

MARINE		CONSERVATION		CREDITS
MCC-400		—	Addendum	1
AI-Augmented		Validation	and	Verification
Version 1.0	—	Adopted	17	August 2026

Status: ADOPTED AS AMENDED by the Governing Board on 17 August 2026, decision D-2026-08-11 (MCC-BDR-2026-002), on the basis of draft v0.2 of 29 April 2026.

Entry into force: 17 September 2026, as determined by the Programme Administrator.

This Addendum was not adopted as drafted. Draft v0.2 could not be adopted in the form presented: its article and section numbering collided with provisions already in force in MCC-400 v1.0, and two of its operative provisions rested on a platform component that has produced no data since 1 May 2026. The Board adopted the Addendum subject to the modifications set out in Part I. Part II contains the operative text as adopted.

PART I — MODIFICATIONS ADOPTED BY THE BOARD

1. Renumbering (structural; unavoidable)

Draft v0.2 introduced the new material as "Section 14", with articles numbered from 75, on the stated assumption that Article 74 was the last article of MCC-400 v1.0. That assumption is incorrect. MCC-400 v1.0 contains Sections 1 to 17 and Articles 1 to 92. Section 14 of MCC-400 v1.0 is *VVB Assignment and Rotation*, and Articles 75 to 92 are in force as Sections 13 to 17 (Accreditation Renewal; VVB Assignment and Rotation; Accreditation Fees; Transitional Provisions; Amendment and Review). Adopting the draft as numbered would have created two Section 14s and duplicated eighteen article numbers.

Accordingly, the Board adopted the new material as **Section 18**, with articles numbered **93 to 121**. Draft Article 75 becomes Article 93 and each subsequent article shifts by eighteen; draft sub-sections 14.1 to 14.9 become 18.1 to 18.9.

Consequential corrections to MCC-850 (Amendment 1, decision D-2026-08-10), adopted at the same meeting:

Provision

As drafted

As adopted

MCC-850 art. 3 (sentence added by Amendment 1)

MCC-400 Section 14 (AI-Augmented Validation and Verification)

MCC-400 **Section 18** (AI-Augmented Validation and Verification)

MCC-850 art. 28.2

bias controls specified in MCC-400 Section 14.4

bias controls specified in MCC-400 **Section 18.4**

MCC-850 art. 28.3

peer reviewers under MCC-400 Section 11

peer reviewers under MCC-400 **Section 9.6**

MCC-850 art. 28.1 (engagement assignment under MCC-400 Section 9) and art. 28.4 (witness audit under MCC-400 Article 26) were verified against MCC-400 v1.0 and are correct as drafted.

2. Continuous Monitoring Engine — provisions suspended pending operation

Draft Article 77(d) described a Continuous Monitoring Engine "which provides remote-sensing-derived habitat metrics for project areas", and draft Article 91 permitted subsequent verification engagements to be completed in thirty business days where that engine "shows no material deviation from prior verified baselines".

The Board records the following finding of fact, verified against the production registry on 17 August 2026: the most recent monitoring snapshot on record is dated **1 May 2026**, 108 days before this meeting; the record contains 44 snapshots across 17 projects and none thereafter; and **no monitoring anomaly has ever been recorded**. The engine is not operating.

A standard may not confer a reduced verification burden on the strength of a component that produces no data. The Board therefore adopted Article 95(d) in qualified terms, inserted a new Article 95.1 requiring publication of component operational status and prohibiting reliance on a component recorded as not operational, and conditioned the shortened timeline in Article 109 accordingly.

3. Sampling floors — transitional rule pending calibration evidence

Draft Article 81 permitted a VVB to rely on a HIGH-confidence AI finding subject to sampling of not less than ten per cent of the underlying evidence base. Draft Article 79 required the Programme Administrator to publish the calibration evidence underlying the confidence classifications.

The Board records that as at 17 August 2026 the registry contains fifteen

AI review records in total, of which four carry a HIGH confidence tier, and that no calibration review under MCC-850 Article 32 has been completed. There is at present no evidence base from which a ten per cent sampling floor can be justified.

The Board therefore adopted Article 99 subject to a transitional rule (Article 99.1): until the first calibration review under MCC-850 Article 32 has been completed and its evidence published under Article 97, the sampling floor for HIGH-confidence findings is the MEDIUM-confidence floor of thirty per cent. The reduction to ten per cent takes effect on publication, and not before.

4. Public disclosure aligned to MCC-850

Draft Article 88 made deviations and concurrences public through the Transparency Layer. MCC-850 art. 27 withholds the AI recommendation field and the numeric confidence score from applicants, and art. 29 withholds individual AI Review Records from the public. The Board adopted Article 106 with an express carve-out so that publication does not defeat either provision.

5. Cross-reference corrections

Draft Article 76 referred to the VVB's responsibility "under Sections 9 and 11". Section 11 of MCC-400 governs performance monitoring and evaluation; responsibility for the validation or verification opinion arises under Section 10 (Validation and Verification Reports). Adopted as "Sections 9 and 10" (Article 94).

Draft Article 92(b) referred to peer review "under Section 11". Peer review is governed by Section 9.6. Adopted as "Section 9.6" (Article 110(b)).

PART II — OPERATIVE TEXT AS ADOPTED

Preamble

This Addendum amends MCC-400 (VVB Accreditation and Performance Standard, v1.0, March 2026) by adding a new Section 18 governing the use of the MCC AI Analysis Layer in validation and verification engagements.

The Addendum does not amend the eligibility, accreditation, or competence requirements of Sections 1–13 of MCC-400. It does not

reduce the VVB's ultimate professional responsibility for the validation or verification opinion. It is consistent with ISO 14065 and ISO 14064-3 and with the conformity-of-results requirements of ICVCM CCPs 7 and 8.

The Addendum is issued under the authority of MCC-700 (Governance and Appeals) and enters into force on 17 September 2026 as specified by the Programme Administrator.

Section 18. AI-Augmented Validation and Verification

18.1 Purpose

Article 93. This Section establishes the requirements for VVB use of the MCC AI Analysis Layer in validation and verification engagements. It defines the relationship between AI-generated outputs and human auditor judgement, sets minimum sampling and documentation expectations, and provides the basis for differentiated engagement scope where AI confidence permits.

Article 94. Nothing in this Section reduces the VVB's ultimate responsibility under Sections 9 and 10 for the validation or verification opinion. AI outputs are inputs to the VVB's professional judgement, not substitutes for it. This Section is read in conjunction with MCC-850 (AI Governance Standard).

18.2 The AI Analysis Layer

Article 95. The MCC Programme provides accredited VVBs access to the AI Analysis Layer through the Mo8 VVB Portal. The Layer comprises: (a) the Completeness Engine, which scores PDD and Monitoring Report submissions against methodology requirements; (b) the Cross-Reference Engine, which compares structured form fields against uploaded documents and flags inconsistencies; (c) the Risk Flag Engine, which identifies anomalies in baseline data, additionality claims, and quantification; (d) the Continuous Monitoring Engine, which **where recorded as operational under Article 95.1** provides remote-sensing-derived habitat metrics for project areas; and (e) per-section confidence scores indicating the reliability of each AI finding.

Article 95.1. The Programme Administrator shall publish, and keep current, the operational status of each component of the AI Analysis Layer listed in Article 95, stating for each component the date of the

most recent output on record and the period for which continuous coverage is available. **No requirement, timeline, sampling reduction or fee expectation under this Section shall rest on a component recorded as not operational.** Where a component ceases to produce output for more than fourteen consecutive days, the Programme Administrator shall record it as not operational, notify accredited VVBs through the Mo8 VVB Portal, and treat the interruption as an incident under MCC-850 Article 35.

*As at the entry-into-force date, the Continuous Monitoring Engine is recorded as **not operational**. Its most recent output is dated 1 May 2026. Article 109 is accordingly unavailable until that status changes.*

Article 96. The AI Analysis Layer is governed by MCC-850. The VVB may rely on the Layer's outputs as a programme-provided input. The VVB shall not be considered to have validated the Layer itself; programme-level assurance of the Layer is the responsibility of the Programme Administrator.

Article 97. Confidence levels generated by the Layer shall be classified as HIGH (≥ 0.85), MEDIUM ($0.60-0.84$), LOW ($0.40-0.59$), or VERY_LOW (< 0.40) in accordance with MCC-850 Article 15 (Confidence Scoring Model). The Programme Administrator shall publish, and update at least annually, the calibration evidence underlying these classifications. The first such publication shall follow the first calibration review completed under MCC-850 Article 32.

18.3 VVB Use of AI Outputs

Article 98. Each engagement shall begin with the audit team's review of the AI Analysis Sidebar for the project. The engagement plan required under Article 50 shall document how AI outputs have informed: (a) sampling design; (b) document review focus; (c) site visit scope, where applicable; and (d) clarification requests to the project developer.

Article 99. Where AI confidence is HIGH for a given finding, the VVB may rely on the finding subject to risk-based sampling sufficient to confirm the AI conclusion. The minimum sampling threshold for HIGH-confidence findings shall not be less than ten per cent (10%) of the underlying evidence base for that finding.

Article 99.1. Article 99 is subject to the following transitional rule. Until the Programme Administrator has published calibration evidence

under Article 97 following the first completed calibration review under MCC-850 Article 32, **the minimum sampling threshold for HIGH-confidence findings shall be thirty per cent (30%)**, being the threshold applicable to MEDIUM confidence under Article 100. The reduction to ten per cent takes effect on the date of that publication and not before. The Programme Administrator shall notify accredited VVBs of that date through the Mo8 VVB Portal.

Article 100. Where AI confidence is MEDIUM, the VVB shall conduct independent verification covering at least thirty per cent (30%) of the underlying evidence base.

Article 101. Where AI confidence is LOW, or where the AI Analysis Layer has flagged a risk that has not been resolved by the project developer, the VVB shall conduct full independent verification of the relevant area without reliance on AI outputs. The matter shall additionally be escalated under MCC-850 Article 23 (Escalation Rules by Confidence Tier).

Article 102. Where AI confidence is VERY_LOW, the engagement shall not proceed on the AI-augmented basis. The VVB shall (a) conduct full independent verification under the procedures of Section 9, (b) note the VERY_LOW confidence determination in the engagement report, and (c) refer the matter to the Programme Administrator for Board review under MCC-850 Article 23.

Article 103. For Category A (high-risk) projects under the MCC Environmental and Social Safeguards Policy, the VVB shall conduct independent verification regardless of AI confidence level, and the AI Analysis Layer shall be used only as a supporting input.

Article 103.1. Where an AI Review Record was produced in Degraded Mode within the meaning of MCC-850 Article 12.1, no reduction in sampling under Articles 99 to 100 is available in respect of that record, and the engagement shall proceed as though confidence were LOW.

18.4 Documentation of Deviations and Concurrences

Article 104. The VVB shall document in the validation or verification report each instance where its conclusion differs from an AI finding. Documentation shall include: (a) the AI finding and its confidence level; (b) the VVB's contrary conclusion; (c) the evidence relied upon by the VVB; and (d) the implications, if any, for the validation or verification

opinion.

Article 105. Where the VVB and the AI Analysis Layer reach the same conclusion, the VVB report shall reference the AI finding and confirm the basis for concurrence. Concurrence with an AI finding does not relieve the VVB of the obligation to perform the sampling required by Articles 99 to 103.

Article 106. Deviations and concurrences shall be reported through the Mo8 VVB Portal. They shall be public under the MCC Transparency Layer (Mo7), subject to the redaction of commercially sensitive information in accordance with MCC-100 Section 11, and subject further to the following. Publication under this Article shall not disclose (a) the recommendation field under MCC-850 Article 19, in any representation from which its value may be inferred; (b) the numeric confidence score, confidence being expressed categorically only; or (c) any individual AI Review Record in full. This Article does not derogate from MCC-850 Articles 27 and 29.

18.5 Engagement Scope and Timeline

Article 107. The Programme Administrator shall publish, and update at least annually, an indicative engagement scope matrix showing baseline sampling requirements, expected timelines, and indicative effort by methodology family (Fo1–Fo5) for AI-augmented engagements. The matrix shall state the sampling thresholds actually in force, including where Article 99.1 applies.

Article 108. Engagement timelines for AI-augmented validation shall not exceed sixty (60) business days from engagement initiation to draft report, except where: (a) site visits to remote project areas extend the schedule; (b) the AI Analysis Layer has flagged Category A safeguards risks; or (c) the project developer has not responded to clarification requests within prescribed timeframes.

Article 109. Subsequent verification engagements following the first verification, where prior monitoring data is available and the Continuous Monitoring Engine shows no material deviation from prior verified baselines, may be completed within thirty (30) business days. **This Article is available only where the Continuous Monitoring Engine is recorded as operational under Article 95.1 and has provided continuous coverage for the whole of the monitoring**

period concerned. Where it is not, Article 108 applies.

18.6 VVB Performance and AI Calibration

Article 110. VVB performance under this Section shall be measured by: (a) deviation rate from AI findings; (b) accuracy of the VVB's contrary findings, assessed through peer review under Section 9.6; (c) cycle time relative to published indicative timelines; and (d) public stakeholder feedback on report quality.

Article 111. Systematic patterns of unsupported deviation from AI findings, or systematic concurrence without independent verification, shall be grounds for performance review under Section 12 and may result in suspension or revocation of accreditation.

A high deviation rate is not of itself an adverse indicator. Article 110(a) is read with Article 112: findings that the Layer missed are evidence of VVB performance, not of VVB error, and are to be treated as calibration input.

Article 112. The Programme Administrator shall use VVB engagement data to calibrate the AI Analysis Layer. VVB findings that consistently identify issues missed by the AI shall be considered under the recalibration triggers of MCC-850 Article 33 and incorporated into the Layer's training and rule sets in accordance with the model governance procedures of MCC-850 Article 10.

18.7 Fees and Engagement Economics

Article 113. The Programme Administrator shall publish an indicative fee range for AI-augmented engagements by methodology family. Fees materially outside the indicative range require justification documented in the engagement plan and shall be reviewed by the Programme Administrator.

Article 114. The indicative fee structure for AI-augmented engagements is intended to reflect the reduced primary measurement effort enabled by the AI Analysis Layer, while preserving sufficient VVB compensation for independent professional judgement, sampling, and reporting. **Any stated reduction in effort or fee shall be supported by the calibration evidence published under Article 97 and by the component operational status published under Article 95.1, shall identify the components relied upon, and shall be restated whenever a component relied upon is recorded as not**

operational. An indicative reduction that rests on a component recorded as not operational shall not be published or communicated to any accredited or candidate VVB.

Article 115. Project developers shall not be charged separately for AI Analysis Layer outputs; these are programme-provided inputs included in the registration and issuance fees set out in MCC-100.

18.8 Layer Familiarisation and Auditor Training

Article 116. Each accredited VVB shall ensure that all Lead Auditors deployed on MCC engagements complete the Layer Familiarisation Module published by the Programme Administrator within ninety (90) days of accreditation, or within ninety (90) days of the entry into force of this Section, whichever is later.

Article 117. The Layer Familiarisation Module shall cover: (a) the architecture and limitations of the AI Analysis Layer; (b) the meaning and statistical basis of confidence scores under MCC-850 Article 15; (c) the protocols for documenting deviations and concurrences; (d) the audit trail and transparency requirements of this Section; and (e) the operational status of each Layer component and the effect of Article 95.1.

Article 118. Time spent on the Layer Familiarisation Module shall count toward the continuing professional development requirement of Article 41.

18.9 Transition and Provisional Operation

Article 119. During the pilot phase ending on the date specified by the Programme Administrator, this Section shall operate on a provisional basis. The Programme Administrator may revise sampling thresholds, confidence definitions, and timelines based on pilot data, provided that no revision shall reduce a sampling threshold below the level then justified by the calibration evidence published under Article 97.

Article 120. Revisions to this Section during the pilot phase shall be published through the MCC Transparency Layer with at least thirty (30) days notice to accredited VVBs and shall be subject to ratification by the Governing Board at the conclusion of the pilot.

Article 121. VVBs accredited under Sections 1–13 of MCC-400 prior to the entry into force of this Section retain their accreditation. Their scope of accreditation shall be deemed to extend to AI-augmented

engagements upon completion of the Layer Familiarisation Module by all deployed Lead Auditors.

Schedule 1. Confidence-to-Sampling Matrix (informative)

The following matrix is provided for ease of reference. The binding requirements are set out in Articles 99 to 103.1. **The column "Min. sampling in force" states the threshold applicable while Article 99.1 operates; it is the operative figure until calibration evidence is published under Article 97.**

AI Confidence

Min. sampling (art. 99–100)

Min. sampling in force (art. 99.1)

VVB action

Documentation

HIGH (≥ 0.85)

$\geq 10\%$

$\geq 30\%$

Reliance permitted; risk-based sampling

Reference AI finding; confirm sampling

MEDIUM (0.60–0.84)

$\geq 30\%$

$\geq 30\%$

Independent verification of sample

Document sampling design and findings

LOW (0.40–0.59)

100%

100%

Full independent verification; escalate per MCC-850 art. 23

Full audit trail; AI is supporting only

VERY_LOW (< 0.40)

100%

100%

No AI-augmented engagement; refer for Board review

Full audit trail; VERY_LOW noted in report

Degraded Mode (any tier)

100%

100%

Treated as LOW; no sampling reduction (art. 103.1)

Full audit trail; Degraded Mode noted in report

Category A (any tier)

100%

100%

Full independent verification regardless of AI confidence

Full audit trail; AI is supporting only

ENTRY INTO FORCE

This Addendum was adopted as amended by the Governing Board on 17

August 2026 (decision D-2026-08-11, record MCC-BDR-2026-002). The Programme Administrator has specified **17 September 2026** as the entry-into-force date, aligned with the entry into force of MCC-850 Amendment 1, so that Section 18.4 and MCC-850 Article 28.2 take effect together. Notice shall be published through the MCC Transparency Layer no later than 17 August 2026.

MCC-400 Article 92 provides that the effective date of an amendment shall be no earlier than 90 days after Governance Board approval, to allow VVBs adequate time to prepare. The Board records that no VVB is presently accredited under MCC-400, so no accredited body is prejudiced by the shorter period, and that Article 116 independently affords every Lead Auditor 90 days from entry into force to complete the Layer Familiarisation Module. **The Board expressly disapplies the 90-day minimum in Article 92 for this Addendum on that basis.** Where a VVB is accredited before 17 September 2026, the Programme Administrator shall confirm in writing that the body accepts the shorter period, failing which entry into force shall be postponed for that body to the ninetieth day after adoption.

EDITORIAL NOTES

Incorporation. This Addendum is incorporated into MCC-400 v1.1. Article numbering continues from Article 92, the last article of MCC-400 v1.0. Section numbering continues from Section 17.

Superseded draft. Draft v0.2 of 29 April 2026 is superseded in its entirety. It is retained in the version-control appendix of MCC-400 v1.1 together with the schedule of modifications in Part I above.