BioCarbon Water Standard (BWS)

AUDIT MANUAL

Water Resource Management and Conservation Projects

BIOCARBON CERT®

Version 1.0| June 29, 2026

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BioCarbon Cert. 2026. Audit Manual for Water Resource Management and Conservation Projects. Version 1.0. June 29, 2026. 58 p. http://www.biocarbonstandard.com

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1 Purpose

Throughout this Manual, the term "audit" refers to the independent conformity assessment process conducted by a BioCarbon-approved Conformity Assessment Body (CAB) under the BioCarbon Water Standard (BWS).

Audit activities under the BWS may include:

(a) Project Registration Audits, which assess project design, eligibility, baseline, additionality, quantification approach, monitoring arrangements, safeguards, legal compliance, ownership and rights, and other applicable requirements prior to project registration;
(b) VWC Issuance Audits, which assess monitored results for a specific monitoring period and support BioCarbon's review of eligibility for VWC issuance; and
(c) Combined Registration and VWC Issuance Audits, where the same audit process covers both project registration and monitored results for the first issuance period.

The formal deliverables submitted by the CAB to BioCarbon are the Audit Report and, where required for registry purposes, the applicable CAB Audit Statement. The Audit Report constitutes the technical basis for BioCarbon's Determination of Conformity. Neither the Audit Report nor the CAB Audit Statement constitutes, by itself, a Declaration of Conformity, a Declaration of Issuance, certification of the project, or authorization to issue VWCs.

In accordance with the BWS, BioCarbon does not certify projects. BioCarbon determines conformity based on independent audits conducted by accredited and approved CABs.

2 Objective of the Manual

This Audit Manual for Water Resource Management and Conservation Projects (the Manual) establishes the mandatory rules, procedures, and requirements governing audit activities for water resource management and conservation projects under the BioCarbon Water Standard (BWS).

The objective of this Manual is to ensure that all audit activities are conducted in a consistent, independent, conservative, evidence-based, and technically robust manner, thereby safeguarding the environmental integrity of the Verified Water Credits (VWCs) issued under the BWS.

3 Intended users

This Manual is intended for use by:

(a) Conformity Assessment Bodies (CABs) approved or seeking approval under the BioCarbon Water Standard;

(b) Audit team members, technical experts, internal reviewers, and authorized signatories acting on behalf of CABs;
(c) Project holders seeking project registration, determination of conformity, or issuance of VWCs; and
(d) BioCarbon, in its role as administrator and overseer of the BioCarbon Water Standard.

4 Legal nature of the Manual

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

Compliance with this Manual is mandatory for all audit activities conducted under the BWS. Failure to comply with its provisions may result in non-conformities, corrective actions, suspension, or other enforcement measures in accordance with applicable program rules.

5 Scope and applicability

5.1 Material scope

This Manual applies to all audit activities conducted under the BioCarbon Water Standard, including, without limitation:

(a) Project Registration Audits;
(b) VWC Issuance Audits for monitored water conservation results;
(c) Combined Registration and VWC Issuance Audits, where applicable; and
(d) any supplementary audit activities required by BioCarbon.

The audit scope shall explicitly include the assessment of:

(a) eligible activities and functional equivalence;
(b) project location, scale, duration, retroactivity, start date, boundaries, area of influence, land use, ecosystem characterization, and management units;
(c) baseline validity, risk assessment, leakage, additionality, non-permanence, reversals, measurement hierarchy and uncertainty;
(d) monitoring, crediting and reversal management under the BWS;
(e) stakeholder engagement, FPIC where applicable, SDG contributions, Sustainable Development Safeguards, and legal compliance;
(f) water rights, VWC ownership, transfer rights, and any restrictions affecting issuance;
(g) climate change adaptation; and
(h) monitoring plan and data quality requirements.

5.2 Project types and sectors

This Manual applies to all project types eligible under the BWS, including activities related to:

(a) Water supply enhancement activities, including ecosystem-based interventions (sustainable management practices, conservation and restoration activities) and engineered or hybrid water supply systems;
(b) Water demand reduction and efficiency activities, including non-revenue water (NRW) reduction, industrial, commercial and residential efficiency improvements, water reuse and recycling systems, and technological retrofits; and
(c) Water quality improvement activities, including wastewater treatment, pollutant load reduction, remediation of contaminated surface or groundwater systems, and advanced treatment technologies.

For all activity types, results shall be expressed as net cubic meters (m^3) of water generated, saved, or restored, in accordance with the principle of functional equivalence.

5.3 Geographic and Temporal Scope

This Manual applies to all projects registered or seeking registration under the BWS, regardless of geographic location.

Projects with retroactivity claims of up to three (3) years, as permitted under the BWS, shall comply with the applicable Project Registration Audit requirements set forth in this Manual to substantiate project eligibility and, where relevant, pre-registration water benefits.

6 Normative hierarchy and governing documents

6.1 Normative hierarchy

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

(a) BioCarbon Water Standard in its most recent version;
(b) BioCarbon-approved quantification methodologies for water activities;
(c) This Audit Manual for Water Resource Management and Conservation Projects;
(d) Other normative program documents, guidance, and templates expressly designated as binding.

In the event of inconsistency, higher-level normative documents shall prevail.

6.2 Relationship with the BWS

The BWS constitutes the primary and prevailing normative instrument governing all aspects of project eligibility, quantification, safeguards, risk assessment, non-permanence, reversals, monitoring, conformity determination, and credit issuance.

This Manual operationalizes the audit requirements contained in the BWS sections entitled "Audit and conformity determination process", "Conformity Assessment Bodies", and "Review and issuance of VWCs". In the event of any inconsistency between this Manual and the BWS, the BWS shall prevail.

6.3 Relationship with methodologies, tools and SOPs

CABs shall apply the quantification methodologies approved by BioCarbon for each specific water project activity. All mandatory tools referenced by the BWS, the applicable methodology, or BioCarbon normative documents shall be applied.

The selection and correct applicable version of methodologies, tools, templates, and SOPs shall be assessed during the applicable Project Registration Audit and, where relevant, during the VWC Issuance Audit.

Procedural steps related to registration, issuance, renewals, reversals, corrective actions, and enforcement shall be carried out in accordance with the applicable BioCarbon SOPs.

Where the BWS or an applicable methodology does not address a specific situation, CABs shall apply the most conservative and scientifically defensible approach, consistent with the principles of this Manual and with the conservativeness requirements of the BWS.

This Manual does not replace methodologies, tools, templates, or SOPs, but establishes how they shall be applied, assessed, and audited by CABs within the scope of audit activities under the BWS.

6.4 Interpretation and conservativeness

Where ambiguity exists in the interpretation of any requirement, CABs shall apply the interpretation that best protects the environmental integrity of VWCs and is most consistent with the objectives of the BWS.

All BWS technical requirements shall be directly auditable, even when not explicitly detailed in this Manual.

7 Principles of audit

All audit activities conducted under this Manual shall be governed by the following principles, which are consistent with the principles of the BWS and applicable international conformity assessment standards, including ISO/IEC 17000, ISO/IEC 17020, ISO/IEC 17029, and ISO/IEC 17065.

7.1 Independence and impartiality

CABs and their personnel shall be free from any commercial, financial, or other relationship that could bias their professional judgment. Audits shall be conducted impartially and independently of the project holder and of any entity with a financial interest in the audit outcome.

7.2 Transparency and traceability

All audit findings, evidence, decisions, and conclusions shall be documented in a transparent and traceable manner. Conclusions must be supported by sufficient and appropriate evidence. Audit trails shall allow independent reviewers (including BioCarbon, accreditation bodies, and the public, where applicable) to verify the basis for all conclusions.

7.3 Conservativeness and environmental integrity

Where uncertainty exists in the quantification of water benefits, CABs shall apply conservative approaches that ensure VWCs represent real, additional, measurable, and verifiable improvements in water resources. Overestimation of water benefits shall not be accepted under any circumstance.

7.4 Evidence-based and risk-based approach

Audit conclusions shall be based on objective, verifiable, and reproducible evidence. CABs shall apply a risk-based approach to planning and conducting audits, directing greater effort toward areas of higher uncertainty or environmental significance.

Audits shall cover all applicable BWS requirements without omission.

8 Roles, responsibilities and liability boundaries

8.1 Role and responsibilities of the Conformity Assessment Body (CAB)

The CAB is solely responsible for:

(a) conducting Project Registration Audits, VWC Issuance Audits, Combined Registration and VWC Issuance Audits, and any supplementary audit activities in accordance with the BWS, this Manual, the applicable methodology, and BioCarbon tools;

(b) forming independent, evidence-based professional opinions on project conformity and, where applicable, monitored results;

(c) (c) preparing and issuing the Audit Report and the applicable CAB Audit Statement for registry purposes, including the CAB's findings, evidence-based analysis, and audit conclusions. The Audit Report constitutes the technical basis for BioCarbon's Determination of Conformity. The CAB Audit Statement is a

registry-facing summary of the CAB's audit conclusion and does not, by itself, constitute a Declaration of Conformity, a Declaration of Issuance, certification of the project, or authorization to issue VWCs;
(d) identifying, documenting, and tracking all findings;
(e) ensuring that any VWC issuance recommendation is based on monitored, audited, and conservatively quantified evidence;
(f) assessing comprehensive legal compliance, including environmental, land use, water-related, and human rights legislation; and
(g) assessing VWC ownership, transfer rights, registry consistency, and any restrictions affecting issuance.

8.2 Role and responsibilities of the project holder

Project holders are responsible for:

(a) preparing complete, accurate, and compliant project documentation;
(b) implementing and maintaining the approved monitoring plan;
(c) demonstrating additionality through qualitative and quantitative evidence;
(d) identifying, documenting, and, where applicable, reassessing project risks, leakage, non-permanence, reversals, baseline conditions, monitoring assumptions, and any other factor that may affect conformity, conservative quantification, or VWC issuance;
(e) demonstrating compliance with the Sustainable Development Safeguards (SDS) tool and applicable SDGs;
(f) demonstrating water usability where applicable;
(g) facilitating access to project sites, data, records, and personnel; and
(h) responding to and implementing corrective actions within established timelines.

8.3 Role of BioCarbon

BioCarbon, as program administrator, is responsible for:

(a) approving and overseeing CABs;
(b) reviewing the Audit Report, the applicable CAB Audit Statement, and supporting documentation, and issuing the Determination of Conformity;
(c) where conformity is determined, issuing a Declaration of Conformity confirming that the project complies with the requirements of the BWS;
(d) where authorized, issuing a Declaration of Issuance that formalizes the issuance of VWCs and specifies the number of credits issued, the monitoring period covered, and the corresponding serial numbers;
(e) maintaining the registry platform and ensuring the integrity, traceability and transparency of issued VWCs; and
(f) updating normative instruments in accordance with scientific, regulatory, and market integrity developments.

BioCarbon does not certify projects; it determines conformity based on the independent audit conducted by the CAB.

8.4 Exclusion of shared or substituted responsibility

The CAB's audit conclusions do not substitute for, or imply shared responsibility with, the project holder's obligations under the BWS. The CAB's professional opinion does not relieve the project holder of liability for inaccuracies or non-compliance, and BioCarbon's Determination of Conformity is based on the Audit Report submitted by the CAB.

The applicable CAB Audit Statement represents the independent professional conclusion of the CAB based on the Audit Report and does not substitute for BioCarbon's Determination of Conformity, Declaration of Conformity, Declaration of Issuance, or authorization to issue VWCs.

9 Conformity assessment bodies (CABs)

The requirements governing CAB eligibility and operations under this Manual are consistent with and complement those established in BWS.

9.1 Eligibility and approval

Only CABs that have been formally approved by BioCarbon may conduct audit activities under the BWS. Approval is conditional upon meeting the requirements of this Chapter and the BWS Standard.

In accordance with BWS, accreditation constitutes a necessary but not sufficient condition to operate under the BWS. BioCarbon shall evaluate and approve CABs based on:

(a) the validity and status of their accreditation;
(b) the relevance of the accreditation scope;
(c) the technical competence of the audit team;
(d) experience in auditing environmental or sustainability projects;
(e) the capacity to assess quantified results expressed in volumetric terms (m^3); and
(f) compliance with the principles of independence and impartiality.

BioCarbon may approve, condition, limit, suspend, or withdraw the participation of a CAB where compliance with applicable requirements is not demonstrated.

9.2 Accreditation requirements

CABs shall hold valid accreditation by a recognized accreditation body under ISO/IEC 17029 and, additionally, under ISO/IEC 17065 and/or ISO/IEC 17020, according to the applicable scope of the audit activities performed under the BWS.

(a) ISO/IEC 17029 — Conformity assessment: general principles and requirements for validation and verification bodies. For the purposes of the BWS, accreditation under ISO/IEC 17029 is used as the mandatory primary conformity assessment framework applicable to CAB audit activities, including requirements related to impartiality, competence, consistent operation, and evidence-based evaluation. This reference shall not be interpreted as establishing separate validation or verification processes under the BWS;
(b) ISO/IEC 17065 — Conformity assessment: requirements for bodies certifying products, processes, and services. This accreditation shall be required as complementary accreditation where the scope of audit activities includes the assessment of processes, services, or certification schemes applicable to projects under the BWS; and/or
(c) ISO/IEC 17020 — Conformity assessment: requirements for the operation of inspection bodies. This accreditation shall be required as complementary accreditation where audit activities include field inspections, infrastructure, measurement systems, facilities, or physical conditions related to the project.

The type and scope of accreditation shall be consistent with the audit activities performed under the BWS. In particular, the CAB shall demonstrate that the scope of its ISO/IEC 17029 accreditation and the applicable complementary accreditation under ISO/IEC 17065 and/or ISO/IEC 17020 includes, or is technically relevant to, conformity assessment activities related to:

(a) water resources;
(b) sustainable water management;
(c) water-use efficiency;
(d) water quality;
(e) wastewater treatment;
(f) water infrastructure;
(g) nature-based solutions; or
(h) environmental projects with quantifiable water-related outcomes.

Where the scope of accreditation does not explicitly include water-related activities, the CAB shall demonstrate equivalent technical competence, duly documented, and its acceptance shall be subject to evaluation and approval by BioCarbon. Such evidence may be assessed as complementary evidence, but it shall not replace compliance with the minimum accreditation requirements under the BWS.

9.3 Technical competence requirements

CABs shall demonstrate that their personnel collectively possess the following competences specific to water projects:

(a) knowledge of hydrological processes, water balance methods, and aquifer dynamics;
(b) familiarity with BioCarbon-approved quantification methodologies for water conservation activities, including activities under BWS;
(c) experience in ecological assessments, including wetland restoration, riparian buffer evaluation, and watershed analysis;
(d) understanding of applicable ISO standards;
(e) competence in Geographic Information Systems (GIS) and remote sensing techniques relevant to project boundary delimitation, in accordance with ISO 19111:2019;
(f) expertise in statistical analysis and uncertainty management for the rigorous quantification of water benefits; and
(g) experience in social assessments, stakeholder engagement, and the application of Sustainable Development Safeguards (SDS) and, where applicable, Free, Prior and Informed Consent (FPIC) processes.

9.4 Professional liability insurance

In accordance with the requirements for independent and reliable operation under BWS, CABs shall maintain adequate professional liability insurance covering all audit activities conducted under the BWS. Evidence of current insurance coverage shall be provided to BioCarbon upon request and upon each annual renewal. The scope and coverage limits of the insurance shall be appropriate to the nature and scale of audit engagements undertaken.

9.5 Ongoing obligations of CABs

Approved CABs shall:

(a) comply with all applicable provisions of this Manual and the BWS;
(b) ensure continued competence and independence of assigned personnel;
(c) cooperate with BioCarbon in oversight and performance evaluation activities;
(d) retain records and working papers in accordance with this Manual; and
(e) promptly notify BioCarbon of any circumstance affecting eligibility, independence, or performance.

9.6 Obligation to decline or withdraw engagements

CABs shall decline, suspend, or withdraw from any engagement where compliance with the requirements of this Manual cannot be ensured, including but not limited to cases involving:

(a) the CAB does not hold ISO/IEC 17029 accreditation and the applicable complementary accreditation under ISO/IEC 17065 and/or ISO/IEC 17020 required for the scope of audit activities under the BWS;
(b) the accreditation scope does not cover, or is not technically relevant to, water-resource-related conformity assessment activities, and equivalent technical competence has not been documented and approved by BioCarbon;
(c) independence or impartiality cannot be ensured;
(d) the audit team lacks the mandatory water-resources, local-context, safeguards, or quantification competence required for the project;
(e) the CAB lacks adequate professional liability insurance covering the audit activities to be performed; or
(f) any other circumstance prevents the CAB from conducting the audit in accordance with the BWS, this Manual, the applicable methodology, BioCarbon tools, or applicable law.

CABs shall promptly notify BioCarbon of any such circumstance and of the actions taken in relation to the engagement.

9.7 Cooperation with oversight and enforcement activities

CABs shall cooperate fully with BioCarbon in the context of supervision, audits, investigations, or enforcement actions related to audit activities conducted under the BWS Standard. This obligation shall apply during and after completion of the engagement and shall include, where applicable, the provision of records, working papers, explanations, and other relevant information.

Information used to determine additionality shall not be considered confidential and shall be disclosed to BioCarbon upon request.

10 Competence and composition of audit teams

10.1 General competence requirements

CABs shall assign audit teams that collectively demonstrate the competence necessary for the engagement. The audit team shall be assigned commensurate with the type, scale, complexity, and risk profile of the project.

10.2 Water-Specific Competence

CABs shall ensure that assigned teams demonstrate competence relevant to water resource management projects and the specific activities under assessment. Such competence shall include, as applicable:

(a) hydrology, hydrogeology, and water balance assessment methodologies;

(b) water quality monitoring protocols and parameters;
(c) wetland and aquatic ecosystem restoration techniques;
(d) agroecosystem water management practices (e.g., green water, blue water, grey water concepts);
(e) nature-based solutions for water conservation;
(f) engineered and hybrid water supply systems;
(g) water demand reduction and efficiency activities, including NRW reduction;
(h) water quality improvement activities, including wastewater treatment and conservative conversion of pollutant load reductions into volumetric water benefits; and
(i) GIS-based analysis for project boundary and ecosystem mapping.

10.3 Composition and roles within audit teams

The audit team for every engagement shall include, at a minimum:

(a) At least one member with demonstrated technical competence in water resources, hydrology, hydrogeology, environmental engineering, water quality, water infrastructure, nature-based solutions, or equivalent areas relevant to the project;
(b) At least one member with demonstrated knowledge of the local context of the project, including relevant environmental, regulatory, institutional, and socio-economic conditions; and
(c) At least one member with competence in the assessment of social aspects, stakeholder engagement, environmental and social safeguards, and, where applicable, interaction with local communities (LC) and Indigenous Peoples (IP).

These three competences are mandatory under BWS and may be held by separate auditors or, where justified by the CAB and accepted by BioCarbon, by a single auditor possessing all relevant qualifications.

In addition, consistent with BioCarbon's internal approval requirements and best practices under ISO/IEC 17065 and ISO/IEC 17029, each audit team shall include:

(a) a Team Leader responsible for overall planning, coordination, and final preparation of the Audit Report;
(b) the technical experts identified above; and
(c) a Technical Reviewer who has not participated in field assessment, responsible for internal review.

10.4 Internal review and decision-making

All audit conclusions, Audit Reports, and CAB Audit Statements submitted to BioCarbon shall be subject to internal review prior to issuance. Internal reviewers shall verify the sufficiency of evidence, the appropriateness of findings, and consistency with BWS requirements. Final conclusions shall be issued by authorized personnel in accordance with CAB internal procedures.

10.5 Team rotation and continuity

To maintain independence consistent with international conformity assessment standards and BioCarbon's impartiality requirements, CABs shall rotate key personnel at defined intervals for projects with consecutive VWC issuance cycles. The maximum interval before rotation shall be established in the CAB's internal independence procedures.

11 Independence, impartiality and conflicts of interest

11.1 General independence requirements

In accordance with BWS, all auditors shall operate free from any relationship that compromises impartiality. CABs and their personnel shall demonstrate that they have no real or potential conflicts of interest with project holders, buyers, intermediaries, or any other entities that could unduly influence the outcome of the audit.

11.2 Prohibited activities and relationships

CABs and their personnel shall not engage in activities or relationships that compromise, or may reasonably be perceived to compromise, independence or impartiality. Prohibited activities include, without limitation:

(a) consultancy, design, or implementation services for water conservation projects subject to their audit;
(b) preparation of project documentation, monitoring reports, baseline studies, additionality demonstrations, or safeguard assessments for projects they audit;
(c) holding financial interests in projects, project holders, or VWC markets;
(d) remuneration structures contingent on Project Registration Audit or VWC Issuance Audit outcomes; and
(e) any other relationship that may bias professional judgment.

Where a prohibited relationship exists or is identified, the CAB shall decline or terminate the engagement.

11.3 Prohibition of undue influence on conformity assessment outcomes

CABs shall ensure that personnel involved in audits under the BWS are free from undue influence and act with technical objectivity. CABs shall not issue audit reports or statements under commercial, contractual, financial, or other pressure that may compromise professional judgment, independence, or compliance with applicable requirements.

Any attempt to exert undue influence on audit outcomes shall be documented by the CAB and, where material, communicated to BioCarbon.

11.4 Conflict-of-interest identification and management

CABs shall maintain documented procedures for conflict-of-interest identification, assessment, and mitigation. All personnel shall sign declarations prior to commencing each engagement.

11.5 Post-engagement restrictions

Personnel who have participated in audit activities shall not, for a minimum period of two (2) years following completion, act as consultants, advisors, or developers for the projects they audited.

CABs shall implement internal controls to ensure compliance with post-engagement restrictions.

12 Project registration audit requirements

12.1 Objective and scope of the Project Registration Audit

The objective of the Project Registration Audit is to assess whether a proposed water resource management and conservation project complies with the eligibility, design, quantification, monitoring, safeguards, legal, and governance requirements of the BWS, the applicable methodology, BioCarbon tools, and this Manual.

The Project Registration Audit shall be conducted before project registration and shall provide the technical basis for BioCarbon's review of project eligibility and conformity.

Where the same audit process also covers monitored results for a first issuance period, the audit shall be treated as a Combined Registration and VWC Issuance Audit in accordance with this Manual.

12.2 Audit of project eligibility and design

The CAB shall assess whether the project design complies with all applicable BWS requirements, including, at a minimum:

(a) eligible activity type and functional equivalence;
(b) project location, scale, duration, start date, retroactivity, boundaries, area of influence, land use, ecosystem characterization, and management units;
(c) applicable methodology and BioCarbon tools;
(d) project documentation and supporting evidence;

(e) monitoring plan, data sources, measurement procedures, and data quality controls;
(f) water rights, VWC ownership, transfer rights, and any restrictions affecting issuance;
(g) stakeholder engagement and legal compliance; and
(h) any other requirement applicable to project registration under the BWS.

The CAB shall confirm that the project holder has provided sufficient, appropriate, objective, and traceable evidence to support the proposed registration of the project.

12.3 Audit of baseline scenario and additionality

The CAB shall assess whether the baseline scenario has been identified, justified, and documented in accordance with the BWS, the applicable methodology, and BioCarbon tools.

The assessment shall include, where applicable:

(a) baseline approach and assumptions;
(b) data sources and their reliability;
(c) baseline validity and reassessment triggers;
(d) consistency between the baseline, project activities, quantification approach, monitoring plan, and crediting;
(e) additionality demonstration;
(f) regulatory, financial, technological, institutional, or other relevant barriers; and
(g) conservative treatment of uncertainty and data limitations.

The CAB shall not support project registration where baseline or additionality evidence is insufficient, inconsistent, non-traceable, or likely to result in overestimation of water benefits.

12.4 Audit of quantification approach and uncertainty

The CAB shall assess whether the quantification approach is consistent with the BWS, the applicable methodology, and BioCarbon tools.

The assessment shall include, where applicable:

(a) selected water benefit metric;
(b) functional equivalence;
(c) measurement hierarchy;
(d) water availability, water-use efficiency, or water quality outcomes;
(e) water usability requirements, where applicable;

(f) data sources, measurement devices, calculations, conversion factors, and assumptions;
(g) uncertainty identification and quantification, where feasible;
(h) conservative deductions or adjustments required under the BWS, the applicable methodology, or BioCarbon tools; and
(i) traceability and reproducibility of calculations.

The CAB shall confirm that the proposed quantification approach prevents overestimation and supports the generation of net water benefits expressed in cubic meters (m^3).

12.5 Audit of risk management, non-permanence, reversals, and leakage

The CAB shall assess whether the project holder has identified, assessed, and managed risks that may affect the generation, maintenance, demonstration, or conformity of net water benefits.

The assessment shall include, where applicable:

(a) non-permanence risks;
(b) reversal risks and potential loss events;
(c) preventive and corrective measures;
(d) leakage sources and leakage deductions;
(e) risk monitoring procedures;
(f) adaptive management measures; and
(g) implications for continued eligibility and issuance.

The CAB shall confirm that any leakage, reversal, uncertainty, or risk-related deduction required under the BWS, the applicable methodology, or BioCarbon tools has been applied before supporting project registration or future VWC issuance.

12.6 Audit of safeguards, SDGs, stakeholder engagement, and legal compliance

The CAB shall assess whether the project complies with the applicable safeguards, stakeholder engagement, legal, and social requirements under the BWS.

The assessment shall include, where applicable:

(a) Sustainable Development Safeguards;
(b) SDG contributions and evidence;
(c) stakeholder identification, consultation, and participation;
(d) FPIC where applicable;
(e) grievance mechanisms;

(f) legal compliance, including environmental, land use, water-related, and human rights legislation;
(g) Indigenous Peoples and Local Communities considerations; and
(h) any restrictions or obligations affecting VWC ownership, transfer, marketing, or claims.

The CAB shall document any unresolved legal, social, safeguard, or stakeholder-related issue that may affect conformity, project registration, or future issuance.

12.7 Audit of the Climate Change Adaptation Plan

The CAB shall assess whether the project includes, where applicable, a Climate Change Adaptation Plan consistent with the BWS, the applicable methodology, and BioCarbon tools.

The assessment shall include:

(a) climate-related risks relevant to the project;
(b) adaptation measures and implementation responsibilities;
(c) monitoring indicators;
(d) adaptive management procedures; and
(e) consistency with the project's risk management, non-permanence, reversal monitoring, and monitoring arrangements.

13 VWC Issuance Audit requirements

13.1 Objective and scope of the VWC Issuance Audit

The objective of the VWC Issuance Audit is to assess whether monitored results for a specific monitoring period comply with the BWS, the applicable methodology, BioCarbon tools, the approved monitoring plan, and this Manual, and whether such results support eligibility for the issuance of VWCs.

The VWC Issuance Audit shall assess monitored net water benefits, data quality, uncertainty, leakage, reversals, conservative deductions, safeguards, legal compliance, and any other requirement applicable to VWC issuance.

The CAB's conclusion shall be documented in the Audit Report and, where required for registry purposes, in the applicable VWC Issuance Audit Statement.

13.2 VWC Issuance Audit frequency and sequencing

VWC Issuance Audits shall be conducted for monitoring periods defined in accordance with the BWS, the applicable methodology, and the approved monitoring plan.

Monitoring periods shall comply with the BWS requirements and shall not exceed the maximum or minimum duration established by the BWS, the applicable methodology, or BioCarbon tools.

Where a project seeks issuance for monitored results from the first monitoring period together with project registration, the CAB may conduct a Combined Registration and VWC Issuance Audit, provided that evidence, findings, analysis, and conclusions related to project registration are clearly distinguished from those related to VWC issuance.

13.3 Audit of Monitoring Reports and water conservation results

The CAB shall assess whether the Monitoring Report and supporting documentation provide sufficient, appropriate, objective, and traceable evidence of monitored water benefits.

The assessment shall include, where applicable:

(a) monitoring period covered;
(b) implementation of the approved monitoring plan;
(c) data sources, measurement devices, calibration records, sampling, calculations, assumptions, and conversion factors;
(d) water availability, water-use efficiency, or water quality results;
(e) water usability requirements, where applicable;
(f) consistency with the approved methodology and BioCarbon tools;
(g) net water benefits expressed in cubic meters (m^3);
(h) uncertainty, leakage, reversals, and conservative deductions; and
(i) data quality, completeness, accuracy, and reproducibility.

The CAB shall not support VWC issuance where monitored results are not supported by sufficient and traceable evidence.

13.4 Audit of baseline consistency

The CAB shall assess whether the baseline applied during the monitoring period remains valid and consistent with the baseline approved during the Project Registration Audit and BioCarbon's Determination of Conformity.

The assessment shall include, where applicable:

(a) baseline validity period;
(b) reassessment triggers;
(c) changes in regulatory, environmental, technological, hydrological, operational, or social conditions;
(d) consistency between baseline assumptions and monitored conditions; and
(e) any required baseline adjustment.

Where the baseline is no longer valid or cannot support conservative quantification, the CAB shall identify the issue as a non-conformity affecting issuance.

13.5 Audit of climate change adaptation and risk management

The CAB shall assess whether the project holder has implemented the applicable risk management and climate change adaptation measures during the monitoring period.

The assessment shall include, where applicable:

(a) climate-related risks observed during the monitoring period;
(b) implementation of adaptation measures;
(c) adaptive management actions;
(d) continuity of water benefits;
(e) reversal or loss events; and
(f) corrective actions implemented by the project holder.

13.6 Audit of safeguards, stakeholder engagement, and legal compliance

The CAB shall assess whether the project complied with applicable safeguards, stakeholder engagement, FPIC where applicable, SDG, grievance, and legal requirements during the monitoring period.

The CAB shall document any unresolved issue that may affect conformity, issuance, claims, or continued eligibility under the BWS.

13.7 Audit of leakage, reversals, and conservative adjustments

The CAB shall assess whether leakage, reversals, uncertainty, and any other deductions or conservative adjustments required under the BWS, the applicable methodology, or BioCarbon tools have been identified, quantified where feasible, documented, and applied.

The CAB shall confirm that no unaudited or non–conformity-determined water benefits have been carried forward for issuance.

13.8 Audit conclusion and deliverables

Upon completion of the VWC Issuance Audit, the CAB shall prepare and issue the Audit Report and the applicable VWC Issuance Audit Statement for registry purposes.

The Audit Report shall clearly state whether the monitored results support eligibility for VWC issuance under the BWS.

Where the CAB concludes that issuance is not supported, the Audit Report shall identify the unresolved issues, the evidence reviewed, and the corrective actions required.

The CAB's conclusion does not, by itself, authorize the issuance of VWCs. BioCarbon retains responsibility for reviewing the Audit Report, determining conformity, and, where applicable, authorizing issuance through a Declaration of Issuance.

14 Audit approach, uncertainty, and conservative treatment

14.1 Audit approach

The CAB shall assess compliance with the requirements of the BWS, the applicable methodology, BioCarbon tools, and this Manual.

The audit shall be based on sufficient, appropriate, objective, and traceable evidence, and shall cover all requirements applicable to project registration, monitored results, and VWC issuance, as applicable.

14.2 Uncertainty and conservative deductions

The CAB shall assess whether the project holder has identified, quantified where feasible, and managed uncertainty in accordance with the BWS, the applicable methodology, and BioCarbon tools.

Where uncertainty is relevant to the quantification of water benefits, the CAB shall confirm that conservative deductions or adjustments required under the BWS, the applicable methodology, or BioCarbon tools have been applied before any VWC issuance is supported.

No fixed materiality threshold shall apply unless expressly established by the BWS, the applicable methodology, or BioCarbon tools.

14.3 Aggregation of discrepancies and data limitations

The CAB shall evaluate whether discrepancies, omissions, data gaps, calculation errors, or methodological inconsistencies, individually or in aggregate, affect the ability to support project registration, conformity, or VWC issuance.

Where such issues prevent the CAB from supporting an audit conclusion, they shall be documented as non-conformities requiring correction.

14.4 Risk-based planning and audit execution

The CAB shall apply a risk-based approach to audit planning and execution, directing greater audit effort toward areas with higher uncertainty, higher environmental relevance, higher risk of overestimation, or greater potential impact on conformity or issuance.

Risk-based planning shall not justify omission of any applicable BWS requirement.

14.5 Implications for audit conclusions

Where uncertainty, leakage, reversals, baseline issues, data limitations, safeguards non-compliance, legal non-compliance, or any other unresolved issue prevents the project from demonstrating conformity with the BWS, the Audit Report shall clearly identify the issue, the supporting evidence, and the corrective action required.

The CAB shall not issue an Audit Report or CAB Audit Statement supporting registration or VWC issuance until all non-conformities affecting conformity or issuance have been satisfactorily addressed and documented.

15 Sampling, site visits and audit techniques

15.1 Sampling principles

CABs shall design sampling plans that are systematic, risk-based, and statistically sound, ensuring that sampling results are representative of the full project scope. Sampling shall be designed to detect errors, omissions, inconsistencies, or data limitations that may affect conformity, conservative quantification, or VWC issuance.

15.2 Site Visit Requirements

CABs shall conduct on-site visits as part of audit activities, unless an alternative approach is expressly permitted under the BWS or applicable guidance. At least one physical site visit shall be conducted during the initial Project Registration Audit of each project. Site visits shall be used to:

(a) cover the principal geographic areas within the project boundary and, where applicable, the area of influence
(b) confirm the actual implementation of eligible activities listed in the BWS;
(c) confirm the existence and operation of monitoring systems and data collection infrastructure;
(d) allow direct observation of water bodies, vegetative cover, and ecosystem conditions;
(e) confirm the physical existence and implementation of water resource management and conservation activities;
(f) cross-check documentary evidence and hydrological monitoring systems;
(g) interview relevant personnel, stakeholders, local communities, and Indigenous Peoples as recognized; and
(h) assess safeguards, FPIC processes, and land and water use rights, where applicable.

15.3 Water-project-specific audit techniques

In addition to standard audit techniques, CABs shall apply the following water-specific methods:

(a) review of hydrological monitoring records, flow measurements, water quality analyses, aquifer dynamics data, and infiltration measurements;
(b) assessment of GIS boundary maps and land cover classifications using satellite imagery or official datasets, in accordance with ISO 19111:2019;
(c) cross-referencing of field measurements with hydrological models and baseline data;
(d) assessment of soil management practices and their documented effect on infiltration and water retention;
(e) assessment of the implementation of nature-based solutions, engineered systems, and hybrid systems, including their measurable outcomes; and
(f) for water quality projects, assessment of pollutant load reductions and confirmation of water usability conditions.

15.4 Remote and alternative audit techniques

Remote desktop audits may supplement, but shall not replace, physical site visits for the Project Registration Audit. For periodic VWC Issuance Audits, remote techniques may be applied where the CAB can demonstrate that evidence quality is equivalent to that obtained through physical inspection.

15.5 Audit techniques and evidence collection

CABs shall apply appropriate audit techniques, including but not limited to:

(a) documentary review;
(b) data cross-checks and recalculations;
(c) interviews with project personnel and stakeholders;
(d) field observations and measurements; and
(e) triangulation of evidence from multiple sources.

Evidence collected shall be sufficient, appropriate, and traceable to support conclusions, in accordance with the data quality requirements of BWS Section 22.5.

16 Risk assessment, non-permanence, and reversal management

This section operationalizes the BWS requirements related to risk assessment and management, non-permanence and reversals, monitoring, crediting and reversal management, and ex-post adjustment of water benefits.

For the purposes of this Manual, non-permanence refers to circumstances in which monitored water benefits are reduced, interrupted, lost, or reversed during or after a monitoring period. Reversals shall be addressed through risk assessment, monitoring and detection, conservative quantification, deductions, ex-post adjustment, corrective measures, and continued assessment of project eligibility, as applicable.

The BWS does not require the establishment of buffer pools for reversal risk management. Reversal risk shall be addressed through monitoring, reporting, conservative treatment, and ex-post adjustment of audited and conformity-determined water benefits, in accordance with the BWS, the applicable methodology, BioCarbon tools, and this Manual.

16.1 Audit of risk assessment and management

During the Project Registration Audit, the CAB shall assess whether the project holder has identified, documented, and assessed risks that may affect the project's ability to generate, maintain, or demonstrate net water benefits under the BWS.

The assessment shall include, where applicable:

(a) climatic risks, including drought, extreme climate variability, changes in precipitation patterns, and other climate-related conditions that may affect water availability, water quality, infrastructure performance, or ecosystem function;
(b) operational and technical risks, including failure, degradation, or discontinuity of implemented systems, infrastructure, monitoring systems, treatment systems, or management practices;
(c) land-use, ecosystem, and management risks, including changes in land use, degradation of ecosystems affecting hydrological function, or changes in management practices;
(d) behavioral or operational risks affecting water-use efficiency, including rebound effects, operational discontinuity, or behavioral reversal;
(e) external factors affecting water quality, water availability, usability conditions, or project performance; and
(f) legal, institutional, financial, or governance risks that may affect implementation, monitoring, continued eligibility, or VWC issuance.

The CAB shall assess whether the likelihood and potential magnitude of identified risks have been evaluated using a qualitative or quantitative approach proportionate to the type, scale, complexity, and risk profile of the project.

The CAB shall confirm that the project holder has identified appropriate risk management, monitoring, detection, mitigation, and corrective measures, as applicable.

16.2 Audit of non-permanence and reversal risk

The CAB shall assess whether the project holder has evaluated non-permanence and reversal risk according to the nature of the eligible activity.

For water supply enhancement activities, including recharge, conservation, restoration, or related interventions, the CAB shall assess risks such as reduced infiltration or storage capacity over time, degradation of ecosystems affecting hydrological function, or other conditions that may reduce or reverse water benefits.

For water demand reduction and efficiency activities, including non-revenue water reduction, water-use efficiency, reuse, recycling, or technological improvements, the CAB shall assess risks such as rebound effects, operational discontinuity, behavioral reversal, infrastructure deterioration, or failure to maintain efficiency gains.

For water quality improvement activities, including wastewater treatment, pollutant load reduction, remediation, or advanced treatment systems, the CAB shall assess risks such as system failure, discontinuation of treatment, reintroduction of pollutants, loss of usability conditions, or other factors affecting the quantified water quality benefit.

The CAB shall document whether identified non-permanence and reversal risks have been adequately addressed before supporting project registration or VWC issuance.

16.3 Audit of monitoring and detection during monitoring periods

During each VWC Issuance Audit, the CAB shall assess whether the project holder has monitored and reported any events, conditions, or changes that may affect the generation, maintenance, or conformity of water benefits during the relevant monitoring period.

The CAB shall assess whether the Monitoring Report and supporting evidence demonstrate:

(a) implementation of the approved monitoring plan;
(b) monitoring of identified risks and relevant risk indicators;
(c) detection and reporting of adverse events, loss events, operational failures, environmental changes, or other circumstances that may affect water benefits;
(d) quantification, where feasible, of any impact on net water benefits in cubic meters (m^3);
(e) implementation of corrective or adaptive management measures, where required; and
(f) traceability, completeness, and consistency of evidence supporting the monitored results.

Where monitoring evidence is insufficient to determine whether water benefits have been maintained or whether reversals have occurred, the CAB shall identify the issue as a finding requiring correction before supporting VWC issuance.

16.4 Audit of reversals and ex-post adjustment

Where reversals or loss events occur, the CAB shall assess whether the event has been identified, quantified where feasible, reported, and treated in accordance with the BWS, the applicable methodology, BioCarbon tools, and this Manual.

For reversals occurring within a monitoring period, the CAB shall confirm that the corresponding loss of water benefits has been deducted before any VWC issuance is supported. No VWCs shall be supported for reversed benefits or for benefits that cannot be demonstrated as maintained during the monitoring period.

For reversals identified after credit issuance, the CAB shall assess whether the project holder has quantified the loss of previously audited and conformity-determined water benefits, reported the reversal in the subsequent Monitoring Report, and applied the corresponding ex-post adjustment or equivalent deduction in future monitoring periods, as required under the BWS.

The CAB shall confirm that no unaudited or non–conformity-determined water benefits have been carried forward for issuance.

Where corrective measures are required to prevent recurrence or restore project performance, the CAB shall assess whether such measures have been implemented, documented, and reflected in the Monitoring Report, Audit Report, and, where required for registry purposes, the applicable CAB Audit Statement.

16.5 Implications for project registration, VWC issuance, and continued eligibility

The CAB shall assess and document whether unresolved risk, non-permanence, reversal, monitoring, data quality, or ex-post adjustment issues affect:

(a) project eligibility for registration;
(b) conformity of monitored results;
(c) eligibility for VWC issuance for the relevant monitoring period; or
(d) continued eligibility of the project under the BWS.

Where unresolved issues prevent the CAB from supporting project registration, conformity, or VWC issuance, the Audit Report shall clearly identify the issue, the supporting evidence, the applicable BWS requirement, and the corrective action required.

The CAB shall not issue an Audit Report or CAB Audit Statement supporting project registration or VWC issuance where unresolved risk, non-permanence, reversal, monitoring, or ex-post adjustment issues would result in overestimation, unsupported issuance, or non-conformity with the BWS.

17 Findings and corrective action management

17.1 Classification of findings

Conformity Assessment Bodies (CABs) shall identify, document, and classify all findings arising from audit activities (Project Registration and VWC Issuance) in a consistent, transparent, and traceable manner.

CABs shall classify all audit findings as:

(a) Clarification Request (CL): where information is insufficient, unclear, or ambiguous but does not constitute a deviation from requirements.

(b) Corrective Action Request (CAR): where a requirement of the BWS, this Manual, or an applicable methodology has not been met.
(c) Forward Action Request (FAR): where an issue does not affect the current outcome but requires attention in future VWC Issuance Audits.

17.2 Treatment of non-conformities affecting conformity or issuance

The following shall be treated as non-conformities requiring correction before BioCarbon may determine conformity or authorize VWC issuance, as applicable:

(a) failure to demonstrate project eligibility under the BWS;
(b) failure to apply the applicable methodology, BioCarbon tools, or required monitoring procedures;
(c) failure to demonstrate baseline validity, additionality, net water benefit, monitoring results, leakage deductions, uncertainty deductions, reversals, or conservative adjustments required under the BWS;
(d) carrying forward unaudited or non–conformity-determined water benefits;
(e) failure to comply with Sustainable Development Safeguards, stakeholder engagement, FPIC where applicable, legal requirements, or VWC ownership and rights requirements;
(f) unresolved data gaps, inconsistencies, or lack of traceable evidence that prevent the CAB from supporting an audit conclusion; and
(g) undisclosed conflicts of interest, lack of independence, or other circumstances affecting the CAB's impartiality.

The CAB shall not submit an Audit Report or CAB Audit Statement supporting project registration, conformity, or VWC issuance until all non-conformities affecting conformity or issuance have been satisfactorily addressed and documented.

17.3 Corrective action process and timelines

Upon issuance of a CAR, the project holder shall submit a corrective action response within a timeline established by the CAB. The CAB shall assess the adequacy of the response and, where required, confirm implementation. No positive conclusion shall be issued until all CARs have been satisfactorily resolved.

17.4 Recurrence and escalation

CABs shall identify recurrent or systemic issues across audit engagements. Where recurrence is identified, CABs shall:

(a) escalate the issue internally;
(b) increase audit depth or sampling in subsequent engagements; and
(c) notify BioCarbon, where required.

Systemic failures or repeated material non-conformities may result in enhanced oversight, restriction, suspension, or revocation of CAB approval.

17.5 Consequences of unresolved findings

Where non-conformities affecting conformity or issuance remain unresolved:

(a) the Audit Report and the applicable CAB Audit Statement shall not support project registration, conformity, or VWC issuance;
(b) the Audit Report shall clearly identify the unresolved issues, the evidence reviewed, and the corrective actions required;
(c) BioCarbon may withhold its Determination of Conformity, Declaration of Conformity, or Declaration of Issuance, as applicable; and
(d) BioCarbon may initiate oversight or enforcement measures.

18 Audit Report and CAB Audit Statements

18.1 The Audit Report as the formal deliverable to BioCarbon

The Audit Report is the formal deliverable submitted by the CAB to BioCarbon. It shall contain the CAB's findings, evidence, analysis, and conclusions regarding the conformity of the project and/or monitored results with the applicable requirements of the BWS, the applicable methodology, BioCarbon tools, and this Audit Manual.

The Audit Report constitutes the technical basis for BioCarbon's Determination of Conformity. It does not, by itself, constitute a Declaration of Conformity, a Declaration of Issuance, certification of the project, or authorization to issue VWCs.

The Audit Report shall:

(a) be evidence-based, traceable, impartial, and proportionate to the type, scale, complexity, and risk profile of the project;
(b) explicitly indicate the applicable accreditation scope(s) under which the audit was conducted; and
(c) demonstrate that the audit was conducted in accordance with the BWS, the applicable methodology, BioCarbon tools, and this Audit Manual.

18.2 CAB Audit Statements for registry purposes

For registry purposes, the CAB shall issue the applicable CAB Audit Statement summarizing the CAB's audit conclusion based on the Audit Report.

The CAB Audit Statement shall be consistent with the Audit Report and shall not modify, expand, or contradict the findings, evidence, limitations, conclusions, or scope of the Audit Report.

The CAB Audit Statement may be used by BioCarbon and the registry operator to support registry actions, public disclosure, traceability, and linkage between the audit process, BioCarbon's Determination of Conformity, and, where applicable, the Declaration of Issuance.

18.3 Types of CAB Audit Statements

CABs shall issue the applicable CAB Audit Statement according to the scope of the audit:

(a) Project Registration Audit Statement: issued where the audit supports BioCarbon's assessment of project eligibility for registration under the BWS;
(b) VWC Issuance Audit Statement: issued where the audit supports BioCarbon's assessment of monitored results and eligibility for the issuance of VWCs; and
(c) Combined Audit Statement: issued where the same audit process covers both project registration and monitored results for VWC issuance. In such cases, the statement shall clearly distinguish the conclusion related to project registration from the conclusion related to VWC issuance.

18.4 Content and structure of CAB Audit Statements

A CAB Audit Statement shall include, at a minimum:

(a) identification of the project, project holder, and unique project identifier;
(b) identification of the CAB, accreditation body, and applicable accreditation scope(s);
(c) identification of the audit team and responsible authorized signatory;
(d) scope and objective of the audit;
(e) applicable normative framework, including the BWS, the applicable methodology, BioCarbon tools, and this Audit Manual;
(f) identification of the Project Document, Monitoring Report, or other audited documentation, as applicable;
(g) statement of independence and impartiality;
(h) summary of findings and their resolution status;
(i) CAB audit conclusion, including whether the audited project or monitored results support project registration or VWC issuance, as applicable;
(j) limitations, conditions, or qualifications, where applicable;
(k) date of issuance; and
(l) signature or equivalent authorization of the responsible CAB representative.

For VWC Issuance Audit Statements, the statement shall also include:

(a) the monitoring period covered;
(b) the audited net water benefits;

(c) the number of VWCs proposed for issuance, where applicable;
(d) confirmation that uncertainty, leakage, reversals, and conservative deductions required under the BWS, the applicable methodology, or BioCarbon tools have been assessed; and
(e) confirmation that no unaudited or non–conformity-determined water benefits have been carried forward for issuance.

18.5 Combined Registration and VWC Issuance Audit

Where the same audit process covers both project registration and monitored results for VWC issuance, the CAB may issue a Combined Audit Statement.

The Combined Audit Statement shall clearly distinguish:

(a) the conclusion related to project registration; and
(b) the conclusion related to VWC issuance.

The supporting Audit Report shall clearly distinguish the evidence, findings, analysis, and conclusions related to project registration from those related to VWC issuance.

18.6 Disclosure and use of the Audit Report and CAB Audit Statements

The Audit Report and CAB Audit Statements may be published in the BioCarbon registry, referenced in BioCarbon's Determination of Conformity and Declaration of Issuance processes, and used by intended users for decision-making.

CAB Audit Statements shall not be altered, excerpted, or used out of context without the written authorization of the issuing CAB and BioCarbon, where applicable.

Information used to determine additionality is not considered confidential and shall be disclosed to BioCarbon and made available through the registry, except where otherwise classified under applicable national legislation.

19 Interaction with registry, issuance, and VWC management

19.1 Linkage between CAB Audit Statements and registry actions

Audit activities under the BWS shall be directly linked to actions taken in the official registry administered or recognized by BioCarbon.

For registry purposes, the CAB shall submit the applicable CAB Audit Statement together with the Audit Report and supporting documentation.

The CAB Audit Statement shall provide the registry-facing summary of the CAB's audit conclusion and shall indicate whether the audit supports, as applicable:

(a) project eligibility for registration;

(b) conformity of monitored results;
(c) eligibility for VWC issuance; and
(d) completeness, accuracy, and consistency of information required for registry actions.

Registry actions shall not proceed without the applicable CAB Audit Statement, BioCarbon's Determination of Conformity, and, where applicable, BioCarbon's Declaration of Issuance.

The CAB Audit Statement is a technical input for registry purposes and does not, by itself, authorize project registration or VWC issuance.

19.2 Declaration of Conformity and Declaration of Issuance

Upon completion of the audit, the CAB shall submit the Audit Report and, where required for registry purposes, the applicable CAB Audit Statement to BioCarbon.

BioCarbon shall review the Audit Report, the CAB Audit Statement, and the supporting documentation and, where appropriate:

(a) issue a Declaration of Conformity confirming that the project complies with the requirements of the BWS; and
(b) where applicable, authorize the issuance of VWCs through a Declaration of Issuance, which shall specify:
   (i) the number of credits issued;
   (ii) the monitoring period covered; and
   (iii) the corresponding serial numbers.

VWCs shall be issued ex post, based exclusively on net water benefits that have been monitored, audited, and determined to be in conformity.

19.3 Documentation submission for project registration

The CAB shall confirm that, for project registration, the project holder has submitted at least:

(a) information about the project and the project holder;
(b) authorization to register the project and use the registry platform;
(c) the Project Document (PD); and
(d) the monitoring plan.

Information in the BioCarbon registry system shall be public, except for information that is legally classified or reserved under applicable national legislation.

19.4 Transfer and marketing of VWCs

VWCs may be transferred, sold, or utilized by third parties subject to the conditions of the BWS and the registry system. Trading shall comply with the applicable requirements of the BWS and the conditions of the registry system to ensure validity and prevent double counting. The CAB shall confirm during the applicable VWC Issuance Audit that trade records, ownership information, transfer rights, marketing claims, and registry information are complete, consistent, and traceable.

19.5 Continuity of water benefits and reversal management

CABs shall audit and document, during each applicable VWC Issuance Audit, whether the water benefits associated with issued or proposed VWCs have been maintained during the relevant monitoring period and whether any reversal, loss event, adverse change, or material reduction has occurred.

Where reversals, loss events, or adverse changes are identified, the CAB shall confirm that:

(a) the event has been reported and quantified by the project holder in accordance with the BWS, the applicable methodology, BioCarbon tools, and this Manual;
(b) any corresponding deduction, ex-post adjustment, or conservative treatment required under the BWS has been applied;
(c) corrective or adaptive management measures have been implemented or are underway, where required; and
(d) no VWCs are supported for reversed benefits or for benefits that cannot be demonstrated as maintained during the relevant monitoring period.

The CAB shall document the results of this assessment in the Audit Report and, where required for registry purposes, in the applicable VWC Issuance Audit Statement.

19.6 Erroneous issuance of VWCs

Where VWCs have been issued based on inaccurate, incomplete, or fraudulent information, the CAB shall cooperate with BioCarbon in:

(a) identification and quantification of the error;
(b) assessment of root causes; and
(c) implementation of corrective measures, including cancellation, adjustment or compensation, as applicable.

Responsibility for remediation of erroneously issued VWCs rests with the project holder, without prejudice to any liability of the CAB under applicable law or program rules.

20 Appeals, complaints and dispute handling

20.1 Appeals by project holders

Project holders who disagree with a Project Registration Audit or VWC Issuance Audit conclusion may submit a formal appeal to the CAB within thirty (30) days of receiving the statement. The CAB shall review the appeal through an independent internal process and communicate its decision within a reasonable timeframe.

Appeals shall be limited to:

(a) alleged procedural errors;
(b) alleged misapplication of applicable requirements; or
(c) disputes regarding factual findings.

Appeals shall not be used to renegotiate methodological requirements or to override professional judgment without substantiated grounds.

20.2 Complaints related to CAB conduct

BioCarbon may receive complaints related to the conduct, competence, independence, or integrity of CABs.

Complaints may be submitted by:

(a) project holders;
(b) stakeholders; or
(c) other interested parties, where relevant.

Local communities and Indigenous Peoples as recognized under BWS, may file complaints regarding CAB conduct or audit quality. BioCarbon shall assess complaints in accordance with applicable governance procedures and may initiate oversight or enforcement measures.

20.3 Dispute resolution and escalation to BioCarbon

Disputes arising from Project Registration Audit or VWC Issuance Audit activities shall be addressed through:

(a) clarification and corrective action processes;
(b) appeals or complaints mechanisms; and
(c) escalation to BioCarbon where unresolved.

BioCarbon's determinations in relation to program eligibility, issuance, or enforcement shall be final within the scope of the BioCarbon Standard normative framework.

20.4 Complaint-handling procedures consistent with the BWS

Appeals and complaints shall not be used to:

(a) delay compliance with applicable requirements;
(b) pressure CABs to alter professional judgments; or
(c) undermine the independence of conformity assessment activities.

CABs shall maintain documented procedures for handling complaints, appeals, and disputes as a prerequisite for approval under the BioCarbon Water Standard. Abusive or bad-faith use of appeals or complaints may result in dismissal of the submission or additional enforcement action.

21 Records, transparency and confidentiality

21.1 Record retention and documentation

Conformity Assessment Bodies (CABs) shall retain complete and accurate records of all Project Registration Audit or VWC Issuance Audit activities conducted under the BioCarbon Water Standard (BWS). Records shall include, at a minimum:

a) Project Registration Audit or VWC Issuance Audit plans, including sampling plans;
b) working papers and evidence collected;
c) correspondence related to findings and corrective actions;
d) finalized Audit Report and CAB Audit Statements; and
e) internal review and decision records.

CABs shall retain all such records for a minimum of ten (10) years following completion of each engagement, or for the period required by applicable legal requirements, whichever is longer. Records shall be organized to allow reconstruction of the audit process and shall be made available to BioCarbon upon request, consistent with ISO/IEC 17065 and ISO/IEC 17029 requirements and BioCarbon's record retention policy.

21.2 Transparency and disclosure

Project Registration Audit or VWC Issuance Audit activities shall be conducted in a transparent manner consistent with the BWS transparency requirements. Information contained in the BioCarbon registry platform shall be public, except for information that is legally classified under applicable national legislation. CABs shall ensure that:

a) Project Registration Audit or VWC Issuance Audit statements are suitable for publication in the registry;
b) disclosed information accurately reflects the conclusions and limitations of the assessment; and
c) disclosure does not misrepresent the scope or outcome of the assessment.

CABs shall not withhold information required for public disclosure. BioCarbon may publish Project Registration Audit or VWC Issuance Audit documentation in accordance with applicable disclosure rules.

21.3 Confidentiality obligations

CABs and their personnel shall maintain the confidentiality of non-public information obtained from project holders during Project Registration Audit or VWC Issuance Audit activities. Confidential information shall:

a) be used solely for the purposes of Project Registration Audit or VWC Issuance Audit;
b) be protected against unauthorized access or disclosure; and
c) not be disclosed without the written consent of the party that provided it, except where disclosure is required by applicable law or by the BWS normative framework.

Information used to determine additionality is expressly not considered confidential and shall be disclosed to BioCarbon upon request. Confidentiality obligations shall survive the completion or termination of the engagement.

21.4 Handling of confidential and commercially sensitive information

Where information is designated as confidential or commercially sensitive, CABs shall:

a) verify the legitimacy of such designation;
b) ensure that confidentiality claims do not undermine transparency or public registry disclosure requirements; and
c) apply appropriate safeguards, including redaction or aggregation where necessary, while ensuring that all information required for public registry disclosure remains accessible.

The boundary between confidential and non-confidential information shall be explicitly documented. Information relevant to environmental integrity, additionality, baseline determination, or mitigation results shall not be withheld based on confidentiality alone.

21.5 Data Quality and Integrity

CABs shall implement procedures to ensure that all data used in audit assessments meet the data quality requirements of the BWS, including traceability, accuracy, completeness, and consistency.

22 Transition, version control and entry into force

22.1 Version Control

This Manual shall be updated whenever the BWS is revised or material changes are required to maintain alignment with normative instruments. All updates shall be communicated to approved CABs and project holders through the official BioCarbon website (www.biocarbonstandard.com).

22.2 Transitional arrangements

Audit activities initiated under previous versions of the BWS or of this Manual shall be completed under those instruments, unless otherwise agreed by BioCarbon.

Activities initiated on or after the entry into force of this Manual shall be governed exclusively by this Audit Manual for Water Resource Management and Conservation Projects and the BWS v2.0.

22.3 Updates

BioCarbon reserves the right to update or revise this Manual as necessary to maintain alignment with:

(a) the BWS and any subsequent versions;
(b) applicable international standards; and
(c) evolving regulatory and market integrity requirements related to water resource management and conservation.

All revisions shall be versioned, dated, and published in accordance with BioCarbon governance procedures.

22.4 Entry into force

This Audit Manual for Water Resource Management and Conservation Projects enters into force on the date of its publication on the official BioCarbon website (www.biocarbonstandard.com).

From that date onward, compliance with this Manual shall be mandatory for all audit activities conducted under the BWS.

22.5 Applicability to In-Progress Projects

Projects registered prior to the entry into force of this Manual shall comply with its requirements from the date of the next scheduled VWC Issuance Audit, unless BioCarbon provides specific transitional guidance.

Annex A. Definitions and terms

The following definitions apply to this Manual. Where a term is defined in BWS Standard, the definition in the BWS shall prevail.

A.1 Key terms

Clarification Request (CL)

Request issued where information is insufficient or unclear but does not constitute non-compliance.

Corrective Action Request (CAR)

Request issued where a mandatory requirement of the BWS v2.0, this Manual, or an applicable methodology has not been met.

Forward Action Request (FAR)

Request issued for issues not materially affecting current conclusions but requiring future attention.

Audit

Independent conformity assessment process conducted by a BioCarbon-approved CAB to assess whether a project and/or monitored results comply with the applicable requirements of the BWS, the applicable methodology, BioCarbon tools, and this Manual.

Audit activities under the BWS may include Project Registration Audits, VWC Issuance Audits, Combined Registration and VWC Issuance Audits, and any supplementary audit activities required by BioCarbon.

Audit Report

Document issued by a CAB accredited and approved by BioCarbon, presenting the findings, evidence, analysis, and conclusions resulting from the audit of a project and/or monitored results under the BWS. The Audit Report constitutes the technical basis for BioCarbon's Determination of Conformity and does not, by itself, authorize project registration or the issuance of VWCs.

CAB Audit Statement

Registry-facing statement issued by the CAB summarizing the CAB's audit conclusion based on the Audit Report. A CAB Audit Statement may support project registration or VWC issuance processes, but does not, by itself, constitute BioCarbon's Determination of

Conformity, Declaration of Conformity, Declaration of Issuance, certification of the project, or authorization to issue VWCs.

Combined Registration and VWC Issuance Audit

Audit process in which the CAB assesses both project registration requirements and monitored results for VWC issuance within the same audit engagement. The Audit Report and any applicable CAB Audit Statement shall clearly distinguish the evidence, findings, analysis, and conclusions related to project registration from those related to VWC issuance.

Conformity Assessment

Demonstration that specified requirements are fulfilled.

For the purposes of the BWS, conformity assessment is operationalized through independent audit activities conducted by BioCarbon-approved Conformity Assessment Bodies (CABs), including Project Registration Audits, VWC Issuance Audits, Combined Registration and VWC Issuance Audits, and any supplementary audit activities required by BioCarbon.

Under the BWS, the CAB conducts the audit and issues the Audit Report and the applicable CAB Audit Statement for registry purposes.

The generic ISO/IEC 17000 meaning of conformity assessment may include activities such as testing, inspection, validation, verification, certification, and accreditation. However, such terms shall not be interpreted as establishing separate validation, verification, certification, or accreditation processes under the BWS unless expressly defined in the BWS, this Manual, or another binding BioCarbon normative document.

Determination of Conformity

Decision adopted by BioCarbon, based on the Audit Report issued by an accredited and approved CAB, establishing whether a project complies with the applicable requirements of the BWS, the corresponding methodology, and BioCarbon tools.

Project Registration Audit

Independent audit conducted by a BioCarbon-approved CAB to assess whether a project complies with the eligibility, design, baseline, additionality, quantification, monitoring, safeguards, legal, ownership, and other applicable requirements of the BWS prior to project registration.

Project Registration Audit Statement

CAB Audit Statement issued where the audit supports BioCarbon's assessment of project eligibility for registration under the BWS.

VWC Issuance Audit

Independent audit conducted by a BioCarbon-approved CAB to assess monitored results for a specific monitoring period and determine whether such results support eligibility for the issuance of VWCs under the BWS.

VWC Issuance Audit Statement

CAB Audit Statement issued where the audit supports BioCarbon's assessment of monitored results and eligibility for VWC issuance.

A.2 Quantification terms

Net water benefit

The net, additional, and verifiable change in water availability, water use, or water quality attributable to project activities, relative to a defined baseline scenario, expressed in cubic meters (m^3) over a specified monitoring period. Net water benefit is calculated as the difference between the with-project scenario and the baseline scenario, after applying all relevant deductions.

Verified Water Credits (VWCs)

A standardized, verified, and registered unit representing one (1) cubic meter (m^3) of net water benefit, generated through project activities implemented in accordance with the BWS. Water benefits shall be measurable, additional, verifiable, and conservatively quantified, and may result from increased water availability, reduced water consumption or extraction, or restoration of water quality to usable conditions.

Water consumption

The portion of water withdrawn that is not returned to a water system after use, including water lost through evaporation, transpiration, incorporation into products or biomass, or other processes that prevent its immediate availability for reuse.

Water withdrawal

The total volume of water extracted or diverted from a water source (e.g., rivers, lakes, reservoirs, or aquifers) for use in a given activity, irrespective of whether all or part of that water is returned to the same or a different water system after use.

Annex B. Minimum content requirements for the Project Registration Audit Report

Before using the suggested structure, verify if a BioCarbon template is available for the specific audit process. If one exists, its use is mandatory.

A Project Registration Audit Report (which may form part of, or be incorporated into, the Audit Report) shall include, at a minimum, the following sections:

1) **General information**
    a. Project name and ID
    b. Project holder
    c. CAB name and accreditation
    d. Audit period
    e. Audit team
2) **Scope and objectives of Project Registration Audit Report**
    a. Purpose
    b. Applicable normative framework
3) **Description of the project**
    a. Project activities
    b. Geographic and temporal boundaries
4) **Methodology and eligibility**
    a. Methodology applicability
    b. Eligibility assessment
5) **Baseline scenario, additionality and water usability**
    a. Baseline identification
    b. Baseline validity and reassessment provisions
    c. Additionality demonstration
    d. Water usability demonstration where applicable
6) **Quantification approach**
    a. Water benefit metric
    b. Measurement hierarchy applied
    c. Parameters and assumptions
    d. Uncertainty treatment
7) **Risk assessment, non-permanence, and reversal management**
    a. Risk assessment
    b. Mitigation measures
    c. Climate Change Adaptation Plan
8) **Leakage assessment**
    a. Identification of leakage sources

b. Leakage assessment and quantification
c. Deduction of leakage

9) **Safeguards, SDGs and stakeholder engagement**
    a. SDS compliance
    b. SDG alignment
    c. Stakeholder consultation, FPIC where applicable, Theory of Change
    d. Legal compliance
    e. VWC ownership and rights
10) **Monitoring plan**
11) **Findings (CL / CAR / FAR)**
12) **Audit conclusion related to project registration (positive / qualified / negative)**

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

Before using the suggested structure, verify if a BioCarbon template is available for the specific audit process. If one exists, its use is mandatory.

A VWC Issuance Audit Report (which may form part of, or be incorporated into, the Audit Report) shall include, at a minimum:

1) **General information**
    a. Project name and ID
    b. Monitoring period
    c. CAB and team
2) **Scope and objectives of VWC Issuance Audit**
3) **Monitoring implementation**
    a. Monitoring plan execution
    b. Data management systems and data quality
4) **Assessment of water conservation results**
    a. Application of net water benefit formula
    b. Application of measurement hierarchy
    c. Performance-based crediting
    d. Water usability where applicable
    e. Calculations and recalculations
    f. Assessment of uncertainty, discrepancies, and conservative deductions
5) **Baseline consistency and reassessment**
6) **Risk management, non-permanence, and adaptive management**
    a. Status of maintained water benefits, reversals, and loss events
    b. Reversals
    c. Treatment of reversals and ex-post adjustment
7) **Leakage assessment**
    a. Monitoring and reassessment
    b. Review of leakage deductions
8) **Safeguards, SDGs, stakeholder engagement and legal compliance**
9) **Findings (CL / CAR / FAR)**
10) **Audit conclusion**
    a. Positive / qualified / negative
    b. Issuance eligibility statement (consistent with the prohibition on carrying forward unaudited or non–conformity-determined benefits)
    c. Identification of any unresolved issues, limitations, or conditions affecting issuance.

Annex D. Minimum content requirements for the Combined Registration and VWC Issuance Audit Report

Before using the suggested structure, verify if a BioCarbon template is available for the specific audit process. If one exists, its use is mandatory.

D.1 Applicability of Combined Registration and VWC Issuance Audit Report

A Combined Registration and VWC Issuance Audit Report may be issued only when:

(a) the same audit engagement covers both the Project Registration Audit and the VWC Issuance Audit for the first issuance period; and
(b) all requirements applicable to project registration and VWC issuance are independently assessed, clearly distinguished, and documented in accordance with the BWS, the applicable methodology, BioCarbon tools, and this Manual.

D.2 Mandatory principles

In a Combined Registration and VWC Issuance Audit Report:

(a) the assessment related to project registration and the assessment related to VWC issuance shall remain analytically distinct;
(b) findings shall specify whether they relate to project registration, VWC issuance, or both;
(c) conclusions shall be separate and explicit; and
(d) the Combined Registration and VWC Issuance Audit Report shall be submitted to BioCarbon as the Audit Report.

D.3 Mandatory structure Combined Report

1) **General information**
    a. Project identification
    b. CAB and team (including mandatory competences)
    c. Engagement scope
2) **Applicable normative framework**
    a. BWS
    b. Approved methodology and BioCarbon tools
    c. This Audit Manual
3) **Part A: Project Registration Audit**
    a. Scope and objectives;
    b. Eligibility and methodology;

c. Baseline, additionality, quantification approach, monitoring plan, and water usability, where applicable;
d. Project registration audit findings; and
e. Project registration audit conclusion.

4) **Part B: VWC Issuance Audit**
    a. Monitoring period;
    b. Monitoring Report and data assessment;
    c. Uncertainty, leakage, reversals, and conservative deductions;
    d. Adaptive management and risk status;
    e. VWC issuance audit findings; and
    f. VWC issuance audit conclusion.

5) **Summary of findings**
    a. CL / CAR / FAR matrix
    b. Resolution status

6) **CAB Audit Statements**
    a. Project Registration Audit Statement;
    b. VWC Issuance Audit Statement; or
    c. Combined Audit Statement, where applicable.

Annex E. Minimum content requirements for CAB Audit Statements

E.1 General provisions

CAB Audit Statements issued under the BWS shall be prepared and issued by the Conformity Assessment Body (CAB) in accordance with the BWS, the applicable methodology, BioCarbon tools, this Audit Manual, and the CAB's internal and accredited conformity assessment procedures.

Before using the suggested structure, the CAB shall verify whether a BioCarbon template is available for the relevant audit process. Where such template exists, its use is mandatory.

Failure to include any mandatory element defined herein shall constitute a non-conformity, unless otherwise authorized by BioCarbon.

E.2 Common mandatory content

A CAB Audit Statement shall include, at a minimum:

(a) project name and unique project identifier;
(b) project holder;
(c) CAB name and legal identity;
(d) accreditation body and applicable accreditation scope(s);
(e) audit team and responsible authorized signatory;
(f) statement of independence and impartiality;
(g) audit scope and objective;
(h) applicable normative framework, including the BWS, applicable methodology, BioCarbon tools, and this Audit Manual;
(i) audited documentation;
(j) summary of findings and their resolution status;
(k) CAB audit conclusion;
(l) limitations, qualifications, or conditions, where applicable;
(m) legal effect and limitations of the statement; and
(n) date and signature or equivalent authorization.

E.3 Project Registration Audit Statement

A Project Registration Audit Statement shall include a clear statement as to whether, based on the audit performed, the project supports eligibility for registration under the BWS.

The statement shall identify any conditions, limitations, unresolved findings, or corrective actions relevant to project registration.

E.4 VWC Issuance Audit Statement

A VWC Issuance Audit Statement shall include a clear statement as to whether, based on the audit performed, the monitored results support eligibility for the issuance of VWCs.

The statement shall include the monitoring period covered, the audited net water benefits, and the number of VWCs proposed for issuance, where applicable.

The statement shall confirm that uncertainty, leakage, reversals, and conservative deductions required under the BWS, the applicable methodology, or BioCarbon tools have been assessed.

The statement shall confirm that no unaudited or non–conformity-determined water benefits have been carried forward for issuance.

E.5 Combined Audit Statement

Where the same audit process covers both project registration and monitored results for VWC issuance, the CAB may issue a Combined Audit Statement.

The Combined Audit Statement shall clearly distinguish the conclusion related to project registration from the conclusion related to VWC issuance.

E.6 Legal effect and limitations

CAB Audit Statements represent the independent professional conclusion of the issuing CAB.

CAB Audit Statements form part of the technical documentation supporting BioCarbon's Determination of Conformity and, where applicable, the Declaration of Issuance.

CAB Audit Statements do not, by themselves, constitute BioCarbon's Determination of Conformity, Declaration of Conformity, Declaration of Issuance, certification of the project, or authorization to issue VWCs.

CAB Audit Statements shall be interpreted exclusively within the scope, limitations, conditions, and conclusions expressly stated therein.

Annex F. Crosswalk between BWS Standard and the Audit Manual v1.0

F.1 Purpose and scope of the crosswalk

This Annex provides a normative crosswalk between the requirements of the BioCarbon Water Standard and the corresponding provisions of this Audit Manual for Water Resource Management and Conservation Projects v1.0.

The purpose of this crosswalk is to:

(a) demonstrate how each substantive requirement of the BWS is operationalized, assessed, and enforced through the applicable audit process;
(b) ensure transparency and traceability for external reviewers, accreditation bodies, and BioCarbon; and
(c) confirm that no requirement of the BWS remains unaudited or unenforced.

This Annex is informative in structure but normative in effect, as it clarifies the mandatory linkage between the BWS and this Manual.

F.2 Principles governing interpretation of the crosswalk

The following principles apply to the interpretation of this Annex:

(a) Completeness: every requirement of the BWS relevant to project eligibility, quantification, safeguards, risk assessment, non-permanence, reversals, monitoring, and issuance is mapped to at least one section of this Manual;
(b) Non-duplication: the crosswalk does not restate BWS v2.0 requirements but identifies where and how they are assessed during the applicable Project Registration Audit, VWC Issuance Audit, or both;
(c) Normative precedence: in the event of any inconsistency, BWS prevails;
(d) Operational clarity: references indicate the exact chapter or section where CAB obligations are defined; and
(e) No creation of new obligations: this Annex does not introduce additional requirements beyond those already established in the BWS and this Manual.

F.3 Structure of the crosswalk

The crosswalk table is structured as follows:

BWS Standard requirement	Nature of requirement	Audit Manual v1.0 reference(s)	Assessment stage

Section/requirement identifier	Eligibility / Quantification / Safeguards / Risk / Non-permanence / Reversals / Governance / Issuance	Chapter and section of this Manual	Project Registration Audit / VWC Issuance Audit / Both

Where a requirement applies to both Project Registration Audit and VWC Issuance Audit, both stages are indicated.

F.4 Crosswalk table (core requirements)

(Note: the content below is normative; the full table constitutes an integral part of this Annex.)

BWS	Nature of requirement	Audit Manual v1.0 reference(s)	Assessment stage
Eligible activities and exclusions	Eligibility	Chapter 12, Ss 12.2	Project Registration Audit
Project location, scale and boundaries	Eligibility / Quantification	Chapter 12, Ss 12.2; Chapter 15, Ss 15.3	Both
Start date, duration and quantification periods	Eligibility / Quantification	Chapter 5, Ss 5.3; Chapter 12, Ss 12.2; Chapter 13, Ss 13.4	Project Registration Audit/VWC Issuance Audit
Land use, ecosystem characterization and management units	Eligibility	Chapter 12, Ss 12.2	Project Registration Audit
Baseline determination and periodic reassessment	Quantification	Chapter 12, Ss 12.3; Chapter 13, Ss 13.4	Both
Additionality	Eligibility	Chapter 12, Ss 12.3	Project Registration Audit
Quantification of VWCs and measurement hierarchy	Quantification	Chapter 12, Ss 12.4; Chapter 13, Ss 13.3; Chapter 14, Ss 14.4	Both
Water quality and usability requirements	Eligibility / Quantification	Chapter 12, Ss 12.4; Chapter 13, Ss 13.3	Both
Uncertainty management	Quantification	Chapter 12, Ss 12.4; Chapter 14, Ss 14.2, 14.4	Both
Monitoring plan and data requirements	Quantification / Governance	Chapter 12, Ss 12.2; Chapter 13, Ss 13.2, 13.3; Chapter 18, Ss 18.3	Both

BWS	Nature of requirement	Audit Manual v1.0 reference(s)	Assessment stage
Leakage identification, assessment and deduction	Eligibility / Quantification	Chapter 12, Ss 12.5; Chapter 13, Ss 13.7	Both
Risk assessment, non-permanence, and reversals	Risk / Non-permanence / Reversals	Chapter 12, Ss 12.5; Chapter 13, Ss 13.5; Chapter 16	Both
No buffer requirement and ex-post adjustment mechanism	Reversal management / Issuance	Chapter 13, Ss 13.5; Chapter 16, Ss 16.1	VWC Issuance Audit
Stakeholder consultation and legal compliance	Safeguards	Chapter 12, Ss 12.6; Chapter 13, Ss 13.6	Both
SDG alignment and SDS tool compliance	Safeguards	Chapter 12, Ss 12.6; Chapter 13, Ss 13.6	Both
Climate change adaptation plan	Risk / Safeguards	Chapter 12, Ss 12.7; Chapter 13, Ss 13.5	Both
VWC ownership, transfer and registry	Governance	Chapter 12, Ss 12.6; Chapter 19, Ss 19.1, 19.4	Both
Ex-post issuance and performance-based crediting	Issuance / Quantification	Chapter 13, Ss 13.3, 13.8; Chapter 19, Ss 19.2	VWC Issuance Audit
CAB accreditation, competence and team composition	Governance	Chapter 9, Ss 9.2, 9.3; Chapter 10, Ss 10.1, 10.2, 10.3	Both
CAB independence and impartiality	Governance	Chapter 11	Both
Findings and corrective actions	Governance	Chapter 17	Both
Audit Report and CAB Audit Statements	Governance	Chapter 18; Annexes B, C, D, E	Both
Appeals and complaints	Governance	Chapter 20	Both
Record retention and transparency	Governance	Chapter 21	Both

F.5 Use of the crosswalk by CABs and reviewers

CABs shall use this crosswalk as a reference to ensure that all applicable BWS requirements are addressed during the applicable audit process.

External reviewers, accreditation bodies, and program assessors may rely on this Annex to:

(a) verify completeness of the audit framework;
(b) identify the audit stage at which specific requirements are assessed; and
(c) confirm alignment between the BWS and this Manual.

F.6 Updates and maintenance

This Annex shall be updated whenever:

(a) the BWS is revised; or
(b) material changes are introduced to the Audit Manual v1.0.

Updates to this Annex do not modify substantive requirements but maintain traceability and clarity across the normative framework.

History of Document

Type of document. Normative Program Document

Audit Manual for Water Resource Management and Conservation Projects.

Version	Date	Description
1.0	June 29, 2026	Initial version of the document