In addition to minor editorial changes, the U.S. Forest Project Protocol (FPP) Version 4.0 incorporates the following significant changes from Version 3.3.

- **Restructured Forest Project Aggregation guidance (Section 2.3)** Forest Project Aggregation guidance has been removed from the FPP and relocated to an external document available on the Reserve website, as was done in previous versions of the FPP. This improves the readability of the protocol guidelines by placing highly detailed and specific guidance in a separate place.

- **Updated Location eligibility (Section 3.1)** This section has been revised to allow for Reforestation and Avoided Conversion projects in U.S. Territories, as those project types do not rely on the availability of FIA data.

- **Updated Permanence guidance (Section 3.5)** This section has been renamed from Minimum Time Commitment to Permanence for consistency with other Reserve protocols. Guidance has been added regarding project termination to detail an option for terminating project activities on a portion of the project area, to acknowledge and conservatively allow for revisions to project boundaries over the life of a project.

- **Updated Regulatory Compliance guidance (Section 3.8)** This section has been updated to clarify likely instances in which violations will be considered “material”, with an increased focus on those violations directly linked to the carbon project.

- **Updated Sustainable Harvesting and Natural Forest Management Practices guidance (Section 3.9)** This section has been reformatted for clarity, particularly regarding the metrics used for assessing conformance. The substantive requirements contained in this section have not changed.

- **Updated even aged management restrictions (Section 3.9.2)** This section has been revised to change the even aged management restriction to allow for expanded harvesting area commensurate with increasing harvest retention. The intent is to provide flexibility to area harvesting limits when harvest retention is increased.

- **Updated guidance for identifying Project Area (Section 4)** Guidance has been included in this section for utilizing Landfire to identify Assessment Areas. This section has also been modified to include guidelines regarding the accuracy of Project Area Acreage (Section 4.1). Landfire is a third party (government) product and its use is an unbiased approach to identifying Assessment Area requirements.
• **Addition of project configuration and limitations criteria (Section 4.1)** Guidelines have been provided to ensure that Project Areas are representative of forest management so that the baseline approach is reasonable for the project. This section is designed to replace what was previously known as the “Logical Management Unit” or LMU analysis. All references to LMU have been removed from the project quantification and baseline modeling. The intent of the LMU analysis was to reduce the likelihood of projects receiving credits based on “selection bias”, or positioning their project boundaries deliberately for favorable crediting. In its place, the protocol has established a requirement that contiguous watershed areas (as described in the protocol) be included in the project.

• **Exclusion of RF-3, RF-4, and RF-5 (Section 5.1)** Standing dead wood (RF-3), lying dead wood (RF-4), and litter and duff (RF-5) have been excluded from the GHG Assessment Boundary. The motivation for this is to focus on the primary effect of a reforestation project (increasing standing live carbon stocks). Since many reforestation projects take place following a natural disturbance, declines in these pools are commensurate with natural baseline conditions and are unrelated to the project’s primary effect. Their inclusion can potentially create reversals through no fault of the forest owner.

• **Updated Modeling Financial Constraints option 2 guidance (Section 6.2.1)** Clarification has been added to confirm that past harvest activities within the Project Area may be used to demonstrate the financial feasibility of the baseline harvest regime.

• **Updated Standardized Unadjusted Baseline calculation guidance (Section 6.2.1)** Common Practice has been updated to include all onsite carbon stocks, so the corresponding quantification guidance has been updated accordingly. Logical Management Unit provisions have also been removed based on the guidance referenced above in Section 4.1, as previously described.

• **Updated guidance for estimating baseline onsite carbon stocks for public land Improved Forest Management projects (Section 6.2.2)** A new methodology has been incorporated for setting the baseline for IFM projects taking place on public lands.

• **Updated secondary effects and leakage accounting (Section 6.2.6)** Leakage quantification previously utilized a standard 20% discount. Leakage in the protocol has always taken a long-term perspective to shifting harvest patterns based on project activities. The updated approach improves the estimate of long-term leakage based on predicted harvest practices in the project activity.

• **Updated timeline for verifying unavoidable reversals (Section 7.3.1)** The deadline for submitting a verified estimate of onsite carbon stocks following an unavoidable reversal has been extended from one year to two years, to allow for a more accurate accounting of delayed mortality following a reversal event.

• **Clarified deadline for submitting annual monitoring report (Section 8.2)** This section has been updated for consistency with a Reserve policy memo to state that annual monitoring reports are due within 12 months of the reporting period end date.

• **Reporting period duration and cycle (Section 8.3)** This section has been updated for consistency with the Reserve Program Manual.

• **Updated stopping rules for sequential sampling (Section 9.3.5.1)** This section has been updated to provide separate stopping rules for diameter and height measurements, and plot-based CO₂e/acre measurements. The approach is intended to focus verification
efforts on areas where a demonstration of alignment between Forest Owner and verifier has not been met, improving the overall efficiency of verification.

- **Included reference to the Reserve’s Standardized Inventory Methodology and Climate Action Reserve Inventory Tool (CARIT) (Section 9.3.5.2)** The Reserve has published a Standardized Inventory Methodology and computer inventory tool (CARIT) that are intended to reduce the cost of project implementation and verification for those who choose to use these tools. Both the inventory methodology and the associated computer tool are undergoing validation. Once completed, they do not need to be verified for subsequent projects. They have been acknowledged in the FPP as approved tools.

- **Updated measurement guidance for verifiers (Section 9.3.5.3)** Guidance has been included for determining in/out trees. Verification of sampling practices in the field is intended to ensure project developers apply the sampling methodology correctly and accurately. The guidance provides some limited flexibility for verifiers to evaluate the trees as they existed at the time of measurement. Some of the trees on plots may have grown beyond parameters that existed in the sampling methodology at the time of measurement. This is consistent with the guidance provided in the Mexico Forest Project Protocol and is intended to reduce ambiguity and improve efficiency in verification services.

- **Updated minimum number of passing plots for sequential sampling (Sections 9.3.5.4 and 9.3.5.5)** The minimum number of passing plots for sequential sampling has been revised for stratified and non-stratified inventories. In most cases, this will reduce the number of plots required to pass sequential sampling, while improving consistency with the intent of the sequential sampling test. The earlier version of sequential sampling added elements of rigor that are not part of the sequential sampling procedures described in the literature. When those measures were included, the sequential sampling application to forest measurement testing was new and the additional measures were intended to ensure an ultra-high level of conservatism to verification. The updated approach maintains a high level of rigor in that a stated minimum number of plots must be evaluated prior to successful verification outcomes, but modifies the requirement for a stated number of continuous successful plots to be included, which is consistent with the literature. Additionally, internal analysis indicated that once the stated minimum number of verified plots has occurred and is successful, ongoing verification efforts did not change the ultimate outcome of the verification opinion. In other words, the additional testing is unwarranted and adds unnecessary costs to verification.

- **Added definition of commercial harvesting (Section 10)** Definition of commercial harvesting has been added to help clarify the intent of the sustainable harvesting requirements.

- **Update of the Assessment Area Data File and inclusion of new Assessment Areas** A new Supersection has been added (Hawaii). The Assessment Area Data File has been updated to include new common practice values reflective of the latest available FIA data. Site class distinctions have been removed so that each Assessment Area has one common practice value. Information not required for project implementation (such as board feet and basal area data) have been removed. Default Harvested Wood Product classes have been added for Hawaii, and updated for Alaska. The Mill Efficiency reference document has been incorporated into the Assessment Area Data File, and mill efficiencies have been added for Hawaii.
• **Update to Quantification Guidance:** Projects can exclude up to 5% of their plots from being selected for verification oversite due to harvest that occurred in the past reporting period. This condition is allowed for the plots for one year only. It is intended to address the challenges of synchronizing plot updates with verification activities.