

PROCEDURE PR02

REGISTRATION, MONITORING AND REPORTING OF CARBON SEQUESTRATION PROJECT



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CHAPTER ONE GENERAL PROVISIONS

1. Subject

Procedure PR02 regulates the process and rules for the registration, monitoring, and reporting of participants and activities in soil carbon sequestration projects. The Procedure is developed in accordance with the Methodology and describes the actions following the admission of an operator under PR01.

All data are entered and administered in the Integrated Software System for Administration, Control and Reporting – ISACO2.

2. Aim

The purpose is to ensure that the system for managing, controlling, and reporting carbon sequestered by plant species—perennial crops, annual crops, and other agricultural crops, as well as forest vegetation—is reliable and prevents any actions that conflict with international, European, and national legislation.

3. Principles

This Procedure is guided by the following principles:

- 3.1. Objectivity and impartiality;
- 3.2. Integrity and independence;
- 3.3. Legality and loyalty;
- 3.4. Professionalism, responsibility, and accountability.

Failure to comply with these principles shall result in administrative liability.

CHAPTER TWO REGISTRATION

SECTION I. REGISTRATION

This section describes the activities related to the registration of applicants for participation in a project, the monitoring process, and the reporting of results. All applicants who meet the eligibility criteria are registered, and a project participation agreement is concluded.

Registration of an organization/farm and conclusion of an administrative contract. The process begins after eligibility has been established under Procedure PR01. When the criteria are met, an administrative contract is concluded for a minimum period of 5 years, with an option for extension. The participant's information is recorded in ISACO2. Upon registration, the project participant receives a unique ID code.

The application for participation is submitted together with the following document:

✓ PR0201 – Application for Project Registration.

The project developer registers a username and password for the project participant in the ISACO2 electronic system. The username and password are then sent to the participant. The system is used to enter identification data for the entity participating in the project. Geographic Information System (GIS) data are entered to identify the territories included in the project.

For each area, specific boundaries are defined, ranging between 4 and 25 hectares, and formed into parcels. For each parcel, the system generates an official identification code. The entire project process—from participant onboarding to verification of removals—is tracked through this identification code

SECTION II. IMPLEMENTATION, MONITORING AND REPORTING THROUGH SPECIALIZED SOFTWARE

1. Aim

The procedure for implementation, monitoring, and reporting is regulated through documented records of all project activities, combined and maintained via specialized software in both digital and hard-copy format. The software ensures logical integration across all processes and provides electronic data exchange for both incoming and outgoing information.

2. Scope

Main processes:

- ✓ Registration of land areas;
- ✓ Soil sampling activities;
- ✓ Laboratory testing and analyses;
- ✓ Agronomic recommendations and interpretation of results;
- ✓ Monitoring, control, and annual reporting of greenhouse gas removals of carbon dioxide (CO₂) from the atmosphere.

3. Responsibilities

Project manager, agronomist/GIS expert, field sampling team, accredited laboratory, validators/verifiers, and the public registry.

4. Process description

4.1. Key documents used in the process:

- ✓ GIS data processing document;
- ✓ Soil sampling and testing request;
- ✓ Sampling schedule;
- ✓ Sampling assignment;

- ✓ Sampling protocol;
- ✓ Sample acceptance protocol;
- ✓ Laboratory result;
- ✓ Agronomic recommendation;
- ✓ Individual strategy;
- ✓ Technical (technology) sheet;
- ✓ Monitoring report from on-site inspection;
- ✓ Annual/periodic report;
- ✓ Annual re-registration;
- ✓ Control sheet for the calculation of sequestered soil organic carbon (SOC);
- ✓ Monitoring report for the reporting period of removed emissions.

4.2. The following active documents are used:

- ✓ GIS Data Processing Document

GIS data represent spatial information used to accurately locate, visualize, and analyze the areas included in the project. They include geographic coordinates, parcel boundaries, area outlines, topographic features, and additional attribute data required for identification and subsequent processing. GIS information is submitted through shape files or manually delineated on an interactive map within the software environment. Storage and administration are performed in ISAC02, and the data are used for the definition, verification, and optimization of land areas in accordance with the Methodology.

- ✓ Soil Sampling and Testing Request

The request includes essential information about the type of sampling and testing, depth, geographic coordinates, area identification number, and project participant. The necessary information for each subsequent document in the process is transferred after review by the respective user with defined access rights and system role.

- ✓ Sampling Schedule

The system displays an interactive map visualization of the areas and proposes an optimal distribution of sampling tasks. Required information is transferred from the Soil Sampling and Testing Request, with the option to supplement process-related details.

- ✓ Sampling Assignment

For the execution of georeferenced soil sampling, the field team uses a mobile application. The system tracks GPS coordinates, movement routes, barcodes, and the traceability of each sample. The mobile application displays the Sampling Assignment, and the interactive map visualizes the areas from which samples must be taken. The assignment is initiated and completed within the boundaries of the polygon. If the field team moves outside the defined boundaries, the software signals a warning, and the assignment cannot be started or completed. This functionality ensures that all soil

samples are taken from the designated location. During sampling, a GPS track of the machine's movement and drilling line is displayed. A photo of each sampled area is mandatory. Each sample receives a unique field barcode, and all information is archived for future use.

✓ Sample Acceptance Protocol

Samples are received through a Sample Acceptance Protocol. Upon receipt, every individual sample is linked to an incoming laboratory barcode number. The software tracks the correspondence between: area identification number → field barcode → incoming laboratory barcode number.

✓ Laboratory Result

Laboratory results are entered into the Laboratory Result document. The software maintains the correspondence between: area identification number → field barcode → incoming laboratory barcode number.

✓ Agronomic Recommendation

Based on the laboratory results, agronomic recommendations are issued for each crop grown on a registered area with an identification number under the project, in accordance with PR01. These recommendations become part of the individual management strategy for the respective areas.

✓ Individual Strategy

Based on the agronomic recommendations, an individual strategy is issued for each crop cultivated on the project areas. The strategy includes agricultural practices suitable for regenerative farming. It is periodically updated.

✓ Technical (Technology) Sheet

Each participant records the implemented activities in the technical sheet after receiving the agronomic recommendations and the individual strategy. Activities are summarized for each participant. If necessary, the individual strategy is adjusted with specific recommendations.

✓ Monitoring Report (from on-site inspection of a project participant) — combined and under development within the software

An annual on-site visit is carried out for project participants. The visit is recorded in a Monitoring Report from On-Site Inspection, in accordance with PR01, and becomes part of the documentation for the management of the used areas.

✓ Annual/Periodic Report (for each participant) — combined and under development within the software

An Annual/Periodic Report is prepared for each project participant each year. The report includes a summary of all project-related activities completed during the reporting period.

- ✓ Annual Re-registration (for each participant) — combined and under development within the software

Each year, every project participant undergoes Annual Re-registration. The document reflects the current status of the farm and any changes that have occurred. If corrections or updates are needed, a re-registration request is submitted, indicating the specific field(s) to be edited.

- ✓ Control Sheet for Calculation of Sequestered Soil Organic Carbon (SOC) — combined and under development within the software

When data from two soil sampling cycles are available, a Control Sheet for SOC Calculation is completed for each participant. All calculations are performed according to the Methodology.

- ✓ Monitoring Report for the Reporting Period

The results from the calculations are summarized in a Monitoring Report for the reporting period, containing verified removals. The Monitoring Report is verified by an independent third party — an auditor. After receiving the final audit report, all supporting documentation is submitted to the specialized registry. The registry performs an independent review of the verified removal data, after which it issues serial numbers for the carbon credits and publishes them.

5. Control and Traceability

The software stores logs, geolocation data, documentation, and ensures continuous and reliable control.

6. Additional Rules

- ✓ A control soil sample is taken once per year after the baseline sampling.
- ✓ The results are analyzed by an agronomist and incorporated into the management strategy.
- ✓ When two measurements are available, the following is completed:
PR0205 – Control Sheet for Calculation of Sequestered Soil Organic Carbon (SOC).
- ✓ The calculations are included in a monitoring report subject to independent audit.
- ✓ After verification, data are recorded in: PR0209 – Registry of Verified Removals Generated by the Project, and serial numbers are issued in: PR0210 – Registry of Issued Carbon Credits.
- ✓ Every project is subject to periodic monitoring; PR0211 – Annual/Periodic Report is prepared.
- ✓ Overlapping land areas are documented through PR0212 – Overlapping Areas Protocol.

- ✓ The project file is stored for 2 years after the end of the crediting period.

7. Prevention of Double Counting

- ✓ Each participant submits a declaration through PR0201 – Application for Project Registration.
- ✓ In cases of irregular or non-compliant data, the project is recorded in: PR0204 – Registry of “Non-compliant Projects.”
- ✓ The competent authorities are notified.

CHAPTER THREE DEADLINES FOR REGISTRATION IN A PROJECT

Initial registration — year-round, submitted with: PR0201 – Application for Project Registration.

Annual re-registration — from 01 March to 20 June, submitted through: PR0213 – Annual Re-registration.

CHAPTER FOUR DEVIATIONS

A deviation is any identified discrepancy between the activities actually performed, the entered data, the GPS tracks or system records, and the requirements described in this Procedure, the Methodology, or the software functional specification. Deviations are registered, analyzed, and corrected in accordance with the internal rules for control and traceability.

1. GPS track deviations

1.1. In cases where the GPS track exits the outlined polygon during sampling, when the task has been successfully completed and a sample barcode has been registered, the deviation is considered a GPS error if:

- ✓ The deviation is minimal and momentary (signal noise);
- ✓ The movement line does not show repeated or intentional deviation;
- ✓ There is no evidence of coordinate manipulation;
- ✓ The mobile device was operating under conditions that allow temporary interference (terrain, tree cover, weather conditions).

1.2. GPS errors are documented in the system automatically or by the operator and do not require corrective resampling when they do not affect the representativeness of the collected sample.

1.3. Repeated GPS deviations involving the same team or device are investigated to identify a potential systematic problem.

2. Deviations Related to Manual Data Entry

2.1. When an error caused by manual data entry or editing is identified (sample descriptions, area data, coordinates, identifiers), a review is performed by the responsible operator or the project manager.

2.2. The correction is made only on the basis of documented justification — a protocol, internal memo, or official correspondence with the team.

2.3. All changes are recorded in the system archive and are subject to audit verification.

3. Deviations Resulting from Software Defects, System Failures, or Interruptions

3.1. In cases of software bugs, data processing errors, loss of information, system crashes, or abnormal system behavior, the software support company is notified.

3.2. In the event of an internet or power outage, the team continues working in offline mode when possible; if this is not possible, the task is marked as interrupted and restarted once technical conditions are restored.

3.3. In cases of incomplete, lost, or duplicated records, a data recovery procedure is carried out in accordance with the support provider's instructions

4. Deviations in Soil Sampling

4.1. A sample taken outside the declared parameters or at a depth different from the standard requirements is marked as incomplete or invalid.

4.2. In the absence of a GPS track, missing barcode, or missing photographic documentation, the sample is considered compromised and repeat sampling is assigned.

4.3. Samples transported without a Sample Acceptance Protocol are not accepted by the laboratory.

4.4. In cases where the sampling period is exceeded, sampling shall be resumed at an appropriate time. The results for those cells will be reported in the next reporting period. If previously reported results change, a correction mechanism is applied in the calculations. The data are included in the subsequent monitoring report.

4.5. A sampling event is considered non-compliant if the samples are taken before the minimum quarantine period has elapsed (180 days for rotted manure and 40–60 days for all mineral fertilizers) from the last fertilization of the respective plot (cell). Each identified non-compliance must be transparently documented. The following are recorded: number of affected cells, type of fertilization, agronomic corrections applied (where applicable), reason for excluding an area from crediting (if applicable), and the expected next sampling period. The following rules apply:

4.5.1. Deviation in nitrogen fertilization

Nitrogen primarily affects crop yield and nutrient dynamics but does not artificially increase soil organic carbon (SOC) in the short term. SOC values are retained without adjustment, and credits are issued under the standard procedure.

Agronomic

correction:

The soil analysis results are used to reduce subsequent corrective or supplementary nitrogen fertilization for the respective crop, in order to optimize nutrient management.

No credit withholding is required in these cases.

4.5.2. Deviation in organic fertilization with manure

Manure can influence soil carbon levels. No recalculation mechanism is possible. The results from that sampling cycle are considered non-creditable. The affected cells are excluded from credit issuance for the current monitoring year. Credits from these cells may be issued after the results are validated in the following year, according to the planned sampling cycle.

5. Deviations in Laboratory Activities

5.1. Discrepancies between barcodes, identifiers, and laboratory sheets result in the sample being blocked and returned for re-verification.

5.2. Missing mandatory parameters in the analysis are considered an incomplete laboratory result, and repeat testing is required.

5.3. In cases of deviations from accredited methods, the laboratory notifies the project manager.

6. Deviations in Agronomic Interpretation

6.1. When discrepancies between recommendations and laboratory results are identified, a secondary review is performed by a second agronomist.

6.2. Corrections are documented and stored in the project file.

7. Deviations in Administrative Documentation

7.1. Incorrectly or incompletely submitted documents (PR0201, PR0213, PR0211) are returned for review and correction.

7.2. Significant inconsistencies between contracts, registries, or submitted declarations lead to the temporary suspension of the project until clarification is obtained.

8. Deviations Related to Overlapping Areas

8.1. When overlapping areas between two projects are identified, PR0212 – Overlapping Areas Protocol is prepared.

8.2. Until a final decision is reached, overlapping areas are blocked from processing.

9. Serious Deviations Indicating Potential Misconduct

9.1. When evidence of manipulation of coordinates, barcodes, samples, or documents is identified, the project is recorded in: PR0204 – Registry of “Non-compliant Projects.”

9.2. The competent authorities are notified in accordance with established procedures.

CHAPTER FIVE FINAL PROVISIONS

Project documentation is maintained in a combined format—electronically within the software system and on paper, in accordance with the internal rules for archiving and traceability. Due to the implementation of specialized software developed for project execution, the document codes will undergo changes. After the software is fully implemented, the codes will be updated in this Procedure.



The software is designed for combined use by both project developers and all participants involved in project execution. Specific roles, user profiles, and access rights are defined for each operational level, determining the permitted actions within the system. This structure ensures full traceability of operations and transparency throughout the entire process—from data registration to final reporting.

The software is periodically updated. Once updates are ready, they will be reflected in this Procedure. For the execution of international projects, the software supports international use through configurable settings as required

LIST OF DOCUMENTS UNDER PR02

PR0201 – Application for Project Registration

PR0203 – SOC Projects/Contracts Registry

PR0204 – Registry of “Non-compliant Projects”

PR0205 – Control Sheet for Calculation of Sequestered Soil Organic Carbon (SOC)

PR0209 – Registry of Verified Removals Generated by the Project

PR0210 – Registry of Issued Carbon Credits

PR0211 – Annual/Periodic Report

PR0212 – Overlapping Areas Protocol

PR0213 – Annual Re-registration