BioCarbon Biodiversity Standard (BBS)

AUDIT MANUAL FOR BIODIVERSITY CONSERVATION INITIATIVES

BIOCARBON CERT®

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Acronyms and abbreviations

BBS	BioCarbon Biodiversity Standard
BioCredit	Voluntary Biodiversity Credit
CAB	Conformity Assessment Body
CID	Conservation Initiative Document
FPIC	Free, Prior and Informed Consent
GIS	Geographic Information System
IPs	Indigenous Peoples
ISO	International Organization for Standardization
LCs	Local Communities
LMT	Landscape Management Tools
MSU	Minimum Spatial Unit
SDGs	Sustainable Development Goals
SDSs	Sustainable Development Safeguards
TOC	Theory of change

1 Purpose

This Audit Manual for Biodiversity Conservation Initiatives (the Manual) establishes the mandatory rules, procedures, and requirements governing audit activities conducted under the BioCarbon Biodiversity Standard (BBS).

Throughout this Manual, the term “audit” refers to the independent auditing process conducted by an accredited and BioCarbon-approved Conformity Assessment Body (CAB) to assess whether a Biodiversity Conservation Initiative and/or its monitored biodiversity conservation outcomes comply with the applicable requirements of the BBS, the applicable BioCarbon-approved methodology or methodologies, applicable methodological documents, BioCarbon tools, and other binding BioCarbon normative documents.

Audit activities under the BBS may support:

(a) BioCarbon’s conformity determination for the registration or recognition of a Biodiversity Conservation Initiative under the BBS;

(b) BioCarbon’s review of monitored biodiversity conservation outcomes for the issuance of BioCredits; and

(c) combined audit engagements in which both initiative conformity and monitored biodiversity conservation outcomes are assessed within the same engagement, including retroactive periods where applicable.

The formal deliverable issued by the CAB is the Audit Report. The Audit Report documents the CAB’s findings, evidence, analyses, conclusions, and recommendations regarding the initiative’s conformity with the BBS and, where applicable, the monitored biodiversity conservation outcomes supporting BioCredits issuance.

The Audit Report constitutes the technical basis for BioCarbon’s conformity determination. It does not, by itself, constitute a final decision of the scheme, a Conformity Statement, a BioCredits Issuance Statement, registration of the initiative, certification of the initiative, or authorization to issue BioCredits.

BioCarbon retains responsibility for conformity determination under the BBS. Where all applicable requirements are met, BioCarbon shall issue a Conformity Statement confirming that the initiative complies with the BBS and is eligible for the issuance of BioCredits. Where issuance requirements are met, BioCarbon shall issue a BioCredits Issuance Statement authorizing the registration and issuance of BioCredits.

This Manual shall be applied consistently with the current version of the BBS. In the event of any inconsistency between this Manual and the BBS, the BBS shall prevail.

2 Objective of this Manual

The objective of this Manual is to ensure that all audit activities under the BBS are conducted in a consistent, independent, risk-informed, evidence-based, transparent, traceable, and technically robust manner.

This Manual operationalizes the audit-related requirements of the BBS by establishing requirements for:

(a) CAB eligibility, competence, independence, impartiality, governance, and quality management;

(b) audit planning, sampling, evidence collection, site visits, stakeholder engagement, interviews, and documentation review;

(c) assessment of initiative eligibility, conservation activities, conservation objectives, conservation objects, baseline, additionality, leakage, displacement of pressures, risk of reversal, permanence-related risks, uncertainty, monitoring, safeguards, SDGs, legal compliance, ownership, and registry-relevant information;

(d) audit conclusions, findings, corrective actions, and reporting;

(e) interaction between Audit Reports, BioCarbon's conformity determination, Conformity Statements, BioCredits Issuance Statements, and registry actions; and

(f) record retention, transparency, confidentiality, data integrity, and Indigenous and Local Communities Data Sovereignty.

This Manual is intended to protect the ecological integrity, social integrity, technical credibility, and market reliability of BioCredits issued under the BBS.

3 Intended users

This Manual is intended for use by:

(a) Conformity Assessment Bodies (CABs) approved or seeking approval to conduct audit activities under the BBS;

(b) audit team members, technical experts, internal reviewers, authorized signatories, and decision-makers acting on behalf of CABs;

(c) initiative holders seeking conformity determination, registration, or issuance of BioCredits under the BBS;

(d) BioCarbon, in its role as scheme owner, administrator, and overseer of the BBS;

(e) registry operators and registry personnel involved in initiative registration, documentation review, publication, issuance, transfer, or retirement of BioCredits; and

(f) other stakeholders involved in the implementation, assessment, monitoring, or oversight of Biodiversity Conservation Initiatives under the BBS.

4 Legal nature of the Manual

This Manual constitutes a binding normative program document within the BioCarbon Biodiversity Standard framework.

Compliance with this Manual is mandatory for CABs conducting audit activities under the BBS. Failure to comply with this Manual may result in findings, corrective actions, suspension, limitation, withdrawal of CAB approval, or other enforcement measures established by BioCarbon.

This Manual does not replace the BBS, applicable methodologies, BioCarbon tools, registry procedures, or other binding BioCarbon normative documents. It establishes how the applicable requirements shall be assessed, evidenced, documented, and reported by CABs during audit activities.

Where this Manual refers to international standards, such references shall be interpreted in a manner consistent with the BBS. References to certification, validation, verification, accreditation, assurance, or attestation in ISO/IEC terminology shall not be interpreted as creating separate operational processes under the BBS unless expressly defined in the BBS or another binding BioCarbon normative document.

5 Language, version, and document control

5.1 Language

The operating language of this Manual is English.

Audit Reports and other documentation submitted by CABs to BioCarbon for purposes of conformity determination, BioCredits issuance, registry actions, public disclosure, or oversight shall be prepared in English, unless BioCarbon expressly authorizes otherwise.

Supporting evidence may be provided in other languages where necessary, provided that the CAB ensures that relevant content is translated, summarized, or otherwise made accessible to BioCarbon when required for review, oversight, or public disclosure.

5.2 Version

This document constitutes Version 2.0 of the Audit Manual for Biodiversity Conservation Initiatives under the BioCarbon Biodiversity Standard.

Version 2.0 supersedes previous versions of the Audit Manual and enters into force on the date of its publication, subject to any transitional arrangements established by BioCarbon.

5.3 Document control

CABs, initiative holders, and other users shall ensure that they apply the version of this Manual in force at the time of the applicable audit engagement, unless BioCarbon expressly authorizes the use of a different version for transitional purposes.

Audit Reports shall identify the version of the BBS, the applicable BioCarbon-approved methodology or methodologies, applicable methodological documents, BioCarbon tools, and this Manual used as audit criteria.

5.4 Transitional use of this Manual

BioCarbon may establish transitional arrangements for initiatives or audit engagements already in progress at the time this Manual enters into force.

Transitional arrangements shall not be interpreted as allowing lower levels of ecological integrity, reduced safeguards, weaker rights protection, or unsupported issuance of BioCredits.

6 Scope and area of application

6.1 Material scope

This Manual applies to all audit activities conducted under the BBS, including, without limitation:

(a) audits supporting BioCarbon's conformity determination for Biodiversity Conservation Initiatives;

(b) audits of monitored biodiversity conservation outcomes supporting BioCredits issuance;

(c) combined audits covering both initiative conformity and monitored biodiversity conservation outcomes; and

(d) any supplementary audit activities required by BioCarbon.

The audit scope shall explicitly include, as applicable:

(a) initiative eligibility and applicable conservation activities;

(b) community rights, participation, governance arrangements, and FPIC where applicable;

(c) conservation objectives, conservation objects, ecological relevance, and expected biodiversity conservation outcomes;

(d) geographic boundaries, minimum spatial units, land and resource rights, and area of influence;

(e) baseline, additionality, drivers of biodiversity loss, underlying causes, leakage, displacement of pressures, risk of reversal, and permanence-related risks;

(f) biodiversity conservation outcomes, quantification approach, uncertainty, data quality, and conservative treatment;

(g) stakeholder engagement, public consultation, grievance mechanisms, SDSs, SDGs, and legal compliance;

(h) climate change adaptation and adaptive management;

(i) ownership and rights over BioCredits, attribution, benefit-sharing, and limitations on claims;

(j) monitoring and reporting, including monitoring frequency, indicator quality, participation of IPs and LCs, data governance, and record retention;

(k) transparency, public disclosure, confidentiality, and commercially sensitive information; and

(l) registry-relevant documentation, traceability, and issuance-related information.

6.2 Audit activities covered by this Manual

For operational purposes, audit activities under this Manual may include:

(a) audits supporting initiative conformity determination and registration, which assess whether the initiative design and supporting documentation meet the applicable requirements of the BBS;

(b) audits of monitored biodiversity conservation outcomes, which assess whether monitored outcomes for a specific monitoring period support eligibility for the issuance of BioCredits; and

(c) combined audits, where the same audit engagement covers both initiative conformity and monitored biodiversity conservation outcomes, including retroactive periods where applicable.

These categories are operational audit categories under this Manual and shall not be interpreted as creating separate certification processes under the BBS.

6.3 Initiative types and conservation activities

This Manual applies to Biodiversity Conservation Initiatives involving one or more eligible activities under the BBS, including:

(a) preservation;

(b) ecological restoration;

(c) sustainable use; and

(d) other ecosystem and biodiversity conservation activities permitted under the BBS, the applicable methodology, and BioCarbon tools.

Where an initiative applies Landscape Management Tools, community-led governance arrangements, or other locally specific implementation mechanisms, the CAB shall assess their consistency with the BBS, the applicable methodology, the rights of Indigenous Peoples and Local Communities, and the integrity of the biodiversity conservation outcomes claimed.

6.4 Geographic and temporal scope

This Manual applies to all Biodiversity Conservation Initiatives registered or seeking registration under the BBS, regardless of geographic location.

Where an initiative claims retroactive issuance or includes retroactive periods, the CAB shall assess whether the retroactive start date, baseline year, monitoring evidence, and verified retroactive periods comply with the BBS, the applicable methodology, BioCarbon tools, and any relevant registry procedures.

Audit activities shall apply to the entire initiative area, area of influence, minimum spatial units, monitoring units, sampling units, conservation objects, and stakeholder context relevant to the initiative, unless a narrower scope is expressly justified by the applicable methodology and accepted by BioCarbon.

7 Normative hierarchy and governing documents

7.1 Normative hierarchy

For the purposes of audit activities under the BBS, the BioCarbon normative framework shall be applied in accordance with the following hierarchy:

(a) the current version of the BioCarbon Biodiversity Standard;

(b) the BioCarbon-approved methodology or methodologies, methodological documents, modules, and technical requirements applicable to the Initiative;

(c) mandatory BioCarbon tools applicable to the initiative, including tools related to Sustainable Development Safeguards, SDGs, stakeholder engagement, monitoring, data management, and registry procedures;

(d) this Audit Manual;

(e) other BioCarbon templates, procedures, guidance documents, and SOPs expressly designated as binding; and

(f) applicable legal and regulatory requirements in the host jurisdiction.

In the event of inconsistency, higher-level normative documents shall prevail. In all cases, the interpretation that best protects ecological integrity, social integrity, transparency, and the rights of Indigenous Peoples and Local Communities shall be applied.

7.2 Relationship with the BBS

The BBS constitutes the primary and prevailing normative instrument governing initiative eligibility, conservation activities, baseline, additionality, leakage, displacement of pressures, biodiversity conservation outcomes, risk assessment, stakeholder engagement, legal compliance, safeguards, monitoring, conformity determination, issuance, and registry actions.

This Manual operationalizes the audit requirements contained in the BBS, including requirements related to monitoring and reporting, auditing and conformity determination, Conformity Assessment Bodies, BioCredits issuance, and registry operations.

In the event of any inconsistency between this Manual and the BBS, the BBS shall prevail.

7.3 Relationship with methodologies, tools, templates, and SOPs

This Manual is methodology-neutral and shall apply to all BioCarbon-approved methodologies, methodological documents, modules, and technical requirements applicable under the BBS.

CABs shall apply the methodology or methodologies selected for the Biodiversity Conservation Initiative and approved or accepted by BioCarbon, including the version applicable at the time of submission, audit, monitoring, retroactive claim, conformity determination, or BioCredits issuance, as relevant.

Where an Initiative applies more than one BioCarbon-approved methodology, methodological module, or technical tool, the CAB shall assess the correct applicability, compatibility, version control, and combined use of all such instruments.

The CAB shall assess whether the Initiative holder has correctly applied the applicable methodology or methodologies, including requirements related to eligibility, applicability conditions, baseline, additionality, conservation objectives, conservation objects, monitoring, data quality, uncertainty, leakage, displacement of pressures, reversals, safeguards, and issuance-related calculations.

Where a BioCarbon-approved methodology, methodological document, or mandatory tool establishes requirements that are more specific or more conservative than this Manual, the CAB shall assess compliance with those requirements.

Procedural steps related to initiative registration, conformity determination, BioCredit issuance, monitoring, public disclosure, corrective actions, and registry operations shall be carried out in accordance with the applicable BioCarbon SOPs and registry procedures.

Where the BBS or an applicable methodology does not address a specific situation, the CAB shall apply the most conservative, scientifically defensible, rights-respecting, and transparent approach, consistent with the principles of the BBS and this Manual.

7.4 Interpretation and conservativeness

Where ambiguity exists in the interpretation of any audit requirement, CABs shall apply the interpretation that best protects ecological integrity, social integrity, Indigenous Peoples and Local Communities rights, data integrity, and the credibility of BioCredits.

All applicable BBS requirements shall be directly auditable, even where not explicitly repeated in this Manual.

8 Principles of audit

All audit activities conducted under this Manual shall be governed by the following principles, which are consistent with the BBS and applicable international conformity assessment standards.

8.1 Independence and impartiality

CABs and their personnel shall be free from any commercial, financial, technical, advisory, personal, or institutional relationship that could compromise or appear to compromise independent professional judgment.

CABs shall not audit initiatives for which they have provided consulting, design, methodology development, initiative development, monitoring preparation, brokerage, financing, or other services that may create a conflict of interest.

8.2 Transparency and traceability

All audit findings, evidence, decisions, and conclusions shall be documented in a transparent and traceable manner.

Audit trails shall enable BioCarbon, accreditation bodies, internal reviewers, and other authorized reviewers to understand the basis for the CAB's conclusions and to trace each conclusion to specific evidence.

8.3 Scientific rigor and evidence-based evaluation

Audit conclusions shall be based on sufficient, appropriate, objective, reproducible, and scientifically defensible evidence.

CABs shall assess the reliability, relevance, completeness, quality, and limitations of evidence, including field observations, spatial data, biodiversity datasets, monitoring records, stakeholder interviews, community documentation, legal documents, and methodological calculations.

8.4 Conservativeness and ecological integrity

Where uncertainty, data gaps, methodological limitations, or conflicting evidence exist, CABs shall apply conservative treatment to avoid overstatement of biodiversity conservation outcomes or issuance eligibility.

CABs shall not support conclusions that would result in inflated, unsupported, non-additional, non-traceable, or non-permanent biodiversity conservation outcomes.

8.5 Rights-based and community-centered approach

CABs shall assess whether initiative holders respect the rights, governance systems, knowledge systems, cultural values, stewardship roles, and decision-making processes of Indigenous Peoples and Local Communities.

Where FPIC is required under the BBS, applicable law, or the relevant governance context, the CAB shall assess whether FPIC has been obtained, documented, maintained, and respected through culturally appropriate processes.

8.6 Indigenous and Local Communities Data Sovereignty

CABs shall assess whether biodiversity-related data, traditional knowledge, community information, territorial information, and monitoring data are collected, stored, used, shared, and disclosed in accordance with the BBS, applicable law, BioCarbon data policies, and agreed community governance arrangements.

CABs shall protect confidential information and shall ensure that records of independent community interviews are handled in a manner that protects participants and preserves the integrity of the audit process.

8.7 Risk-informed audit approach

CABs shall apply a risk-informed approach to audit planning and execution.

Greater audit effort shall be directed toward areas with higher ecological significance, higher uncertainty, higher risk of overstatement, higher stakeholder sensitivity, higher rights-related risk, higher leakage or reversal risk, or greater potential effect on conformity or issuance eligibility.

A risk-informed approach shall not be used to omit applicable BBS requirements.

9 Roles, responsibilities, and liability boundaries

9.1 Role and responsibilities of the CAB

The CAB is responsible for:

(a) conducting audit activities in accordance with the BBS, this Manual, the applicable methodology, BioCarbon tools, registry procedures, and other binding BioCarbon normative documents;

(b) forming independent, evidence-based professional conclusions on the conformity of the initiative and, where applicable, monitored biodiversity conservation outcomes;

(c) preparing and submitting the Audit Report to BioCarbon, including findings, evidence, analyses, limitations, conclusions, and recommendations regarding conformity with the BBS;

(d) ensuring that audit evidence, including interviews, field observations, datasets, spatial data, monitoring records, legal documentation, and stakeholder documentation, is complete, traceable, securely stored, and appropriately referenced;

(e) identifying, documenting, and tracking all findings, including Clarification Requests, Corrective Action Requests, and Forward Action Requests;

(f) confirming that all Corrective Action Requests affecting conformity, monitored outcomes, issuance eligibility, registry actions, or public disclosure have been satisfactorily closed before supporting a positive audit conclusion;

(g) maintaining independence, impartiality, confidentiality, competence, and professional integrity throughout the audit process;

(h) protecting confidential information and records of independent community interviews;

(i) respecting Indigenous and Local Communities Data Sovereignty in the collection, handling, storage, and disclosure of audit evidence; and

(j) cooperating with BioCarbon oversight, accreditation body assessments, and any investigation, complaint, appeal, or enforcement procedure related to audit activities.

The CAB shall not issue BioCredits, authorize issuance, register initiatives, issue BioCarbon's Conformity Statement, or issue BioCarbon's BioCredits Issuance Statement.

9.2 Role and responsibilities of the initiative holder

The initiative holder is responsible for:

(a) designing, implementing, monitoring, and documenting the initiative in accordance with the BBS, the applicable methodology, BioCarbon tools, legal requirements, and registry procedures;

(b) ensuring the accuracy, completeness, consistency, and traceability of all information submitted to the CAB and BioCarbon;

(c) demonstrating eligibility, additionality, baseline validity, ecological integrity, ownership, rights, stakeholder engagement, FPIC where applicable, and compliance with safeguards;

(d) maintaining monitoring systems capable of generating reliable, auditable, transparent, and scientifically defensible biodiversity conservation outcome data;

(e) identifying, documenting, and managing risks related to leakage, displacement of pressures, reversals, permanence, social impacts, legal compliance, data governance, and community rights;

(f) providing the CAB with access to relevant sites, records, personnel, stakeholders, community representatives, monitoring data, legal documents, spatial information, and supporting evidence;

(g) implementing corrective actions required to resolve findings; and

(h) avoiding any claim, representation, transfer, marketing, or sale of biodiversity conservation outcomes as issued BioCredits unless BioCarbon has issued the corresponding BioCredits Issuance Statement and the credits have been recorded in the Registry.

9.3 Role of BioCarbon

BioCarbon is responsible for:

(a) establishing, maintaining, and updating the BBS normative framework;

(b) approving methodologies, tools, templates, and procedures applicable under the BBS;

(c) evaluating and approving CABs to conduct audit activities under the BBS;

(d) reviewing Audit Reports and supporting documentation submitted by CABs;

(e) issuing BioCarbon's conformity determination and, where applicable, the Conformity Statement;

(f) issuing the BioCredits Issuance Statement where all applicable requirements for issuance have been met;

(g) administering or overseeing registry actions related to initiative registration, issuance, serial number assignment, transfer, retirement, and public disclosure; and

(h) overseeing compliance with BBS governance, transparency, and integrity requirements.

9.4 Exclusion of shared or substituted responsibility

The performance of an audit by a CAB does not transfer responsibility from the initiative holder to the CAB or to BioCarbon.

The issuance of an Audit Report by a CAB does not substitute BioCarbon's conformity determination, Conformity Statement, BioCredits Issuance Statement, registry decision, or any other decision reserved to BioCarbon under the BBS.

BioCarbon's review of an Audit Report does not transfer the CAB's responsibility for audit quality, evidence evaluation, professional judgment, competence, independence, impartiality, or compliance with this Manual.

10 Conformity Assessment Bodies

10.1 Eligibility and approval

Only CABs approved by BioCarbon may conduct audit activities under the BBS.

CAB approval shall be based on the CAB's accreditation, technical scope, governance, independence, impartiality, competence, audit capacity, documented experience, and ability to conduct audits consistent with the BBS.

BioCarbon may approve, condition, limit, suspend, or withdraw CAB approval where the CAB does not demonstrate or maintain compliance with the BBS, this Manual, applicable accreditation requirements, or BioCarbon oversight requirements.

10.2 Accreditation and conformity assessment requirements

CABs conducting audit activities under the BBS shall be accredited by a recognized accreditation body and approved by BioCarbon. CABs shall maintain governance structures, impartiality safeguards, technical competence, and quality management procedures consistent with internationally recognized accreditation standards and with the normative references established in the BBS.

CABs shall demonstrate valid accreditation under ISO/IEC 17065 (Conformity assessment: Requirements for bodies certifying products, processes, and services), with a scope that includes, or is technically relevant to, biodiversity conservation, ecosystem conservation, ecological restoration, preservation, sustainable use, biodiversity monitoring, ecosystem services, Nature-based Solutions, conservation initiatives, or environmental projects with quantifiable biodiversity outcomes.

ISO/IEC 17029 (Conformity assessment: General principles and requirements for validation and verification bodies) shall be applied as a conformity assessment reference for governance, impartiality, competence, consistent operation, evidence-based evaluation, and validation/verification principles in the generic ISO/IEC sense.

The reference to ISO/IEC 17029 shall not be interpreted as establishing separate operational validation or verification processes under the BBS, nor as transferring BioCarbon's conformity determination role to the CAB.

CABs shall apply the relevant requirements of ISO/IEC 17065 and ISO/IEC 17029, as applicable, to the auditing and conformity assessment of Biodiversity Conservation Initiatives. Compliance shall be evidenced through documented procedures addressing competence, impartiality, confidentiality, independence, ethical conduct, audit planning, evidence evaluation, reporting, internal review, and quality assurance.

Where the accreditation scope does not explicitly include biodiversity-related activities, the CAB shall provide duly documented technical competence and experience in biodiversity-related audit activities. Such evidence may be assessed by BioCarbon as complementary evidence to determine the technical relevance of the CAB, but it shall not replace any accreditation requirement applicable under the BBS.

Complementary accreditations may be evaluated by BioCarbon where relevant to the scope of audit activities, including ISO/IEC 17020, ISO/IEC 17025, ISO/IEC 17021, ISO 14064, ISO 14065, or equivalent standards. Such accreditations may support the assessment of technical relevance, organizational competence, audit capacity, field inspection capacity, laboratory or analytical competence, or environmental assurance experience, but shall not replace the accreditation and competence requirements applicable under the BBS.

BioCarbon may approve, condition, limit, suspend, or withdraw the participation of a CAB where the CAB does not demonstrate or maintain compliance with the accreditation, competence, impartiality, independence, technical scope, or quality management requirements applicable under the BBS.

10.3 Governance and competence requirements

CABs shall maintain governance arrangements that ensure impartiality, independence, confidentiality, technical competence, audit quality, effective internal review, and appropriate decision-making.

CABs shall maintain documented procedures for:

(a) auditor qualification and authorization;

(b) audit team appointment;

(c) conflict-of-interest assessment;

(d) audit planning;

(e) evidence collection and evaluation;

(f) stakeholder interviews;

(g) handling of IP and LC information;

(h) internal technical review;

(i) audit report approval;

(j) findings management;

(k) complaints and appeals;

(l) record retention; and

(m) cooperation with BioCarbon oversight.

10.4 Technical competence in biodiversity

CABs shall demonstrate technical competence in biodiversity conservation, ecological restoration, preservation, sustainable use, biodiversity monitoring, conservation outcomes, ecological indicators, GIS, remote sensing, biodiversity data quality, and uncertainty assessment.

At least one member of each audit team shall demonstrate competence directly relevant to the initiative's ecosystem type, conservation activities, conservation objects, biodiversity indicators, monitoring approach, and methodological requirements.

10.5 Social, legal, and rights-based competence

CABs shall ensure that audit teams have competence to assess social, legal, governance, and rights-based requirements under the BBS, including:

(a) stakeholder engagement;

(b) FPIC, where applicable;

(c) Indigenous Peoples and Local Communities rights;

(d) land and resource rights;

(e) benefit-sharing arrangements;

(f) grievance mechanisms;

(g) Sustainable Development Safeguards;

(h) community participation in monitoring; and

(i) Indigenous and Local Communities Data Sovereignty.

10.6 Ongoing obligations of CABs

CABs approved under the BBS shall:

(a) maintain valid accreditation and immediately notify BioCarbon of any change, suspension, limitation, or withdrawal of accreditation;

(b) maintain qualified audit personnel and internal reviewers;

(c) maintain records of auditor competence, training, and authorization;

(d) maintain impartiality and conflict-of-interest controls;

(e) comply with this Manual and all applicable BioCarbon normative documents;

(f) cooperate with BioCarbon oversight activities;

(g) maintain confidentiality and data protection arrangements; and

(h) promptly notify BioCarbon of any circumstance that may affect the CAB's competence, independence, impartiality, or ability to conduct audit activities.

10.7 Obligation to decline or withdraw engagements

A CAB shall decline or withdraw from an audit engagement where:

(a) the CAB lacks the required competence or capacity;

(b) independence or impartiality cannot be demonstrated;

(c) a conflict of interest cannot be effectively mitigated;

(d) the initiative holder restricts access to necessary evidence, sites, stakeholders, community representatives, or records;

(e) there is evidence of fraud, coercion, intimidation, data manipulation, or material misrepresentation; or

(f) continuing the engagement would compromise the integrity of the BBS.

10.8 Cooperation with oversight and enforcement activities

CABs shall cooperate with BioCarbon, accreditation bodies, registry operators, and authorized oversight personnel in connection with audits, complaints, appeals, investigations, sanctions, corrective actions, and quality assurance activities.

CABs shall provide access to records, evidence, working papers, competence records, conflict-of-interest records, audit reports, and other documentation necessary to assess compliance with this Manual.

11 Competence and composition of audit teams

11.1 General competence requirements

Audit teams shall collectively possess the competence necessary to assess all applicable BBS requirements for the initiative under audit.

Competence shall be demonstrated through education, professional experience, training, audit experience, technical expertise, and documented knowledge of the BBS, the applicable methodology, BioCarbon tools, and this Manual.

11.2 Biodiversity-specific competence

The audit team shall collectively demonstrate competence in:

(a) biodiversity conservation principles and practice;

(b) ecological restoration, preservation, and sustainable use;

(c) conservation objectives and conservation objects;

(d) biodiversity indicators and monitoring protocols;

(e) assessment of biodiversity conservation outcomes;

(f) drivers of biodiversity loss and underlying causes;

(g) leakage and displacement of pressures;

(h) risk of reversal and permanence-related risks;

(i) adaptive management; and

(j) ecological integrity and landscape-scale conservation.

11.3 GIS, remote sensing, and data competence

The audit team shall include or have access to competence in:

(a) GIS and spatial analysis;

(b) remote sensing;

(c) spatial boundary assessment;

(d) minimum spatial unit assessment;

(e) land cover and ecosystem characterization;

(f) data quality assessment;

(g) biodiversity datasets and monitoring records;

(h) uncertainty and conservative treatment; and

(i) traceability of quantitative and qualitative evidence.

11.4 Social, legal, FPIC, and safeguards competence

The audit team shall collectively demonstrate competence in:

(a) stakeholder engagement and public consultation;

(b) grievance mechanisms;

(c) Sustainable Development Safeguards;

(d) SDG contributions;

(e) IP and LC rights;

(f) FPIC processes, where applicable;

(g) land and resource rights;

(h) benefit-sharing arrangements;

(i) cultural heritage and traditional knowledge protection;

(j) Indigenous and Local Communities Data Sovereignty; and

(k) applicable legal and regulatory frameworks.

11.5 Composition and roles within audit teams

The CAB shall assign an audit team with clearly defined roles, responsibilities, and authorities.

The audit team may include:

(a) lead auditor;

(b) technical auditor;

(c) biodiversity expert;

(d) social safeguards expert;

(e) GIS or data specialist;

(f) legal or land-rights specialist;

(g) FPIC or community engagement expert;

(h) interpreter or cultural facilitator, where appropriate;

(i) internal technical reviewer; and

(j) authorized decision-maker.

The CAB shall ensure that internal reviewers and authorized decision-makers are independent from the audit team's evidence collection and technical assessment activities.

11.6 Internal review and decision-making

All audit conclusions and Audit Reports submitted to BioCarbon shall be subject to internal review prior to issuance.

The internal review shall assess whether:

(a) the audit scope was adequate;

(b) the audit team was competent and impartial;

(c) sufficient and appropriate evidence was obtained;

(d) findings were correctly classified and resolved;

(e) conclusions are supported by evidence;

(f) unresolved issues are appropriately disclosed; and

(g) the Audit Report is complete and consistent with the BBS.

11.7 Team rotation and continuity

CABs shall manage audit team continuity and rotation to preserve competence, institutional memory, independence, and impartiality.

Where the same CAB audits the same initiative across multiple monitoring periods, the CAB shall apply safeguards to prevent familiarity threats and shall document how impartiality is maintained.

12 Independence, impartiality, and conflicts of interest

12.1 General independence requirements

CABs and audit team members shall be independent from the initiative holder, project developers, investors, brokers, buyers, registry operators, consultants, methodology developers, or any other entity that may influence the audit outcome.

Independence shall be maintained throughout the audit engagement and for any applicable post-engagement period established by the CAB, BioCarbon, accreditation rules, or applicable law.

12.2 Prohibited activities and relationships

A CAB shall not audit an initiative where the CAB or any audit team member has:

(a) designed, developed, financed, managed, or implemented the initiative;

(b) prepared the CID, Monitoring Report, methodology application, baseline, calculations, safeguards assessment, or monitoring plan;

(c) provided consulting services related to the initiative;

(d) participated in marketing, brokerage, sale, or purchase of expected or issued BioCredits from the initiative;

(e) a financial interest in the initiative or its BioCredits;

(f) a personal or organizational relationship that could compromise impartiality; or

(g) any other relationship that creates an actual, potential, or perceived conflict of interest.

12.3 Prohibition of undue influence

CABs shall ensure that audit conclusions are not influenced by commercial pressure, fee arrangements, client expectations, investor interests, issuance expectations, or registry timelines.

CABs shall not guarantee a positive audit conclusion, conformity determination, Conformity Statement, or BioCredits issuance.

12.4 Conflict-of-interest identification and management

Before accepting an engagement, the CAB shall conduct and document a conflict-of-interest assessment.

The conflict-of-interest assessment shall be updated where new information becomes available during the audit.

Where a conflict of interest cannot be effectively mitigated, the CAB shall decline or withdraw from the engagement.

12.5 Post-engagement restrictions

CABs and audit team members shall not accept roles, compensation, or interests that could compromise the perceived independence of audit activities conducted under the BBS.

Post-engagement restrictions shall be documented and enforced through the CAB's internal procedures.

13 Audit requirements for initiative conformity determination and registration

13.1 Objective and scope

The objective of an audit supporting initiative conformity determination and registration is to assess whether a Biodiversity Conservation Initiative complies with the applicable requirements of the BBS, the applicable methodology, BioCarbon tools, registry procedures, and this Manual.

The audit shall assess the initiative design, eligibility, baseline, additionality, conservation activities, conservation objectives, conservation objects, biodiversity conservation outcomes, monitoring framework, stakeholder engagement, FPIC where applicable, safeguards, legal compliance, ownership and rights to BioCredits, data governance, and all other applicable requirements before BioCarbon issues a Conformity Statement.

13.2 Audit of initiative eligibility and design

The CAB shall assess whether the Initiative:

(a) falls within the scope of eligible activities under the BBS;

(b) applies the appropriate BioCarbon-approved methodology or methodologies, methodological documents, modules, and mandatory tools, and whether all applicability conditions are met;

(c) identifies the Initiative area, area of influence, minimum spatial units, and conservation objects;

(d) defines conservation objectives that are specific, measurable, ecologically relevant, and consistent with the BBS;

(e) describes implementation activities, governance arrangements, and monitoring arrangements;

(f) identifies Initiative participants and roles; and

(g) provides sufficient evidence to support eligibility and conformity.

13.3 Audit of community rights, FPIC, and governance arrangements

The CAB shall assess whether the initiative respects the rights, governance structures, knowledge systems, cultural values, and stewardship roles of IPs and LCs.

Where FPIC is applicable, the CAB shall assess whether FPIC has been obtained through a culturally appropriate, transparent, documented, and ongoing process.

The CAB shall assess whether participation and benefit-sharing arrangements provide meaningful involvement and, where applicable, decision-making power to IPs and LCs.

13.4 Audit of baseline and additionality

The CAB shall assess whether the baseline is:

(a) relevant to the initiative area and conservation objects;

(b) supported by reliable evidence;

(c) consistent with the applicable methodology;

(d) conservative and transparent;

(e) valid for the relevant period; and

(f) capable of supporting additionality assessment and future monitoring.

The CAB shall assess whether the initiative demonstrates additionality in accordance with the BBS and the applicable methodology.

13.5 Audit of conservation objectives and conservation objects

The CAB shall assess whether conservation objectives are clearly defined and linked to measurable biodiversity conservation outcomes.

The CAB shall assess whether conservation objects are ecologically relevant, measurable, monitorable, and consistent with the initiative's conservation strategy.

13.6 Audit of biodiversity conservation outcomes and quantification approach

The CAB shall assess whether monitored biodiversity conservation outcomes are measured, estimated, or otherwise determined in accordance with the applicable BioCarbon-approved methodology or methodologies, methodological documents, mandatory tools, and monitoring requirements.

The CAB shall assess whether the quantification approach is scientifically defensible, conservative, transparent, and appropriate for the initiative's ecosystem, conservation objects, and activities.

Where the CID includes an indicative BioCredit potential estimate, the CAB shall assess whether the estimate is reasonable, transparent, conservative, traceable, and consistent with the applicable BioCarbon-approved methodology or methodologies, conservation objects, indicators, metrics, baseline, assumptions, and information available at the time of the audit.

The CAB shall confirm that any indicative BioCredit potential estimate is not a fixed entitlement, issuance cap, allocation, transferability right, market availability, retirement eligibility, or authorization to sell, transfer, retire, or make claims regarding BioCredits.

The CAB shall identify any assumptions, limitations, data gaps, indicator limitations, baseline limitations, or methodological constraints that may cause the BioCredit potential estimate to change in future monitoring periods.

13.7 Audit of drivers of biodiversity loss, leakage, and displacement of pressures

The CAB shall assess whether the initiative holder has identified relevant drivers of biodiversity loss and their underlying causes.

The CAB shall assess whether the initiative appropriately identifies, manages, and monitors leakage and displacement of pressures.

Where leakage or displacement risks are present, the CAB shall assess whether they are conservatively addressed before supporting a positive audit conclusion.

13.8 Audit of risk assessment, permanence, and reversal risk

The CAB shall assess whether the initiative holder has identified risks that may affect the durability, permanence, or integrity of biodiversity conservation outcomes.

The risk assessment shall include, as applicable:

(a) ecological risks;

(b) social and governance risks;

(c) legal and land tenure risks;

(d) climate-related risks;

(e) financial and implementation risks;

(f) leakage and displacement risks;

(g) reversal risks; and

(h) risks affecting IPs, LCs, or data governance.

The CAB shall assess whether mitigation measures, adaptive management measures, monitoring arrangements, and corrective mechanisms are adequate.

13.9 Audit of Sustainable Development Safeguards, stakeholder engagement, FPIC, governance, and legal compliance

The CAB shall assess these requirements in accordance with the BBS provisions on Community Rights, Consent, and Participation, Stakeholder Engagement and Consultation, Sustainable Development Safeguards, public consultation, and Indigenous and Local Communities Data Sovereignty.

The CAB shall assess whether the Initiative complies with the applicable Sustainable Development Safeguards (SDSs), stakeholder engagement, FPIC, governance, grievance mechanism, legal compliance, and rights-based requirements under the BBS, the applicable methodology, BioCarbon tools, and any binding BioCarbon procedures.

The assessment shall include, where applicable:

(a) application of Sustainable Development Safeguards (SDSs), including environmental, social, gender-related, labor, health, cultural heritage, and community-related safeguards;

(b) identification, classification, and engagement of stakeholders affected by or involved in the Initiative;

(c) effectiveness of stakeholder engagement and consultation processes, including whether consultations were inclusive, culturally appropriate, accessible, timely, documented, and capable of influencing Initiative design, implementation, monitoring, and benefit-sharing arrangements;

(d) assessment of Free, Prior and Informed Consent (FPIC), where applicable, including whether FPIC was obtained through a culturally appropriate, inclusive, transparent, and documented process prior to the start of activities and reaffirmed upon material changes affecting lands, resources, livelihoods, cultural values, governance arrangements, data use, or benefit-sharing;

(e) direct engagement with Indigenous Peoples (IPs) and Local Communities (LCs), where applicable, including independent and confidential interviews with a representative sample of community members, such as women, youth, elders, traditional authorities, and marginalized groups, as appropriate to the local context;

(f) assessment of whether interviewed community members understand the Initiative's objectives, risks, expected benefits, potential restrictions, benefit-sharing arrangements, grievance channels, and monitoring commitments;

(g) assessment of whether consent, participation, or support was provided freely, without coercion, intimidation, manipulation, retaliation, or undue pressure;

(h) assessment of whether community members are aware of their rights, including the right to raise concerns, use the grievance mechanism, participate in monitoring, and, where applicable under community-agreed protocols, withdraw or modify consent;

(i) assessment of whether the Initiative's governance arrangements ensure meaningful decision-making power, co-governance, and effective participation of IPs and LCs, rather than merely consultative roles;

(j) assessment of whether governance structures, including committees, community assemblies, benefit-sharing bodies, monitoring groups, or other agreed governance mechanisms, are functioning effectively, inclusively, transparently, and consistently with the BBS;

(k) assessment of the accessibility, independence, effectiveness, and cultural appropriateness of the grievance mechanism, including review of resolved and unresolved cases and interviews with complainants or affected parties where safe and appropriate;

(l) assessment of benefit-sharing arrangements, including whether they are documented, understood by relevant stakeholders, implemented in practice, and consistent with the rights, expectations, and governance arrangements of participating IPs and LCs;

(m) compliance with Indigenous and Local Communities Data Sovereignty, including assessment of whether:

(i) data collection, storage, use, sharing, publication, and reuse protocols align with community-agreed terms;

(ii) mechanisms for controlling data interpretation, access, disclosure, and reuse are operational;

(iii) mechanisms for withdrawal, modification, or limitation of consent for data use are functional and respected, where applicable under agreed protocols;

(iv) traditional knowledge, territorial information, biodiversity-related data, cultural information, and community monitoring data are protected from unauthorized disclosure or misuse; and

(v) community authorization has been obtained for the use of IP and LC data in the CID, Monitoring Reports, Audit Reports, registry disclosures, or other public documentation;

(n) compliance with applicable laws, regulations, permits, land and resource rights, human rights obligations, and relevant international standards; and

(o) identification of any unresolved safeguard, stakeholder engagement, FPIC, governance, grievance, data sovereignty, legal, or rights-related issue that may affect conformity, Initiative registration, BioCredits issuance eligibility, or public claims.

The CAB shall document the evidence reviewed, stakeholders consulted, interviews conducted, limitations encountered, findings raised, corrective actions required, and the basis for its conclusion.

The CAB shall not support a positive audit conclusion where unresolved issues related to SDSs, stakeholder engagement, FPIC, IP and LC rights, governance, grievance mechanisms, benefit-sharing, legal compliance, or Indigenous and Local Communities Data Sovereignty may affect conformity with the BBS or the integrity of BioCredits.

The CAB shall assess compliance with the public consultation requirements under the BBS. For initiatives submitted for audit, conformity determination, and registration, the CAB shall confirm that the initiative underwent a public consultation period of at least thirty (30) calendar days, unless otherwise expressly determined by BioCarbon in accordance with the BBS.

The CAB shall assess whether:

(a) initiative documentation was publicly accessible through the Registry during the consultation period;

(b) comments were received through the designated channels;

(c) comments were forwarded to the initiative holder and the CAB;

(d) the initiative holder responded to, or demonstrated consideration of, all relevant comments received;

(e) the CID, Monitoring Report, or supporting documentation was updated where necessary; and

(f) the adequacy of the initiative holder's responses has been assessed and documented in the Audit Report.

The CAB shall not support a positive audit conclusion where unresolved public consultation issues may affect conformity, stakeholder rights, safeguards, FPIC, ecological integrity, or public confidence in the initiative.

13.10 Audit of ownership and rights to BioCredits

The CAB shall assess whether the initiative holder has the legal and contractual authority to claim, register, transfer, market, or benefit from BioCredits generated by the initiative.

The CAB shall assess whether ownership, attribution, benefit-sharing, and limitations on claims are clearly documented and consistent with the BBS.

13.11 Audit of integrity of biodiversity conservation outcomes and attributions

The CAB shall assess whether biodiversity conservation outcomes claimed under the Initiative are robust, independently attributable, and not subject to double counting, double issuance, or multiple attribution.

The assessment shall include whether:

(a) the claimed biodiversity conservation outcomes are directly attributable to the conservation activities implemented within the Initiative;

(b) the same outcomes have not been issued, registered, claimed, or represented as equivalent biodiversity credits under another scheme or mechanism;

(c) private claims and public policy contributions are transparently distinguished;

(d) attribution rights, ownership rights, benefit-sharing rights, and use-of-claims restrictions are clearly documented;

(e) registry records, contractual documents, benefit-sharing arrangements, and public claims are consistent; and

(f) the Initiative holder has declared that the biodiversity conservation outcomes submitted for conformity determination have not been issued elsewhere as equivalent credits.

Any unresolved issue related to double counting, double issuance, multiple attribution, ownership, attribution rights, or claims shall be treated as a finding affecting conformity or BioCredits issuance eligibility.

13.12 Audit of monitoring and reporting arrangements

The CAB shall assess whether the monitoring and reporting framework is complete, feasible, auditable, and consistent with the BBS and the applicable methodology.

The monitoring framework shall include, as applicable:

(a) monitored parameters and indicators;

(b) data sources;

(c) measurement methods;

(d) sampling design;

(e) monitoring frequency;

(f) QA/QC procedures;

(g) roles and responsibilities;

(h) data management and archiving;

(i) participation of IPs and LCs in monitoring, where applicable; and

(j) procedures for reporting, public disclosure, and corrective action.

14 Audit requirements for monitored biodiversity conservation outcomes and BioCredits issuance

14.1 Objective and scope

The objective of an audit of monitored biodiversity conservation outcomes is to assess whether monitored outcomes for a defined monitoring period comply with the BBS, the applicable methodology, BioCarbon tools, registry procedures, and this Manual, and whether they support eligibility for BioCredits issuance.

The CAB shall assess BioCredits issuance eligibility based on the monitored biodiversity conservation outcomes for the monitoring period under audit, and not on any initial or prior indicative BioCredit potential estimate.

Any indicative BioCredit potential estimate disclosed at the initiative conformity stage or in previous monitoring periods shall be treated as non-binding and subject to revision.

The CAB shall assess monitored results without implying that BioCarbon has issued a Conformity Statement or a BioCredits Issuance Statement.

14.2 Monitoring period and sequencing

The CAB shall identify the monitoring period covered by the audit and confirm that it is consistent with the BBS, the applicable methodology, the CID, and any prior Conformity Statement or registry record.

The CAB shall assess whether any prior monitoring periods, retroactive periods, previous issuances, unresolved findings, or required adjustments affect the monitored outcomes under audit.

14.3 Audit of Monitoring Reports and monitored biodiversity conservation outcomes

The CAB shall assess whether monitored biodiversity conservation outcomes are measured, estimated, or otherwise determined in accordance with the applicable BioCarbon-approved methodology or methodologies, methodological documents, mandatory tools, and monitoring requirements.

The CAB shall assess whether monitored biodiversity conservation outcomes are:

(a) measured or estimated in accordance with the applicable methodology;

(b) supported by reliable data;

(c) consistent with the monitoring plan;

(d) subject to adequate QA/QC;

(e) conservative where uncertainty exists;

(f) attributable to the initiative; and

(g) eligible to support BioCredits issuance.

Where the Monitoring Report includes an updated indicative BioCredit potential estimate or updated projection of biodiversity conservation outcomes, the CAB shall assess whether the update is justified by monitored indicator results, additional indicators, methodology requirements, baseline reassessment, changes in conservation objects, leakage, displacement of pressures, reversals, uncertainty, safeguards, or other relevant factors.

The updated estimate shall not be treated as issued BioCredits or as authorization to sell, transfer, retire, or make claims regarding BioCredits.

14.4 Audit of baseline consistency

The CAB shall assess whether the baseline remains valid for the monitoring period and whether monitored outcomes have been assessed against the applicable baseline.

Where a baseline reassessment or adjustment is required, the CAB shall assess whether it has been conducted in accordance with the BBS and the applicable methodology.

14.5 Audit of data quality, uncertainty, and conservative treatment

The CAB shall assess the reliability, completeness, accuracy, representativeness, and traceability of monitoring data.

Where uncertainty, data limitations, sampling limitations, or methodological uncertainty exist, the CAB shall assess whether conservative treatment has been applied to avoid overstatement of biodiversity conservation outcomes.

14.6 Audit of leakage, displacement of pressures, reversals, and adaptive management

The CAB shall assess whether leakage, displacement of pressures, reversals, and loss events have been monitored, reported, and addressed.

Where such events have occurred, the CAB shall assess whether the initiative holder has quantified or otherwise conservatively treated their effect on monitored biodiversity conservation outcomes and BioCredits issuance eligibility.

The CAB shall assess whether adaptive management measures have been implemented and documented.

14.7 Audit of double counting, double issuance, and attribution during the monitoring period

The CAB shall assess whether monitored biodiversity conservation outcomes proposed to support BioCredits issuance have not been issued, registered, claimed, or represented elsewhere as equivalent credits or outcomes.

The CAB shall assess consistency among the Monitoring Report, Audit Report, Conformity Statement, Registry records, ownership documentation, benefit-sharing arrangements, attribution claims, and any public or private claims made by the initiative holder or authorized entities.

Any unresolved risk of double counting, double issuance, multiple attribution, or inconsistent claims shall affect BioCredits issuance eligibility.

14.8 Audit of safeguards, stakeholder engagement, FPIC, governance, and legal compliance during the monitoring period

The CAB shall assess whether Sustainable Development Safeguards, stakeholder engagement, FPIC obligations, governance arrangements, grievance mechanisms, benefit-sharing commitments, legal compliance, and Indigenous and Local Communities Data Sovereignty requirements were maintained during the monitoring period.

The assessment shall include, where applicable:

(a) continued implementation of SDSs and safeguard monitoring commitments;

(b) stakeholder engagement activities conducted during the monitoring period;

(c) maintenance or reaffirmation of FPIC where material changes occurred;

(d) functioning of governance, co-governance, and benefit-sharing arrangements;

(e) grievance mechanism accessibility, use, unresolved cases, and corrective actions;

(f) community participation in monitoring, where applicable;

(g) compliance with community-agreed data governance and data use protocols;

(h) any complaints, disputes, safeguard incidents, rights-related issues, or legal changes affecting the Initiative; and

(i) implications for conformity, monitored biodiversity conservation outcomes, BioCredits issuance eligibility, and public claims.

The CAB shall document any unresolved safeguard, stakeholder engagement, FPIC, governance, grievance, legal, or data sovereignty issue that may affect BioCredits issuance eligibility or continued conformity under the BBS.

14.9 Audit conclusion and deliverables

Upon completion of the audit, the CAB shall issue an Audit Report documenting the evidence, findings, analysis, limitations, and conclusions regarding the monitored biodiversity conservation outcomes.

The Audit Report shall clearly state whether the monitored outcomes support BioCarbon's review of BioCredits issuance eligibility.

Where the number of BioCredits requested for issuance differs from prior indicative BioCredit potential estimates, the CAB shall assess whether the difference is justified by monitored results, approved indicators and metrics, data quality, uncertainty, conservative treatment, leakage, displacement of pressures, reversals, baseline consistency, safeguards, or other applicable requirements.

The CAB shall not support issuance based on indicators, metrics, monitoring designs, methodological modules, conservation objects, baseline assumptions, or quantification approaches that have not been approved, accepted, or determined applicable by BioCarbon.

The Audit Report shall not authorize the issuance of BioCredits. BioCarbon retains responsibility for conformity determination, Conformity Statements, BioCredits Issuance Statements, and registry actions.

15 Combined audit of initiative conformity and monitored biodiversity conservation outcomes

15.1 Applicability

A combined audit may be conducted where the same audit engagement covers both:

(a) initiative conformity for purposes of BioCarbon's conformity determination and possible issuance of a Conformity Statement; and

(b) monitored biodiversity conservation outcomes for purposes of BioCarbon's review of BioCredits issuance eligibility.

Combined audits may include retroactive periods where permitted under the BBS.

15.2 Separation of initiative conformity and issuance conclusions

The CAB shall clearly distinguish the evidence, findings, analysis, and conclusions related to initiative conformity from those related to monitored biodiversity conservation outcomes and BioCredits issuance eligibility.

Findings affecting initiative conformity shall not be merged with findings affecting issuance eligibility.

A positive conclusion on initiative conformity shall not automatically support BioCredits issuance, and a positive conclusion on monitored outcomes shall not substitute BioCarbon's conformity determination.

15.3 Retroactive periods

Where a combined audit includes retroactive periods, the CAB shall assess whether:

(a) the retroactive start date is permitted under the BBS;

(b) the baseline year is justified and documented;

(c) monitoring evidence is available and reliable for the retroactive period;

(d) monitored outcomes for the retroactive period are traceable and auditable;

(e) safeguards, stakeholder engagement, rights, FPIC, and legal compliance requirements were met during the retroactive period; and

(f) the retroactive period can support BioCarbon's conformity determination and BioCredits issuance review.

15.4 Combined Initiative Conformity and BioCredits Issuance Audit Report requirements

The Combined Initiative Conformity and BioCredits Issuance Audit Report shall include:

(a) initiative conformity assessment;

(b) monitored biodiversity conservation outcomes;

(c) findings and corrective actions affecting initiative conformity;

(d) findings and corrective actions affecting issuance eligibility;

(e) conclusion related to initiative conformity; and

(f) conclusion related to monitored outcomes and BioCredits issuance eligibility.

The combined Audit Report shall not authorize BioCredits issuance.

16 Audit approach, sampling, and evidence collection

16.1 Audit planning

The CAB shall prepare an audit plan before conducting audit activities.

The audit plan shall define:

(a) audit objective;

(b) audit scope;

(c) audit criteria;

(d) audit team composition and competence;

(e) documents to be reviewed;

(f) site visit approach;

(g) stakeholder interview approach;

(h) sampling approach;

(i) evidence collection methods;

(j) confidentiality arrangements;

(k) handling of IP and LC information;

(l) anticipated limitations; and

(m) schedule and responsibilities.

16.2 Risk-informed audit design

The CAB shall design audit activities based on the risk profile of the initiative.

Greater audit effort shall be directed toward areas with higher ecological significance, higher uncertainty, higher risk of overstatement, higher rights-related risk, higher stakeholder sensitivity, higher leakage or reversal risk, or greater potential effect on conformity or issuance eligibility.

16.3 Sampling principles

Sampling shall be sufficient to support audit conclusions.

Sampling shall be designed based on:

(a) initiative scale;

(b) ecosystem heterogeneity;

(c) conservation objects;

(d) monitoring units;

(e) minimum spatial units;

(f) data variability;

(g) stakeholder context;

(h) risk profile;

(i) prior findings; and

(j) potential effect on conformity or issuance eligibility.

Sampling shall not be used to avoid assessing applicable BBS requirements.

16.4 Site visits and field assessments

The CAB shall conduct site visits and field assessments as necessary to obtain sufficient and appropriate evidence regarding initiative implementation, biodiversity conservation outcomes, conservation objects, conservation activities, stakeholder engagement, safeguards, FPIC where applicable, leakage, displacement of pressures, reversal risks, and other applicable requirements under the BBS.

For audits supporting BioCarbon's conformity determination for initiative registration, at least one field assessment shall be conducted unless BioCarbon expressly authorizes an exceptional alternative procedure in writing.

For audits of monitored biodiversity conservation outcomes supporting BioCredits issuance, the CAB shall determine the field assessment scope based on the initiative's risk profile, monitoring period, conservation activities, monitoring results, prior findings, stakeholder context, safeguard risks, and any changes in the initiative area, governance arrangements, or monitoring system.

Site visits and field assessments shall include, as applicable:

(a) observation of conservation activities and implementation conditions;

(b) assessment of conservation objects, ecosystem conditions, and biodiversity indicators;

(c) assessment of initiative boundaries, minimum spatial units, and area of influence;

(d) review of monitoring locations, sampling units, and data collection procedures;

(e) assessment of leakage, displacement of pressures, reversals, or risk events;

(f) stakeholder consultations and interviews;

(g) interviews or engagement with Indigenous Peoples and Local Communities, where applicable;

(h) assessment of safeguards, FPIC, grievance mechanisms, governance arrangements, and benefit-sharing arrangements; and

(i) triangulation of field observations with documentary, geospatial, monitoring, and interview evidence.

16.5 Stakeholder and community interviews

The CAB shall conduct interviews with relevant stakeholders, including initiative participants, technical personnel, local actors, affected communities, governance bodies, and other relevant parties.

Interviews shall be conducted in a manner that protects confidentiality, avoids coercion, and allows participants to express concerns freely.

16.6 Indigenous Peoples and Local Communities interviews

Where IPs or LCs are affected by or involved in the initiative, the CAB shall ensure that interviews are culturally appropriate, accessible, and respectful of community protocols.

The CAB shall assess whether FPIC, governance arrangements, benefit-sharing, participation, data governance, and grievance mechanisms are understood and accepted by the relevant communities.

Records of independent community interviews shall be kept confidential by the CAB unless disclosure has been expressly authorized.

16.7 Supplementary digital evidence and remote data sources

Digital evidence, geospatial information, remote sensing outputs, photographs, videos, digital monitoring records, official databases, and remote interviews may be used as supplementary sources of audit evidence.

Such evidence may support the audit process, but shall not replace the CAB's obligation to conduct an adequate field-based assessment where field assessment is necessary to evaluate initiative implementation, biodiversity conservation outcomes, stakeholder engagement, safeguards, FPIC, Indigenous Peoples and Local Communities rights, leakage, displacement of pressures, reversal risks, or any other requirement that cannot be sufficiently assessed through documentary review alone.

The CAB shall not conduct an audit entirely remotely unless BioCarbon has expressly authorized an exceptional alternative procedure in writing.

Where supplementary digital or remote evidence is used, the CAB shall assess and document:

(a) the source, date, reliability, completeness, and relevance of the evidence;

(b) whether the evidence is sufficient and appropriate for the specific audit objective;

(c) any limitations affecting interpretation, representativeness, or traceability;

(d) how the evidence was triangulated with field observations, stakeholder consultations, interviews, monitoring records, or other independent evidence; and

(e) whether any limitation affects the audit conclusion, conformity determination, or BioCredits issuance eligibility.

Remote interviews with stakeholders, Indigenous Peoples, or Local Communities shall not replace culturally appropriate engagement, field assessment, or community consultation where such in-person engagement is necessary to assess rights, governance, FPIC, benefit-sharing, grievance mechanisms, safeguards, participation requirements, or Indigenous and Local Communities Data Sovereignty under the BBS.

16.8 Documentation and evidence traceability

All evidence used to support audit conclusions shall be documented, referenced, and traceable.

The CAB shall maintain a documentation review log identifying the documents, datasets, interviews, field observations, calculations, maps, and other evidence used to support the Audit Report.

17 Findings and corrective action management

17.1 Classification of findings

The CAB shall classify findings as:

(a) Clarification Requests (CLs);

(b) Corrective Action Requests (CARs); or

(c) Forward Action Requests (FARs).

Findings shall be documented with a description, requirement reference, evidence, classification, responsibility, due date, response, closure status, and final CAB assessment.

17.2 Clarification Requests

A Clarification Request shall be raised where information is unclear, incomplete, inconsistent, or insufficient to support an audit conclusion, but where the issue does not yet constitute a non-conformity.

The CAB shall close a CL only where the initiative holder provides sufficient information or evidence to resolve the issue.

17.3 Corrective Action Requests

A Corrective Action Request shall be raised where the CAB identifies a non-conformity with the BBS, applicable methodology, BioCarbon tools, legal requirements, safeguards, monitoring requirements, or this Manual.

CARs affecting conformity, monitored outcomes, issuance eligibility, rights, safeguards, FPIC, or public disclosure shall be satisfactorily closed before the CAB supports a positive audit conclusion.

17.4 Forward Action Requests

A Forward Action Request may be raised where an issue does not prevent a positive audit conclusion for the current audit but requires follow-up in a subsequent monitoring period or audit.

FARs shall be specific, traceable, and linked to future monitoring, reporting, or audit requirements.

17.5 Treatment of unresolved findings

The CAB shall not support a positive audit conclusion where unresolved findings affect conformity, ecological integrity, social integrity, monitored outcomes, issuance eligibility, legal compliance, rights, safeguards, FPIC, data integrity, or transparency.

Unresolved findings shall be clearly disclosed in the Audit Report.

17.6 Recurrence and escalation

The CAB shall identify recurring findings and assess whether recurrence indicates a systemic failure.

Systemic or repeated non-conformities shall be escalated to BioCarbon and may affect conformity determination, issuance eligibility, CAB approval, or registry actions.

18 Audit Reports

18.1 Audit Report as the formal CAB deliverable

The Audit Report is the formal deliverable issued by the CAB to BioCarbon.

The Audit Report shall document the CAB's findings, evidence, analysis, limitations, and conclusions regarding the initiative's conformity with the BBS and, where applicable, monitored biodiversity conservation outcomes supporting BioCredits issuance.

The Audit Report shall be prepared in English and shall be signed or approved by the CAB's authorized decision-maker.

18.2 Minimum content of the Initiative Conformity Audit Report

An Initiative Conformity Audit Report shall include, at minimum:

(a) initiative identification;

(b) initiative holder identification;

(c) CAB identification and accreditation;

(d) audit team composition and competence;

(e) audit objective, scope, criteria, and limitations;

(f) applicable BBS version, methodology, tools, and procedures;

(g) documentation reviewed;

(h) site visits and interviews conducted;

(i) assessment of initiative eligibility;

(j) assessment of baseline and additionality;

(k) assessment of conservation objectives and conservation objects;

(l) assessment of biodiversity conservation outcomes and quantification approach;

(m) assessment of leakage, displacement of pressures, risk of reversal, and permanence-related risks;

(n) assessment of safeguards, SDGs, stakeholder engagement, FPIC, and legal compliance;

(o) assessment of ownership and rights to BioCredits;

(p) assessment of monitoring and reporting arrangements;

(q) findings and corrective actions;

(r) unresolved limitations, if any; and

(s) audit conclusion.

18.3 Minimum content of the BioCredits Issuance Audit Report

An BioCredits Issuance Audit Report shall include, at minimum:

(a) initiative identification;

(b) monitoring period;

(c) Monitoring Report version;

(d) previous Conformity Statement and registry status, where applicable;

(e) audit objective, scope, criteria, and limitations;

(f) monitored biodiversity conservation outcomes;

(g) baseline consistency;

(h) data quality and uncertainty;

(i) conservative treatment;

(j) leakage, displacement of pressures, reversals, and adaptive management;

(k) safeguards, stakeholder engagement, FPIC, and legal compliance during the monitoring period;

(l) findings and corrective actions;

(m) issuance eligibility assessment; and

(n) audit conclusion.

18.4 Minimum content of the Combined Initiative Conformity and BioCredits Issuance Audit Report

A combined Audit Report shall clearly distinguish:

(a) the initiative conformity assessment;

(b) the assessment of monitored biodiversity conservation outcomes;

(c) findings affecting initiative conformity;

(d) findings affecting issuance eligibility;

(e) conclusions related to conformity determination; and

(f) conclusions related to BioCredits issuance eligibility.

18.5 Limitations of the Audit Report

The Audit Report does not, by itself, constitute BioCarbon's conformity determination, Conformity Statement, BioCredits Issuance Statement, registration of the initiative, certification of the initiative, authorization to issue BioCredits, or authorization to make market claims regarding issued BioCredits.

18.6 Publication and use of Audit Reports

Audit Reports shall be submitted to BioCarbon and may be made publicly available through the Registry in accordance with the BBS transparency provisions.

Confidential or commercially sensitive information may be handled in accordance with the BBS, BioCarbon procedures, applicable law, and Indigenous and Local Communities Data Sovereignty requirements.

19 Interaction with conformity determination, issuance, and registry

19.1 Submission of the Audit Report to BioCarbon

Upon completion of the audit, the CAB shall submit the Audit Report to BioCarbon together with all supporting documentation required by BioCarbon.

The CAB shall ensure that the Audit Report is complete, internally consistent, evidence-based, and suitable for BioCarbon's conformity determination or issuance review.

19.2 BioCarbon conformity determination

BioCarbon shall review the Audit Report and supporting documentation and determine whether the initiative complies with the BBS, the applicable methodology, BioCarbon tools, and registry procedures.

BioCarbon may request additional information or corrective actions before finalizing conformity determination.

19.3 Conformity Statement

Where BioCarbon determines that all applicable requirements are met, BioCarbon shall issue a Conformity Statement confirming that the initiative complies with the BBS and is eligible for the issuance of BioCredits.

No Conformity Statement shall be issued until all corrective actions affecting conformity have been satisfactorily closed.

The Conformity Statement shall not be issued by the CAB.

19.4 BioCredits Issuance Statement

Where BioCarbon determines that the monitored biodiversity conservation outcomes meet the requirements for issuance, BioCarbon shall issue a BioCredits Issuance Statement authorizing the registration and issuance of BioCredits.

BioCredits shall be issued on a monitoring-period basis. Each issuance shall correspond only to biodiversity conservation outcomes that have been monitored, independently audited, and determined to meet the applicable requirements for the monitoring period covered by the BioCredits Issuance Statement.

Estimated future biodiversity conservation outcomes, indicative BioCredit potential estimates, forward-looking projections, expected performance over the quantification period, financial instruments, or advance purchase agreements shall not be treated as issued BioCredits.

No BioCredit shall be considered issued until BioCarbon has issued the corresponding BioCredits Issuance Statement and the BioCredit has been recorded in the Registry with its corresponding serial identification.

BioCredits shall be issued only where:

(a) the Initiative has received a Conformity Statement under the BBS;

(b) all monitoring datasets supporting issuance have passed quality control and audit procedures;

(c) the Conformity Statement and Audit Report are complete; and

(d) all applicable transparency and disclosure requirements have been fulfilled through the Registry.

Each BioCredits Issuance Statement shall specify the number of BioCredits authorized, the monitoring period to which they correspond, and the serial identification assigned in the Registry.

The number of BioCredits authorized for issuance may differ from prior indicative BioCredit potential estimates where such difference is justified by monitored results, approved indicators and metrics, methodology requirements, data quality, uncertainty, conservative treatment, leakage, displacement of pressures, reversals, baseline consistency, safeguards, or other applicable requirements.

Where retroactive issuance is approved, the BioCredits Issuance Statement shall also specify the retroactive start date, baseline year, and the audited retroactive periods approved under the BBS.

No forward-looking claim, financial instrument, advance purchase agreement, expected biodiversity outcome, or anticipated conservation result shall be represented, marketed, or traded as an issued BioCredit.

19.5 Registry actions and traceability

Registry actions shall be based on BioCarbon's decisions and applicable registry procedures.

The Registry shall ensure traceability of initiative registration, Audit Reports, Conformity Statements, BioCredits Issuance Statements, serial numbers, issuance batches, transfers, retirements, and public disclosure records.

BioCarbon shall ensure that no serial number is altered, duplicated, or reassigned.

The BioCredits Issuance Statement shall include a public link to the Monitoring Report and Audit Report available in the Registry.

Prior to issuance, BioCarbon shall review consistency among the Monitoring Report, Audit Report, and Conformity Statement, including alignment of spatial data, indicators, baselines, quantities, monitoring period, and issued BioCredits.

BioCarbon shall ensure that biodiversity conservation outcomes corresponding to issued BioCredits are uniquely identified, traceable, and not subject to duplication across other schemes or equivalent mechanisms for the issuance of biodiversity credits.

19.6 Erroneous issuance, registry corrections, and post-issuance measures

Where erroneous issuance, reporting errors, data inconsistencies, double counting, double issuance, multiple attribution, reversal events, safeguard issues, rights-related issues, or other concerns affecting issued BioCredits are identified, BioCarbon may require additional information, corrective actions, registry corrections, suspension, revocation, or other post-issuance measures, in accordance with the BBS.

Where corrections, suspensions, or revocations of BioCredits are required, BioCarbon shall ensure that the reasons for such actions and the corrective measures implemented are documented and publicly disclosed in accordance with the transparency requirements of the BBS.

CABs shall cooperate with BioCarbon in any investigation, corrective action process, registry correction, or follow-up audit activity requested by BioCarbon in relation to erroneous issuance, reporting errors, data inconsistencies, double counting, reversal events, rights-related issues, or other post-issuance concerns.

20 Appeals, complaints, and dispute handling

20.1 Appeals by initiative holders

CABs shall maintain documented procedures for receiving, evaluating, and resolving appeals related to audit findings, audit conclusions, and audit procedures.

Appeals shall be handled by personnel independent from the original audit decision.

20.2 Complaints related to CAB conduct

CABs shall maintain documented procedures for receiving and resolving complaints related to CAB conduct, audit team behavior, impartiality, confidentiality, competence, or compliance with this Manual.

Complaints involving IPs, LCs, or affected stakeholders shall be handled in a culturally appropriate, accessible, and non-retaliatory manner.

20.3 Dispute resolution and escalation to BioCarbon

Where a dispute cannot be resolved by the CAB or may affect BBS integrity, BioCarbon may review the matter and determine appropriate next steps.

CABs shall promptly notify BioCarbon of complaints or disputes that may affect conformity, issuance eligibility, rights, safeguards, data integrity, or public confidence in the BBS.

20.4 Complaint-handling procedures consistent with the BBS

CAB complaint-handling procedures shall be consistent with the BBS, applicable accreditation requirements, this Manual, and any BioCarbon complaint or appeals procedures.

CABs shall maintain records of complaints, appeals, responses, decisions, and corrective actions.

21 Records, transparency, confidentiality, and data governance

21.1 Record retention and documentation

CABs shall retain all audit records for the period required by BioCarbon, accreditation requirements, applicable law, or internal procedures, whichever is longer.

Audit records shall include, as applicable:

(a) audit plans;

(b) conflict-of-interest assessments;

(c) competence records;

(d) document review logs;

(e) field notes;

(f) interview records;

(g) sampling records;

(h) datasets and calculations;

(i) GIS files and maps;

(j) findings logs;

(k) internal review records;

(l) Audit Reports; and

(m) communications with the initiative holder and BioCarbon.

21.2 Transparency and disclosure

CABs shall support BioCarbon's transparency obligations by preparing Audit Reports that clearly identify the evidence, analysis, limitations, and conclusions supporting the audit.

CABs shall not omit information necessary for BioCarbon's conformity determination or issuance review.

21.3 Confidentiality obligations

CABs shall protect confidential, commercially sensitive, personal, community, and culturally sensitive information obtained during audit activities.

Confidentiality obligations shall not prevent CABs from disclosing information to BioCarbon where necessary for conformity determination, issuance review, oversight, or enforcement.

21.4 Handling of confidential and commercially sensitive information

Where information is identified as confidential or commercially sensitive, the CAB shall assess whether the confidentiality claim is justified and whether sufficient non-confidential information is available to support transparency and public disclosure requirements.

Information essential to assess conformity, ecological integrity, safeguards, rights, FPIC, monitored outcomes, or issuance eligibility shall not be withheld from the CAB or BioCarbon.

21.5 Indigenous and Local Communities Data Sovereignty

CABs shall respect Indigenous and Local Communities Data Sovereignty in the collection, handling, storage, use, and disclosure of biodiversity-related data, traditional knowledge, territorial information, cultural information, and community monitoring records.

CABs shall assess whether initiative holders have obtained explicit authorization for the use of IP and LC data and whether data governance arrangements are consistent with community protocols and the BBS.

21.6 Data quality and integrity

CABs shall assess whether data used to support conformity or issuance eligibility are accurate, complete, consistent, traceable, and protected from manipulation.

Where data quality limitations exist, the CAB shall assess their effect on conformity, conservative treatment, ecological integrity, and issuance eligibility.

22 Transition, version control, and entry into force

22.1 Version control

BioCarbon shall maintain version control for this Manual, including version number, publication date, effective date, and revision history.

CABs and initiative holders shall apply the version of this Manual in force at the time of the applicable audit engagement, unless otherwise authorized by BioCarbon.

22.2 Transitional arrangements

BioCarbon may establish transitional arrangements for initiatives, audits, or CAB approval processes already in progress at the time this Manual enters into force.

Transitional arrangements shall be documented and shall not compromise ecological integrity, social integrity, rights protection, data integrity, transparency, or the credibility of BioCredits.

22.3 Updates

BioCarbon may update this Manual periodically to reflect revisions to the BBS, methodologies, tools, registry procedures, accreditation requirements, lessons learned, or international best practices.

22.4 Entry into force

This Manual enters into force on the date of publication unless otherwise specified by BioCarbon.

22.5 Applicability to in-progress initiatives

For in-progress initiatives, BioCarbon may determine whether the current Manual applies immediately or whether transitional provisions apply.

In all cases, no audit conclusion shall support conformity determination or BioCredits issuance where evidence is insufficient, corrective actions remain unresolved, or the integrity requirements of the BBS are not met.

Annex A. Definitions and terms

For the purposes of this Manual, the following terms shall apply. Where a term is defined in the BBS, the definition in the BBS shall prevail.

Acceptance

Acceptance of a conformity assessment result.

Use of a conformity assessment result provided by another person or organization.

Note 1 to entry: The expression "conformity assessment result" signifies the output of any conformity assessment activity (e.g., a report or certificate) and can include a finding of nonconformity.

Accreditation

Third-party attestation related to a conformity assessment body, conveying formal demonstration of its competence, impartiality and consistent operation in performing specific conformity assessment activities.

Applicable BioCarbon-approved methodology or methodological document

Methodology, methodological document, module, technical requirement, tool, or other BioCarbon-approved instrument applicable to a Biodiversity Conservation Initiative under the BBS. The applicable methodology or methodological document establishes technical requirements for eligibility, applicability conditions, baseline, additionality, conservation activities, conservation objectives, conservation objects, monitoring, data quality, uncertainty, leakage, displacement of pressures, reversals, quantification, safeguards, and any other matter required to assess conformity or BioCredits issuance eligibility.

Where more than one methodology, methodological document, module, or tool applies to an Initiative, the CAB shall assess the applicability, compatibility, version control, and correct use of each applicable instrument.

Approval

Permission for a product, service or process to be marketed or used for stated purposes or under stated conditions

Note 1 to entry: Approval can be based on fulfilment of specified requirements or completion of specified procedures.

Note 2 to entry: Approval can be given in the context of a conformity assessment scheme.

Audit

Independent process conducted by an accredited and BioCarbon-approved CAB to obtain relevant information about a Biodiversity Conservation Initiative and/or its monitored biodiversity conservation outcomes and evaluate it objectively to determine the extent to which specified requirements under the BBS, the applicable BioCarbon-approved methodology or methodologies, applicable methodological documents, BioCarbon tools, and other binding BioCarbon normative documents are fulfilled.

Audit Report

Document issued by an accredited and BioCarbon-approved CAB presenting, in a structured manner, the findings, evidence, analyses, limitations, and conclusions resulting from the audit of a Biodiversity Conservation Initiative and/or monitored biodiversity conservation outcomes.

The Audit Report constitutes the technical basis for BioCarbon's conformity determination and does not, by itself, constitute a final decision of the scheme, a Conformity Statement, a BioCredits Issuance Statement, registration of the initiative, certification of the initiative, or authorization to issue BioCredits.

Biodiversity Conservation Initiative / Initiative

Activity or set of activities implemented to conserve, restore, preserve, or sustainably use biodiversity and ecosystems under the BBS, with the objective of generating measurable biodiversity conservation outcomes.

BioCredit

Voluntary Biodiversity Credit issued under the BBS representing a monitored, independently audited, traceable, and conformity-determined biodiversity conservation outcome for a defined monitoring period, quantified in accordance with the applicable BioCarbon-approved methodology or methodologies, approved for issuance by BioCarbon, and recorded in the Registry with a unique serial identification.

A BioCredit does not represent expected future outcomes, indicative estimates, forward-looking projections, financial instruments, or advance purchase agreements. No BioCredit shall be considered issued until BioCarbon has issued the corresponding BioCredits Issuance Statement and the credit has been recorded in the Registry with its corresponding serial identification.

BioCredits Issuance Statement

Formal statement issued by BioCarbon authorizing the registration and issuance of BioCredits corresponding to biodiversity conservation outcomes that have been monitored, independently audited, and determined to meet the applicable requirements for issuance, after conformity determination and fulfillment of all applicable issuance requirements.

Conformity Assessment Body (CAB)

Independent third-party body accredited and approved by BioCarbon to conduct audit activities under the BBS.

Conformity determination

Decision adopted by BioCarbon, based on the Audit Report and supporting documentation, establishing whether a Biodiversity Conservation Initiative and/or monitored biodiversity conservation outcomes comply with the applicable requirements of the BBS.

Conformity Statement

Statement issued by BioCarbon confirming that a Biodiversity Conservation Initiative complies with the BBS and is eligible for the issuance of BioCredits, where all applicable requirements are met.

Conservation Initiative Document (CID)

Document prepared by the initiative holder describing the Biodiversity Conservation Initiative, including its design, eligibility, conservation objectives, conservation objects, baseline, additionality, monitoring plan, safeguards, stakeholder engagement, legal compliance, ownership arrangements, and other information required under the BBS.

Corrective Action Request (CAR)

Finding raised by the CAB where a non-conformity with the BBS, applicable methodology, BioCarbon tools, legal requirements, safeguards, monitoring requirements, or this Manual is identified.

Clarification Request (CL)

Finding raised by the CAB where information is unclear, incomplete, inconsistent, or insufficient to support an audit conclusion, but where the issue does not yet constitute a non-conformity.

Conformity assessment

Demonstration that specified requirements are fulfilled.

Note 1 to entry: The process of conformity assessment as described in the functional approach in Annex A[1] can have a negative outcome, i.e., demonstrating that the specified requirements are not fulfilled.

Note 2 to entry: Conformity assessment includes activities defined elsewhere in this document[2], such as but not limited to testing, inspection, validation, verification, certification, and accreditation.

Conformity assessment body

Body that performs conformity assessment activities, excluding accreditation.

Conformity assessment scheme

Set of rules and procedures that describes the objects of conformity assessment, identifies the specified requirements and provides the methodology for performing conformity assessment.

Note 1 to entry: A conformity assessment scheme can be managed within a conformity assessment system.

Note 2 to entry: A conformity assessment scheme can be operated at an international, regional, national sub-national, or industry sector level.

Forward Action Request (FAR)

Finding raised by the CAB where an issue does not prevent a positive audit conclusion for the current audit but requires follow-up in a subsequent monitoring period or audit.

Free, Prior and Informed Consent (FPIC)

Consent given freely, prior to implementation, and based on adequate information, through culturally appropriate processes, by Indigenous Peoples or Local Communities where activities affect their lands, territories, resources, cultural values, livelihoods, or decision-making systems.

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[1] Annex in ISO 17065

[2] With reference to ISO 17065

Indicative BioCredit potential estimate

Non-binding estimate of the potential number of BioCredits that may be generated by a Biodiversity Conservation Initiative over a defined quantification period, based on the applicable BioCarbon-approved methodology or methodologies, conservation objects, indicators, metrics, baseline, assumptions, and information available at the time of estimation.

An indicative BioCredit potential estimate does not constitute BioCredits issuance, allocation, transferability, market availability, retirement eligibility, or authorization to sell, transfer, retire, or make claims regarding BioCredits.

The estimate may be revised in future monitoring periods based on monitored biodiversity conservation outcomes, approved indicators and metrics, methodology requirements, baseline reassessment, data quality, uncertainty, leakage, displacement of pressures, reversals, safeguards, stakeholder engagement, FPIC where applicable, and any other relevant factor assessed under the BBS.

Indigenous and Local Communities Data Sovereignty

Principle under which biodiversity-related data, traditional knowledge, territorial information, community monitoring data, and culturally sensitive information originating from Indigenous Peoples or Local Communities are governed by rights of ownership, control, access, consent, confidentiality, and agreed protocols.

Initiative holder

Natural or legal person, community, organization, entity, or group responsible for the design, implementation, monitoring, documentation, and submission of a Biodiversity Conservation Initiative under the BBS.

Impartiality

presence of objectivity

Note 1 to entry: Objectivity is understood to mean that conflicts of interest do not exist, or are resolved so as not to adversely influence the activities of the body.

Note 2 to entry: Other terms that are useful in conveying the element of impartiality are independence, freedom from conflicts of interest, freedom from bias, freedom from prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment and balance.

Intended User

Individuals or organizations, identified by those reporting biodiversity outcomes-related information, who rely on reported information to make decisions.

Monitoring Report

Report prepared by the initiative holder documenting monitored biodiversity conservation outcomes, implementation status, monitoring data, safeguards, stakeholder engagement, risks, leakage, reversals, and other relevant information for a defined monitoring period.

Registry

Platform or system used to record, disclose, track, issue, transfer, retire, and ensure the traceability of Biodiversity Conservation Initiatives, BioCredits, serial numbers, Audit Reports, Conformity Statements, BioCredits Issuance Statements, and related documentation.

Uncertainty

It is the parameter associated with the quantification that characterizes the dispersion of values reasonably attributed to the quantified quantity.

Note: Uncertainty information generally specifies quantitative estimates of the likely dispersion of values and a qualitative description of the likely causes of the dispersion.

Annex B. Minimum content requirements for the Initiative Conformity Audit Report

The Initiative Conformity Audit Report shall include, at minimum:

1) General information

a. Initiative title;

b. Initiative holder;

c. Initiative location;

d. Conservation activities;

e. Applicable BBS version;

f. Applicable methodology and tools;

g. CAB name and accreditation;

h. Audit team and competence;

i. Audit period;

j. Site visit status.

2) Objective, scope, and criteria

a. Audit objective;

b. Audit scope;

c. Audit criteria;

d. Audit limitations;

e. Applicable documents and versions.

3) Initiative eligibility and design

a. Eligible conservation activities;

b. Conservation objectives;

c. Conservation objects;

d. Initiative area and area of influence;

e. Minimum spatial units;

f. Governance arrangements.

4) Rights, governance, and FPIC

a. Land and resource rights;

b. IP and LC rights;

c. FPIC assessment, where applicable;

d. Participation and governance;

e. Benefit-sharing;

f. Grievance mechanism.

5) Baseline and additionality

a. Baseline scenario;

b. Baseline evidence;

c. Baseline validity;

d. Additionality demonstration;

e. Regulatory surplus;

f. Conservative treatment.

6) Biodiversity conservation outcomes

a. Indicators and metrics;

b. Quantification approach;

c. Data sources;

d. Uncertainty and data quality;

e. Conservative treatment.

7) Leakage, displacement, and reversal risk

a. Drivers of biodiversity loss;

b. Leakage risks;

c. Displacement of pressures;

d. Reversal risk;

e. Permanence-related risks;

f. Adaptive management.

8) Safeguards, SDGs, and legal compliance

a. Sustainable Development Safeguards;

b. SDG claims and indicators;

c. Stakeholder engagement;

d. Public consultation;

e. Legal compliance;

f. Human rights and community rights.

9) Monitoring and reporting

a. Monitoring plan;

b. Parameters and indicators;

c. Monitoring frequency;

d. QA/QC procedures;

e. Data management;

f. IP and LC participation in monitoring, where applicable.

10) Findings and corrective actions

a. CLs;

b. CARs;

c. FARs;

d. Closure status;

e. Unresolved limitations.

11) Audit conclusion

a. Positive / qualified / negative conclusion;

b. Basis for the conclusion;

c. Limitations;

d. Statement that the Audit Report does not constitute BioCarbon's Conformity Statement or BioCredits Issuance Statement.

Annex C. Minimum content requirements for the BioCredits Issuance Audit Report

The BioCredits Issuance Audit Report shall include, at minimum:

1) General information

a. Initiative title;

b. Initiative holder;

c. Monitoring period;

d. Monitoring Report version;

e. Updated indicative BioCredit potential estimate, where applicable;

f. Changes to indicators, metrics, monitoring design, conservation objects, baseline assumptions, methodological modules, or quantification approach since the Conformity Statement or previous issuance, where applicable;

g. Applicable Conformity Statement, where applicable;

h. Applicable BBS version;

i. Applicable methodology and tools;

j. CAB name and accreditation;

k. Audit team and competence.

2) Objective, scope, and criteria

a. Audit objective;

b. Audit scope;

c. Audit criteria;

d. Audit limitations;

e. Applicable documents and versions.

3) Monitoring Report assessment

a. Completeness;

b. Internal consistency;

c. Evidence traceability;

d. Data sources;

e. QA/QC procedures;

f. Public disclosure requirements.

4) Monitored biodiversity conservation outcomes

a. Monitored indicators;

b. Monitored results;

c. Data quality;

d. Uncertainty;

e. Conservative treatment;

f. Attribution to initiative activities.

5) Baseline consistency

a. Baseline validity;

b. Baseline changes;

c. Triggered reassessment;

d. Consistency with monitored outcomes.

6) Leakage, displacement, reversals, and adaptive management

a. Leakage monitoring;

b. Displacement of pressures;

c. Reversal events;

d. Loss events;

e. Corrective or adaptive management;

f. Effect on issuance eligibility.

7) Safeguards, stakeholder engagement, FPIC, and legal compliance

a. Safeguards during the monitoring period;

b. Stakeholder engagement;

c. FPIC maintenance, where applicable;

d. Grievances or disputes;

e. Legal compliance;

f. Rights-related issues.

8) BioCredits issuance eligibility

a. Monitored outcomes supporting issuance;

b. Issuance period;

c. Proposed BioCredits;

d. assessment of whether the BioCredits requested for issuance are based on monitored biodiversity conservation outcomes for the monitoring period under audit, and not on an initial or prior indicative BioCredit potential estimate;

e. assessment of whether any difference between the BioCredits requested for issuance and prior indicative BioCredit potential estimates is justified by monitored results, approved indicators and metrics, methodology requirements, data quality, uncertainty, conservative treatment, leakage, displacement of pressures, reversals, baseline consistency, safeguards, or other applicable requirements.

f. Adjustments or deductions;

g. Limitations;

h. Registry-relevant information.

9) Findings and corrective actions

a. CLs;

b. CARs;

c. FARs;

d. Closure status;

e. Unresolved limitations.

10) Audit conclusion

a. Positive / qualified / negative conclusion;

b. Issuance eligibility statement;

c. Identification of any unresolved issues, limitations, qualifications, or conditions affecting BioCredits issuance;

d. Statement that the Audit Report does not authorize issuance of BioCredits.

Annex D. Minimum content requirements for the Combined Initiative Conformity and BioCredits Issuance Audit Report

The Combined Initiative Conformity and BioCredits Issuance Audit Report shall be used where the same engagement covers both initiative conformity and monitored biodiversity conservation outcomes for BioCredits issuance.

The Combined Initiative Conformity and BioCredits Issuance Audit Report shall include, at minimum:

1) General information

a. Initiative title;

b. Initiative holder;

c. Monitoring period, if applicable;

d. Retroactive period, if applicable;

e. Applicable BBS version;

f. Applicable methodology and tools;

g. CAB name and accreditation;

h. Audit team and competence.

2) Separation of audit components

a. Initiative Conformity component;

b. BioCredits issuance eligibility component;

c. Evidence used for each component;

d. Findings affecting each component;

e. Conclusions for each component.

3) Initiative conformity assessment

Include all content required under Annex B.

4) Monitored outcomes and issuance assessment

Include all content required under Annex C.

5) Retroactive periods, where applicable

a. Retroactive start date;

b. Baseline year;

c. Audited retroactive periods;

d. Evidence supporting retroactive monitoring;

e. Safeguards and rights during the retroactive period;

f. Limitations.

6) Findings and corrective actions

a. Findings affecting conformity determination;

b. Findings affecting issuance eligibility;

c. Closure status;

d. Unresolved limitations.

7) Conclusions

a. Conclusion on initiative conformity;

b. Conclusion on BioCredits issuance eligibility;

c. Statement that BioCarbon retains responsibility for Conformity Statements and BioCredits Issuance Statements.

Annex E. Minimum competence matrix for audit teams

The CAB shall document the competence of each audit team member, technical expert, internal reviewer, and authorized decision-maker.

The competence matrix shall include, at minimum:

1) General information

a. Name;

b. Organization;

c. Role in the engagement;

d. Independence confirmation;

e. Conflict-of-interest assessment.

2) Technical competence

a. Biodiversity conservation;

b. Ecological restoration;

c. Preservation;

d. Sustainable use;

e. Conservation objectives and conservation objects;

f. Biodiversity monitoring;

g. Biodiversity data and uncertainty;

h. GIS and remote sensing;

i. Leakage and displacement of pressures;

j. Reversal risk and permanence-related risks;

k. Adaptive management.

3) Social and rights-based competence

a. Stakeholder engagement;

b. FPIC;

c. IP and LC rights;

d. Community governance;

e. Benefit-sharing;

f. Grievance mechanisms;

g. Sustainable Development Safeguards;

h. Indigenous and Local Communities Data Sovereignty.

4) Legal and governance competence

a. Land and resource rights;

b. Applicable environmental law;

c. Human rights;

d. Registry procedures;

e. BioCredit ownership and claims.

5) Evidence of competence

a. Education;

b. Professional experience;

c. Audit experience;

d. Training records;

e. CV;

f. Certifications;

g. Prior relevant assignments.

Annex F. Crosswalk between BBS v4.1 and the Audit Manual v2.0

This Annex provides a crosswalk between the principal requirements of the BBS and the corresponding sections of this Manual.

The crosswalk is intended to support completeness, traceability, and consistent application of audit requirements. It does not replace the BBS or limit the CAB's responsibility to assess all applicable requirements.

BBS requirement area	**Audit Manual section**
Scope and applicability	Sections 6 and 7
Eligible biodiversity conservation activities	Sections 6, 13, and Annex B
Community rights, FPIC, and participation	Sections 8, 9, 13, 16, 21, and Annexes B–E
Conservation objectives and conservation objects	Sections 13 and Annex B
Geographic boundaries and minimum spatial units	Sections 13, 16, and Annex B
Baseline and additionality	Sections 13 and Annex B
Drivers of biodiversity loss	Sections 13 and Annex B
Leakage and displacement of pressures	Sections 13, 14, 16, and Annexes B–D
Biodiversity conservation outcomes	Sections 13, 14, and Annexes B–D
Indicative BioCredit potential estimates	Sections 13.6, 14.1, 14.3, 14.8, 18, 19, and Annexes A, B, C, and D
Monitoring-period-based BioCredits issuance	Sections 14, 18, 19, and Annexes C and D
Changes to indicators, metrics, monitoring design, conservation objects, baseline assumptions, or quantification approach	Sections 14.3, 14.8, 18, 19, and Annexes C and D
Integrity of biodiversity conservation outcomes and attributions	Sections 13.11, 14.7, 18, 19, and Annexes B–D

BBS requirement area	Audit Manual section
Uncertainty and data quality	Sections 8, 13, 14, 16, 21, and Annexes B–D
Risk assessment and reversals	Sections 13, 14, 16, and Annexes B–D
Stakeholder engagement and consultation	Sections 8, 13, 14, 16, 20, and Annexes B–D
Public consultation	Sections 13.9, 16, 18, 19, 21, and Annexes B–D
Sustainable Development Goals	Sections 13, 14, and Annexes B–D
Sustainable Development Safeguards	Sections 13, 14, 20, and Annexes B–D
Climate change adaptation	Sections 13, 14, and Annexes B–D
BioCredits ownership and rights	Sections 13, 14, 19, and Annexes B–D
Transparency and public disclosure	Sections 18, 19, 21, and Annexes B–D
Monitoring and reporting	Sections 13, 14, 16, 21, and Annexes B–D
Double counting, double issuance, and multiple attribution	Sections 13.11, 14.7, 19, and Annexes B–D
Auditing and conformity determination process	Sections 1, 8, 9, 13–19
Conformity Assessment Bodies	Sections 10–12 and Annex E
Conformity determination	Sections 18 and 19
BioCredits issuance and registry	Sections 14, 18, 19, and Annexes C–D
Registry platform and traceability	Sections 18, 19, 21, and Annexes B–D

Document history

Type of document. Normative

Certification Manual for biodiversity initiatives.

Version	Date	Description
1.0	February 29, 2024	Firs version
1.1	May 13, 2025	The term 'net gains' has been removed Inclusion of the BioCredits unit Inclusion of a requirement regarding adherence to sustainable development safeguards Minor editorial changes
2.0	July 1, 2026	Comprehensive revision and restructuring of the Audit Manual to align with BBS v4.1. Replaces the previous certification-based structure with an audit and conformity determination framework. Clarifies the roles of CABs and BioCarbon, including Audit Reports, BioCarbon conformity determination, Conformity Statements, BioCredits Issuance Statements, registry actions, public consultation, Indigenous and Local Communities Data Sovereignty, safeguards, audit evidence, findings management, indicative BioCredit potential estimates, monitoring-period-based BioCredits issuance, and requirements for the Initiative Conformity Audit Report, BioCredits Issuance Audit Report, and Combined Initiative Conformity and BioCredits Issuance Audit Report.