

## **Approach for Projects Transitioning to Version 2.1 of the Improved Forest Management on Non-Federal U.S. Forestlands Methodology**

May 16, 2025

ACR published version 2.1 of the *Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas Emission Reductions and Removals for Improved Forest Management (IFM) on Non-Federal U.S. Forestlands* (“the Methodology”) on July 1, 2024, as immediately applicable to all new project listings. GHG projects that were listed and/or registered under an earlier version may qualify to transition to the latest version of the Methodology. This document establishes the eligibility requirements and process for transitioning to version 2.1 during a previously validated Crediting Period<sup>1</sup> which, if qualified to do so, is at the Project Proponent’s discretion.

### **ELIGIBILITY FOR GHG PROJECTS TRANSITIONING TO VERSION 2.1 OF THE IFM METHODOLOGY**

To qualify for the option to transition to version 2.1 of the Methodology, projects must not yet have verified the Reporting Period during which the baseline projected stocking levels reach the long-term average (time  $t = T$ ). That is, the Reporting Period verified simultaneously as the transition validation must be prior to or concurrent with the verification of the Reporting Period when time  $t = T$ . An exception is made for projects whose initial baseline stocking levels are lower than the long-term average baseline stocking for the Crediting Period (i.e., projects with an increasing baseline), which can transition to version 2.1 regardless of when the projected stocking levels reach the long-term average.

Additionally, to qualify for the option to update to version 2.1 of the Methodology, the Reporting Period verified simultaneously as the transition validation must have an end date prior to July 1, 2029 (five years after the publication of version 2.1 of the Methodology).

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<sup>1</sup> Per the ACR Standard, GHG projects seeking renewal of a Crediting Period must adhere to the most recent version of the applicable, active methodology.

ACR may further limit projects from transitioning to version 2.1 if a subsequent version update to the Methodology supersedes it.

## **PROCESS FOR GHG PROJECTS TRANSITIONING TO VERSION 2.1 OF THE IFM METHODOLOGY**

Projects transitioning to a newer version of a methodology are subject to revalidation. Revalidation of an IFM project transitioning to version 2.1 does not automatically necessitate a site visit, but it must coincide with a verification of a Reporting Period, which may or may not require a site visit per the previously established full verification interval.

Transitioning projects shall apply the quantification procedures established by version 2.1 of the Methodology, including baseline determination, on a forward-moving basis for the remainder of the current Crediting Period. The following guidelines must be applied in this regard:

- I. In the accounting of Reporting Periods prior to revalidation, all data and calculations of GHG emission reductions and removals shall remain unchanged from previous verifications. This includes:
  - A. The carbon stock and wood product values reported for both baseline and with-project scenarios ( $C_{BSL,TREE,t}$ ,  $C_{BSL,DEAD,t}$ ,  $C_{BSL,HWP,t}$ ,  $C_{P,TREE,t}$ ,  $C_{P,DEAD,t}$ ,  $C_{P,HWP,t}$ ).
  - B. The averaged baseline values ( $\bar{C}_{BSL,HWP}$  and  $C_{BSL,AVE}$ ) calculated using the originally validated 20-year baseline.
  - C. All calculations of carbon stock changes and credits ( $\Delta C_{BSL,t}$ ,  $\Delta C_{P,t}$ ,  $ERT_{RP,t}$ ,  $BUF_{RP,t}$ ,  $ERT_{NETRP,t}$ ,  $REM_{RP,t}$ ,  $ER_{RP,t}$ ).
- II. The GHG emission reductions and removals for the Reporting Period undergoing verification concurrent with revalidation must be calculated according to the equations in version 2.1 of the Methodology, inclusive of any applicable Errata and Clarifications. The averaged baseline values ( $\bar{C}_{BSL,HWP}$  and  $C_{BSL,AVG}$ ) must be recalculated for the remainder of the Crediting Period incorporating the full 20 years of baseline wood product and carbon stock data, including wood products and carbon stocks from earlier Reporting Periods that were verified using an earlier version of the Methodology (e.g., version 1.3).
- III. For projects whose initial baseline stocking levels are higher than the long-term average baseline stocking for the Crediting Period (i.e., projects with a decreasing baseline), if the recalculated long-term average baseline stocking level ( $C_{BSL,AVG}$ ; incorporating the full 20 years of baseline carbon stock data per II. above) is greater than or equal to the start date baseline stocking levels for the Reporting Period

concurrent with revalidation ( $C_{BSL,TREE,t=revalidation} + C_{BSL,DEAD,t=revalidation}$ ), the Reporting Period immediately prior to revalidation is considered when the projected stocking levels reach the long-term average (time  $t = T$ ), such that Equation 9 from version 2.1 of the Methodology is used to determine baseline stock change for the Reporting Period concurrent with revalidation and all following Reporting Periods (i.e.,  $\Delta C_{BSL,t} = 0$ ). Please note this does not affect the calculation of baseline stock change for the Reporting Period immediately prior to revalidation.

- IV. If applying Option 3 for Harvest Intensity (removals-only baseline; Section 4.1.3.2 in version 2.1 of the Methodology), the test for evaluating the resulting harvest schedule is as follows:
  - A. If the recalculated long-term average baseline stocking level ( $C_{BSL,AVG}$ ; incorporating the full 20 years of baseline carbon stock data per II. above) is greater than or equal to the start date baseline stocking levels for the Reporting Period concurrent with revalidation ( $C_{BSL,TREE,t=revalidation} + C_{BSL,DEAD,t=revalidation}$ ), then baseline stocking levels ( $C_{BSL,TREE,t}$ ;  $C_{BSL,DEAD,t}$ ) must be derived using the harvest schedule as modeled for the remainder of the Crediting Period according to version 2.1 of the Methodology.
  - B. If the recalculated long-term average baseline stocking level ( $C_{BSL,AVG}$ ; incorporating the full 20 years of baseline carbon stock data per II. above) is less than baseline stocking levels as of the start date of the Reporting Period concurrent with revalidation ( $C_{BSL,TREE,t=revalidation} + C_{BSL,DEAD,t=revalidation}$ ), then baseline stocking levels ( $C_{BSL,TREE,t}$ ;  $C_{BSL,DEAD,t}$ ) must equal baseline stocking levels at the start date of the Reporting Period verified simultaneously as the revalidation, such that no further emission reductions are generated (Equation 32).
- V. Except for projects with an increasing baseline, the recalculated long-term average baseline stocking level ( $C_{BSL,AVG}$ ) used for the calculation of GHG emission reductions and removals must be greater than or equal to the long-term average baseline stocking level calculated using the originally validated 20-year baseline. If subsequent dynamic evaluations result in an adjusted long-term average baseline stocking level ( $C_{BSL,AVG}$ ) less than the long-term average baseline stocking level calculated using the originally validated 20-year baseline, the newly recalculated long-term average baseline stocking level (i.e., following the dynamic evaluation) must be held equal to the long-term average baseline stocking level calculated using the originally validated 20-year baseline.

Please see the accompanying ERT Calculator for examples of the guidelines.

Projects employing the Programmatic Development Approach and still enrolling new sites should contact ACR regarding how to apply the above guidelines.

Upon successful transition to version 2.1, the Reporting Period verified concurrent to the revalidation and all Reporting Periods thereafter must adhere to version 2.1 of the Methodology and all credits generated shall be designated as such.