIREMENTS](#), it is required from the Project Holder:

- ✓ to have the environment and social risk included in its Monitoring Plan and Risks Management (Section 5.7) as part of the project design eligibility conditions,
- ✓ to comply with the continuous Do-no-harm vigilance requirements by explaining in its Monitoring Plan how it intends to comply with it and to have related information recorded in its risk management. (Section 6.2.3), as part of its Project Plan,
- ✓ to do a yearly Risk Management review related to risks as per Section 6.3.5.
- ✓ to demonstrate how the Do-no-harm vigilance requirements as stated above are organized and implemented. This demonstration has to be done towards the VVB during the Validation and Verification. The Project Holder must provide to the Selected VVB the appropriate evidences to demonstrate its compliance.

The VVB must assessed for the Validation (Section 3.12.1) and the Verification (Section 3.13.1) as per the [VVB REQUIREMENTS](#).



The Section 6 of the [ECOSYSTEMIC REGENERATIVE AGRICULTURE FRAMEWORK METHODOLOGY](#) provides further information for the setup of the risk management table.

All the document refer below are publicly available on the <https://www.ormex.io/documents-library>)

Please refer to:

- ✓ The section 8 of the document [PROGRAM OVERVIEW](#).
- ✓ The sections 5.7, 6.2.3, and 6.3.5 of the [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#).
- ✓ The section 6 of the [ECOSYSTEMIC REGENERATIVE AGRICULTURE FRAMEWORK METHODOLOGY](#).
- ✓ The sections 3.12.1 and 3.13.1 of the [VALIDATION AND VERIFICATION BODY REQUIREMENTS](#).
- ✓ Application of a risk assessment by the Project Holder - Annex 9a of the Project Design Description(PDD) associated to the project Ecosystemic Regenerative Agriculture: Cashew Tress - [https://www.ormex.app/registry/Ecosystemic Regenerative Agriculture - Cashew Trees](https://www.ormex.app/registry/Ecosystemic%20Regenerative%20Agriculture%20-%20Cashew%20Trees). (the PDD to be downloaded on ORMEX Registry, under « Attachments”).

### **6.3 Provide evidence that the rules and requirements in Sections 6.1-6.2 are being followed.**

Response here

Please refer to the Project Design Description (PDD Attachment) of [https://www.ormex.app/registry/Ecosystemic Regenerative Agriculture - Cashew Trees](https://www.ormex.app/registry/Ecosystemic%20Regenerative%20Agriculture%20-%20Cashew%20Trees). (example)

## **7. Stakeholder Considerations**

### **7.1 Provide evidence of the publicly available stakeholder engagement procedure that includes, at minimum:**

- a definition of “stakeholder”
- a requirement for 30-day public consultation for new programme documents (or during revisions to programme documents)
- a requirement for 30-day public consultation during methodology development
- project consultation documents available in relevant local language(s), as necessary for effective consultation with local stakeholders
- a process by which results of stakeholder engagement is included in documents that undergo validation and verification
- a defined process on how local consultations must be conducted

Response here

Stakeholders are fully considered in the ORMEX STANDARD and methodology. The details of the stakeholders are defined Section 3.1 of the [ORMEX STANDARD PRINCIPLES AND REQUIREMENTS](#) document.

At the Project level, a public consultation must be initiated before the Project start date. The public and

involved individuals must have the opportunity to provide feedback or information and raise concerns. The project holder must have a project grievance mechanism in place for the duration of the project. The ORMEX STANDARD requires the project holder to invite ORMEX to the locally organized public consultation.

As per Section 6.2.1.2 of the [PROGRAM OVERVIEW](#), the Project Holder must demonstrate the conditions and procedure for involving stakeholders in the design of the Project.

The Public Stakeholders consultation requirements are defined in the Section 6.1.5 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#). The necessity to have the project consultation documents in local language(s) is one of these requirements.

Ormix proposes a [PUBLIC STAKEHOLDERS CONSULTATION GUIDANCE](#) to help the Project Holder in the implementation of these requirements.

Please refer to the attached document named “Recapitulatif des questions/réponses après les réunions des parties prenantes”, in the local language to projects in Benin (attached to the submission - confidential)<sup>1</sup>.

Please refer to the details of the project holders’ grievance mechanism in the Project Design description of the project holder in Benin - [https://www.ormex.app/registry/Ecosystemic Regenerative Agriculture - Cashew Trees](https://www.ormex.app/registry/Ecosystemic%20Regenerative%20Agriculture%20-%20Cashew%20Trees).

At the ORMEX program level:

The [GOVERNANCE AND PUBLIC DEVELOPMENT POLICY](#), publicly available on Ormix website, set out the rules governing the public consultation period (not less than 30 days as per Section 4.3.2.2), and in general all the process for major changes in a Program document. The Section 6.1.3 of the [PROGRAM OVERVIEW](#) refers to the main principles of the Program Development.

The 30 days public consultation is applicable to the Methodology and its revision too as per the Approval procedure of the Methodology of the [PROGRAM OVERVIEW](#).

The following principles apply:

- ✓ The Standard requirements and the Methodology, and program documentation must be approved by the SEC before any public edition,
- ✓ New major edition of the Standard requirements and the Methodology must be finally approved by the SEC following the opinions received from members of the Standard Advisory Council (SAC).

The methodology must undergo an analysis and approval process according to the Approval Procedure (Section 7.2) of the [PROGRAM OVERVIEW](#) and as per the rules governing the Program Development (Section 4 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#)). Once approved, it is subject to a public consultation period of thirty (30) calendar days. The public consultation is announced on ORMEX website.

Any interested person can send suggestions of improvement. ORMEX is committed to responding to all public comments and suggestions. When received, public comments and/or suggestions are considered by the Standard Executive Committee (SEC), and if appropriate, additional experts or the Standard Advisory Council are invited to analyze the topic and make proposals. The public comments and/or suggestions and consultation results are published on the ORMEX website.

<https://www.ormex.io/public-consultations>

The Section 4 of the [GOVERNANCE AND PROGRAM DEVELOPMENT POLICY](#) set out the rules implementing by the Program to consider improvement inputs (case-by case and regular inputs).



The development inputs may come from:

- ✓ Program and Standard documentation setting,
- ✓ Ad hoc sources (Complaints from the Grievance Mechanism, major topics escalated by the Leaders, SAC's report, outcomes from a specific topic's analysis by additional experts, Program public consultation inputs, new scientific and technological innovation, sector evolution, lesson learning, users' experiences and feedback...),
- ✓ Through the regular Program Development internal review initiated by the SEC every year (this review is a process quality review) (Section 4.5.1)
- ✓ Through large public scientific and technological reviews on the Standard requirements and approved Methodologies, initiated by the SEC. (Section 4.5.2)

In addition, at any time, the SEC may decide upon new Program documentation, policies, procedures, guidance, and tools, including the timeframe and the appointment of the Leaders to work on these changes, and to propose the appropriate drafts.

The section 4.5 details the regular continuous improvement as follow:

- ✓ a yearly regular development internal review as per the quality process,
- ✓ At least every 3 calendar years, for the standard requirements and all approved Methodology.

As mentioned above, ORMEX has its own grievance mechanism. It is publicly available through <https://www.ormex.io/documents-library>  
<https://www.ormex.io/grievance-mechanism>

With this grievance mechanism, stakeholders are encouraged to initiate complaints related to the ORMEX PROGRAM and STANDARD, methodologies, certified projects, non-conformity concerns, and V-ACORs issuances and associated transfers.

The Standard Executive Committee is responsible for handling complaint submissions, evaluating their eligibility to the grievance mechanism, managing the entire process (particularly related to investigation), making final decisions, or escalating to the Strategic Board (SB) if necessary, and taking appropriate action.

The SEC is also responsible for maintaining all relevant records. To ensure accessibility to the grievance mechanism for all, ORMEX may provide appropriate assistance, if necessary, in case the complainant faces any barriers during the process. The ORMEX applies the grievance mechanism based on fair, transparent, equitable, non-discriminatory, and confidential principles, and promotes amicable settlements. (Refer to SEC Bylaws document)

The stakeholders' engagements are integral part of the standard rules and project design description and implementation.

The project plan must:

- ✓ detail the roles and responsibilities of the project participants, and their coordination, with sufficient details on the project participants involved in the project implementation to provide sufficient adequate transparency and confirm the reality of the Project implementation. This is evaluated by the VVB during the validation phase and must be confirmed during the verification phases.
- ✓ Ensure that the Project is appropriately managed and coordinated, taking into consideration its segmentation. This means that a single project and a governmental project cannot be managed in the same manner. The selected VVB should determine whether the project organization, management, and degree of project participants' involvement are appropriate and accurate.
- ✓ Specify whether the Regenerative Activities are developed in collaboration with Indigenous Peoples and Local Communities. The project's grievance mechanism must outline how the IPLCs can address alternative options or issues related to the project implementation, and how the

project will analyze and respond to these option and issues.

The Project plan is analyzed by the VVB, which must confirm whether it is appropriate and accurate. The Section 6 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#) details the requirements applicable to the Project management and implementation.

## **7.2 Describe how stakeholder comments are transparently addressed.**

Response here

With regard to the Public Stakeholders Consultation to be realized by the Project Holder, it is required from the Project Holder to transparently address the stakeholder comments as per Section 6.2.1 of the [PROGRAM OVERVIEW](#) and Section 6.1.5 of the [STANDARD PRINCIPLES AND REQUIREMENTS](#). The Project Holder must indicate in its consultation documents that questions can be addressed during the consultation process, or at any time through its [Grievance Mechanism](#).

With regard to the open dialogue principles (which include the grievance mechanism implemented by the Program), the information is made public on the ORMEX website and is addressed through the [grievance procedure](#).

## **7.3 Provide evidence that the procedure in Section 7.1 is being followed**

Response here

Refer to the Project Design Description documents of the ORMEX certified projects.  
<https://www.ormex.app/registry>

Please refer to the details of the project holders' grievance mechanism in the Project Design description of the project holder in Benin - [https://www.ormex.app/registry/Ecosystemic Regenerative Agriculture - Cashew Trees](https://www.ormex.app/registry/Ecosystemic_Regenerative_Agriculture_-_Cashew_Trees)

# **8. Scale**

## **8.1 Provide evidence that the Programme has issued carbon credits from at least two projects.**

Response here

ORMEX is a relatively new standard that has certified **two National-scale grouped projects** in Benin (National Regenerative Agriculture: Cashew Trees and National Regenerative Agriculture: maize, cotton, soja - covering both more than 3 176 532 ha - <https://www.ormex.app/registry>).

Verification by the VVB was completed on October 11, 2023. The decision regarding the related credit issuances is still pending with the project holder.

## **8.2 Confirm whether the Programme has registered 10+ projects and issued 100,000+ t CO2e in carbon credits.**

Response here

As mentioned above (8.1), ORMEX's scope of project is governmental/regional projects. ORMEX has certified **2 National-scales grouped projects**, each regrouping 7 regional projects that may be addressed separately. So, in total, ORMEX has certified 14 regional projects positioning ORMEX as a major programme in the world dedicated to Agriculture.

1) National Regenerative Agriculture: Cashew Trees: 135,474 credits issued.

<https://www.ormex.app/registry/0a4880d5-8940-1052-8189-40fee4be0000>

2) As of today, National Regenerative Agriculture: maize, cotton, soja 817,689 credits issued.

<https://www.ormex.app/registry/0a4880d5-8940-1052-8189-41264db10018>

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