



## Summary of Biodiversity Protocol Updates — Transition from Version II.I to Version II.II

The following updates were made to the USS Methodology as part of the transition from Version II.I to Version II.II:

### Section 1.1 — Clarification of Habitat Quality Definition

The definition of Habitat Quality was revised to avoid potential misinterpretation related to population dynamics. In the previous version, the reference to “individual and population persistence” could be construed as requiring demographic evidence (e.g., population density, growth, or viability) to assess habitat quality. Although it did not explicitly mention “population size,” the wording created ambiguity that led some auditors to interpret that population metrics were necessary for scoring. The new definition emphasizes the environmental capacity to support the ecological requirements of the umbrella species, focusing on habitat structure, resources, and conditions—without implying a need for demographic data.

### Section 2.7 — Start Date and Retroactive Crediting:

Clarifies the distinction between Project Initiation Date (the earliest verifiable dated evidence of project initiation, such as a Data Stream post) and Start Date (the beginning of crediting activities). Specifies that retroactive crediting of up to three years prior to the Project Initiation Date.

### Section 3.1 & 8.7 — Clarification on Spatial Boundaries and Applicability of the Theory of Change

The guidance on including multiple properties within a single project was revised to clarify that it is not mandatory for all Strategic Lines of the Theory of Change (ToC) to be implemented in every area. Instead, the methodology now specifies that the ToC must remain applicable and relevant to each additional area. This relevance is determined by the presence of similar core threats to the umbrella species, since the ToC is constructed based on those threats. This change was made to prevent misinterpretation that all strategic interventions must be uniformly applied, and to ensure that project aggregation maintains ecological coherence.

### Sections 4 and 5 — Specification of Public Online Database

The methodology now explicitly states that all data generated for the umbrella species (USp) must be shared through the Data Stream section located on each project’s page within the Regen Marketplace. This platform serves as the official public online database for transparency and access to monitoring information. This clarification ensures consistency in data disclosure practices across all projects.

### Section 4.1.1.1 — Refinement of Habitat Area Classification

The classification system for Habitat Area was revised to prevent overlap and improve clarity. In Version II.I, categories such as "Ecological Corridors" often overlapped with "Native Vegetation" or "Regenerating Areas," leading to confusion and potential double counting in spatial reports. In Version II.II, "Ecological Corridors" is no longer listed as a separate land cover class. Instead, any portion of the habitat area that is officially recognized as an ecological corridor (e.g., through public planning instruments or conservation zoning) must be indicated separately, as an attribute, not a class. This change improves data accuracy and alignment with land classification standards, yet they are not included in the Habitat Area calculation.

### Section 7.2.2 — Adjustment of Percentages and Clarification of Application Rules

The methodology now explicitly distinguishes that all fees percentages are applied over the total project cost, with the exception of the Profit Margin, which is applied solely over the project implementation cost.

The revised percentage structure is as follows:

- **Credit Class Fee:** fixed at **5%** of the total project cost.
- **Regen Registry Fee:** fixed at **10%** of the total project cost.
- **Buffer Pool:** fixed at **12.5%** of the total project cost.
- **Sales Commission:** optional and may range from **0% to 5%** of the total project cost.
- **Profit Margin:** variable between **0% and 45%** and applied exclusively to the project implementation cost.

### Section 7.2.3 — Addition of Buffer Pool Mechanism

A new section was added to provide detailed guidance on the Buffer Pool, including its purpose in mitigating risk and ensuring project permanence, the conditions under which funds may be accessed, limitations on use, and reversion procedures at the end of the project cycle.

## Chapter 8 — Verification and Monitoring

The methodology now clarifies that verifications must be initiated within two years of the date of the last Verification Report, rather than from the start of the project. In order to include monitoring data from the final year of project implementation, the final verification may occur up to six months after the end of the project timeframe.

### Version Control

A version history table has been added at the end of the methodology document to transparently summarize the changes made in the update from **Version II.I to Version II.II**.

## **USp Credit Calculator**

The USp Credit Calculator was updated to reflect the revised fee structure introduced in Version II.II. Fields related to mandatory components—such as the Credit Class Fee, Regen Registry Fee, and Buffer Pool—are now fixed and non-editable, ensuring consistency across all projects. In contrast, only the components with variable rates, namely the Sales Commission and Profit Margin, remain open for user input.