Rainforest Alliance
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New York, NY 10279 USA
http://www.rainforest-alliance.org/

19 June 2017

Bah Tambor Lyngdoh
Mawphlang, East Khasi Hills
Shillong, Meghalaya 793121
India

Dear Tambor:

As a result of our recent evaluation, Rainforest Alliance has verified that the Khasi Hills REDD+ Project is in conformance with *the Plan Vivo 2013 Standard*. Ka Synjuk ki Hima Arliang Wah Umiam Mawphlang Welfare Society has been issued a project specific verification code, **RA-VER-PV-021909**, effective 19 June 2017. Your verification statement is enclosed, as well as a signed copy of your verification agreement.

For specific guidance regarding how you may represent your verification in business-to-business communications and other promotional materials, please refer to Section 2 of the verification agreement, “Verification Claims and Trademark Usage.”

Congratulations on your Rainforest Alliance Plan Vivo verification. We look forward to working with you in the future.

Sincerely,

Klaus Geiger
Senior Staff Carbon Projects Auditor

Terms of Reference for Project Verification for Reduced Emissions from Deforestation and Forest Degradation–Plus (REDD+)

For evaluation against the Plan Vivo Standard (v. 12/2013)

Introduction

This Terms of Reference (ToR) has been designed to assist the auditor with the verification of Reduced Emission from Deforestation and Forest Degradation-Plus (REDD+)[1] projects. Plan Vivo verification consists of a review by an approved third-party of the project's conformance with the Plan Vivo Standard (2013) and a quantification of the project's impacts including progress towards any expected emissions reductions. Plan Vivo projects are expected to undertake third party verification within 5 years of validation and at least every 5 years thereafter.

Climate benefits in a Plan Vivo REDD+ project are estimated by comparing the emissions expected under a baseline scenario describing expected deforestation and/or forest degradation in the absence of project interventions, with the emissions under the project scenario. While these interventions are typically quantified ex-post, ex-ante Plan Vivo certificates can be issued for emission reductions expected to be achieved within a defined project period – provided activity-based indicator thresholds are met.

Objectives

The broad objective of verification is to conduct an evaluation of a registered and functioning Plan Vivo project against the Plan Vivo Standard to ensure that the project continues to conform to the Standard and that it continues to deliver emission reductions, and other expected benefits, to local ecosystems and livelihoods.

Requirement 5.9 (page 17) of the Plan Vivo Standard states:

"*A monitoring plan must be developed for each project intervention which specifies:*

5.9.1 Performance indicators and targets to be used and how they demonstrate if ecosystem services are being delivered. Performance targets may be directly or indirectly linked to the delivery of ecosystem services, e.g. based on the successful implementation of management activities or other improvements but must serve to motivate participants to sustain the project intervention"

[1] This also includes: a) Reducing emissions from deforestation; b) Reducing emissions from forest degradation; c) Conservation of carbon stocks; d) Sustainable management of forests; and e) Enhancement of forest carbon stocks.

Therefore, Plan Vivo REDD+ projects will incorporate activity-based monitoring and annual reporting as way to reduce costs, increase local participation and enhance the implementation of these projects at the local level. Activity-based monitoring is particularly helpful in REDD+ projects that aim to tackle locally-driven and small-scale forest degradation caused, for example, by subsistence fuelwood collection, charcoal extraction or grazing in the forest. Whilst remote sensing techniques are the main tools used at the national, sub-national, jurisdictional level and more generally on larger scales to detect forest deforestation and degradation, local level community data is an important input to the analysis of deforestation and degradation events.

Consequently, verification of REDD+ projects under the Plan Vivo Standard can differs substantially from other Standards because, in addition to assessing the reported emissions reductions with remote sensing analysis, verification of REDD+ projects also needs to assess whether the reported activities have been carried out and whether they are effectively contributing to emissions reductions by the project.

The key questions the verifier is expected to address are:

1. Does the project continue to comply with the requirements of the Plan Vivo Standard (v. 12/2013)?
2. Have project activities been carried out as planned in the PDD and as reported in project annual reports?
3. Have project activities contributed to generating the project's overall climate benefits to the extent expected?
4. Have the emissions reductions (climate benefits) generated by the project been made in accordance with those estimated in the project's Technical Specifications?
5. To what extent has the project generated expected livelihoods and biodiversity benefits?
6. Have any new project activity types or significant changes to project design (activities, procedures or monitoring protocols) as recorded in project annual reports and updates to the PDD been effectively implemented in compliance with the Plan Vivo Standard?

Under the process and methods section of this ToR, further details of suggested methodologies, sources of information and techniques for information analysis are given for each of these key verification questions.

Plan Vivo Standard and references

The full requirements for registered Plan Vivo projects can be found in the Plan Vivo Standard. The Plan Vivo Standard (2013 version) can be downloaded from http://www.planvivo.org/project-network/project-resources/. The document includes definitions and acronym lists. Please, note that some projects may opt to apply the Plan Vivo pre-approved approach for reducing locally driven deforestation. The guidance document can be found on the technical library page of the Plan Vivo website (http://www.planvivo.org/our-approach/technical-library/). Further information on the application of the Plan Vivo Standard can be found in the Plan Vivo Procedures Manual, which is available to download from http://www.planvivo.org/project-network/project-resources/. Finally, the Plan Vivo Socio-Economic Assessment Manual (http://www.planvivo.org/docs/Socio-economic-Manual.pdf) provides useful information on socio-economic monitoring, performance indicators and participatory methods for stakeholder consultations.

Interpretations and clarifications

Verifiers are advised to contact the Plan Vivo Foundation prior to a verification audit to ensure they have an up to date terms of reference, the latest verification report template, the complete list of documents for the pre-field assessment as well as all relevant project annual reports. This will also be an opportunity for Plan Vivo to highlight any areas for specific attention during the verification visit. For further interpretations and clarifications please contact the Plan Vivo Foundation Secretariat at info@planvivofoundation.org.

For larger REDD+ projects under the Plan Vivo Standard or in certain circumstances, Plan Vivo may opt to participate in the verification as an observer. In this case, Plan Vivo will communicate this to the project coordinator before the terms of the verification are finally agreed between the project coordinator and the independent verification organisation or individual in order that the costs of this can be included in the overall verification budget.

Whilst independent verifiers operate under these ToRs for verification of REDD+ projects developed by Plan Vivo, they are contracted by, and accountable to the project coordinator, who is responsible for paying the full costs of verification at the current rates.

Scope

Verification should take place over the entire physical project area where REDD+ activities have been implemented to date. Only data relating to the period of time since the validation or previous verification should be considered.

Where projects wish to validate new interventions[2], activities or project design during the verification, the scope should be confirmed; typically, activities due to commence within 12 months of the

[2] The "Validation Table" contained in

Day 0	Evening	Auditors travel to audit site.
Day 1, Monday October 31st	Morning	Audit team opening meeting with project staff; Document Review and Project Staff Interviews: • Baseline activities, maps; • Ownership/tenure, landowner MOU documents (e.g. contracts, FPIC); • Legality and compliance;
	Afternoon	• Meet accounting staff re financial sustainability and payments to beneficiaries; • Meet technical staff re forest management plan, inventory and analysis, carbon calculations, biodiversity monitoring; • Meet GIS and remote sensing specialists • Review record keeping, database management

Day 2, **Tuesday November 1st**	Morning	REDD Area project site visit and data collection, Wahlyngkien Sunei, HBN Wistilian Lyngdoh, REDD Area project site visit and data collection, Meet with the Bankiewshaphrang, Kyrphei Kiewshaphrang, Nongmadan Iakryshanlang, and Mawlum Tyrsad women's Self Help Groups • Kyrphei, Rice cooker • Charcoal Briquette • HBN activities
	Afternoon	Meet with Lyngdoh Phanblang Local Working Committees, HBN, LPG, Smokeless chullas REDD Area project site visit and data collection Lyngdoh Phanblang Cluster;
Day 3, **Wednesday November 2nd**	Morning	Meeting with SYNJUK Federation, Nongrum farmers club Mawphlang
	Afternoon	Meet with local environmental government authority, Meet with Khasi Hills Autonomous District Council Meet GIS and remote sensing specialists, State Forest Department (Sylvan House Shillong)
Day 4, **Thursday November 3rd**	Morning	ANR Area project site visit and data collection Mawbeh Local working committees, HBN, LPG, Smokeless chullas REDD Area project site visit and data collection • Mawbeh cluster Kyntiew jingshai SHG • Mawbeh Nangiaikyrsoi SHG, Wahstew ANR Area project site visit and data collection Meet with Dympep cluster Iatreilang SHG • Sohrarim, Mawstep Rice cooker. • Charcoal briquette, • HBN, Activities
	Afternoon	ANR Area project site visit and data collection in Jathang cluster Meet with Local Working Committees

verification could be reasonably included. In the event that there is more than one intervention to be verified (approved under separate *Technical Specifications*) then each should be separately verified and the overall project emissions reduction and other impacts generated should be calculated.

Activity-based Monitoring

Activity-based monitoring is defined as "*the monitoring of the implementation of project activities so that an indirect assessment of expected climate benefits can be made*". When project design documents are reviewed, expert reviewers are required to assess whether the planned activities are likely to result in the expected emission reductions. The logic of activity-based monitoring is therefore that if activities are carried out as planned there is a high likelihood that expected emission reductions have been achieved. Adopting an activity-based monitoring approach therefore enables projects to focus on delivering project activities rather than on assessing deforestation, degradation or changes in carbon stocks on an annual basis. Instead, a period review of project design documents (at least every 5 years) is required, at which time an assessment of whether the project activities carried out have resulted in the expected emission reductions is conducted – usually making use of remote sensing analysis and/or data collection from survey plots.

Activity-Based Monitoring indicators are also assessed when project design documents are reviewed to determine if indicators and thresholds are sufficient to provide an accurate description of whether project activities have been carried out as planned. According to the Plan Vivo Standard (v. 12/2013), a monitoring plan must be developed for each project intervention eligible for crediting contained in a PDD. This plan must specify the performance indicators and thresholds (targets) to be used and how they demonstrate that ecosystem services are being delivered. Performance targets may be *directly* or *indirectly* linked to the delivery of ecosystem services and typically they are based on the successful implementation of management activities or other improvements on the baseline scenario. However, they must also serve to motivate participants to sustain the project intervention and are linked to the issuance of certificates and, thus, the disbursement of payments according to a traffic-light system similar to the one below:

Table 1 Activity-Based Monitoring Traffic-Lights System under Plan Vivo

Day 5, Friday November 4th	Morning	Document review, final project staff interviews, and preparation of preliminary findings
	Afternoon	Presentation of preliminary findings
Day 6, Saturday November 5th	Morning	Auditors Depart

of this ToR can be used by the verifier when the project coordinator wishes to conduct the verification of all land currently under management concurrently with the validation of a new area to be annexed to the existing project area. Please, ask the Plan Vivo Secretariat for more information and guidelines.

Performance	Climate Benefits	Corrective Actions	Certificate Issuance
Green	On Track	None	Full
Orange	Partially Delivered	May be Required	Partial
Red	Not Delivered	Required	Withheld

This traffic lights system is described in Section K of the Project Design Document (PDD) and also reported in the project annual reports[3], which are both published on the project page on the Plan Vivo website. Under Plan Vivo, it is the annual report that triggers the issuance of certificates, which is then linked to the disbursement of payments to communities. Prior to the verification site visit, the verifier should thoroughly study all the project's annual reports as they provide yearly updates on the state of the Activity-Based Monitoring conducted by the project.

A practical example of how the results of activity-based monitoring may influence the issuance of Plan Vivo credits can be described below.

Example

A project is working with communities to develop REDD+ activities and has submitted its fifth annual report, which includes the project's activity-based monitoring in Table E. Prior to the verification site visit, the project has provided the verifier with a remote sensing analysis and collected data from forest sampling plots.

Scenario A

Site and Traffic Light Indicator Status ***Tamba Community***	**Activity Indicators**	**Expected Results**	**Results Achieved**
	1) Deforestation less than 2% per year	Less than 1 ha deforested	1,5 ha deforested
	2) Dig three wells for community	Three wells completed by September 2014	Three wells completed by September 2014
	3) Each household provided with an efficient cook stove	250 efficient cook stoves distributed by December 2014	250 efficient cook stoves distributed by December 2014

[3] The project's fifth annual report normally coincides with the year verification is conducted. Accordingly, while the project may submit the annual report to the Plan Vivo Foundation *before* verification, it will only be approved and published *after* the audit is completed and approved. The project will be required to submit the results of the remote sensing analysis to the verifier together with the rest of the required documentation and, if necessary, before the submission of the fifth annual report.

In this case, the activity-based monitoring indicator 1 is *directly related* to the achievement of climate benefits while the activity-based monitoring indicators 2 and 3 are *indirectly* related to the achievement of climate benefits. As indicated by the red dot in the monitoring table, the expected deforestation rate derived from the data collected from the forest sampling plots is greater than 2% and, thus, the performance target has not been met. The remote sensing analysis also indicates a deforestation rate greater than 2%.

Consequently, the verifier will be expected to raise a major CAR [4] in the verification report to solicit a corrective action response from the project. The Plan Vivo Foundation will not approve the annual report until the CAR has been closed, until a clear timeframe for the corrective actions has been decided in conjunction with the project coordinator and, therefore, until the verification process has been completed.

Scenario B

Site and Traffic Light Indicator Status ***Tamba Community***	**Activity Indicators**	**Expected Results**	**Results Achieved**
	1) Deforestation less than 2% per year	Less than 1 ha deforested per year	0.5 ha deforested in year 5
	2) Dig three wells for community	Three wells completed by September 2014	Two wells completed by September 2014
	3) Each household provided with an efficient cook stove	250 efficient cook stoves distributed by December 2014	100 efficient cook stoves distributed by December 2014

In this case, the expected result for indicator 1 has been met (indicator *directly* related to the achievement of climate benefits) and confirmed by the remote sensing analysis as well as the forest sampling plots, but the expected result for indicator 2 has only been partially met while the expected result for indicator 3 has not been met (both indicators 2 and 3 are *indirectly* related to the achievement of climate benefits). Similar to scenario A, the verifier is expected to raise a major CAR in the verification report and the project coordinator must provide a corrective action in order to meet the activity-based targets identified in the monitoring plan before verification may be completed and the project allowed to issue new certificates.

[4] Corrective Action Request (CAR) – see Section "Verification Outputs" of this ToR.

Scenario C

Site and Traffic Light Indicator Status *Tamba Community*	Activity Indicators	Expected Results	Results Achieved
	1) Deforestation less than 2% per year	Less than 1 ha deforested per year	0.5 ha deforested in year 5
	2) Dig three wells for community	Three wells completed by September 2014	Three wells completed by September 2014
	3) Each household provided with an efficient cook stove	250 efficient cook stoves distributed by December 2014	250 efficient cook stoves distributed by December 2014

In this scenario, the project has met all its performance targets both *directly* and *indirectly* related to the achievement of climate benefits. However, the results of the remote sensing analysis are in contrast with the data on deforestation collected from the forest sampling plots. Specifically, the remote sensing analysis indicates that the rate of deforestation is greater than 2%, but the data from the sampling plots show that carbon stocks have been increasing over the previous five years (since the project validation or previous verification).

Again, the verifier is expected to raise a CAR in the verification report and the project coordinator to provide both an explanation for the discrepancy and a corrective action response before verification may be completed. In this case, the discrepancy between the results of the remote sensing analysis and the results of the activity-based monitoring will have become apparent during the pre-field desk review conducted by the verifier. As a consequence, during the site visit, the verifier must seek to understand the cause of such a discrepancy. It could be, for example, that the forest sampling plots have been particularly well looked after by the communities while, in contrast, the rest of the forest has experience high levels of deforestation. Therefore, the data from the sampling plots has led to a bias in the results of the activity-based monitoring.

Process and methods

The verification process and method for REDD+ projects under the Plan Vivo Standard involves application of auditing techniques for the whole project and for each separate verification question listed above, including:

Table 2 Verification Audit Techniques

Verification Question	Description of scope, focus and suggested methods

1. Does the project continue to comply with the requirements of the Plan Vivo Standard (v. 12/2013)?	Assess whether the project is complying with all areas of the Plan Vivo Standard (v. 2013) and that all 8 project principles are being fully applied. Particular attention should be given to the following aspects: • Is the project being managed with transparency, accountability and engagement of relevant stakeholders and in compliance with the law (principle 3)? • Does the project demonstrate community ownership, participation, commitment and awareness (principle 4)? • Is the project effectively managing risks (principle 6)? • Are project benefits being equitably shared (principle 8)? Key methods: i. Review of project documentation (annual reports, project databases, other information and documents including minutes of project meetings) ii. Facilitated discussions and meeting with community members and individuals (to assess understanding, awareness, commitment and perceptions about the project) iii. Discussions with project staff and community participants to assess the effectiveness of the project's governance structure and administrative procedures
2. Have project activities been carried out as planned in the PDD and as reported in project annual reports?	Evaluate and collect evidence on project activities. This includes gathering information from the project on quantities (of different activities carried out), verification of reported activities in the projects annual reports and in comparison with the threshold for these activities included in the PDD and annual reports and an assessment of their quality (have they been carried out well?) and likely sustainability (will they continue to be carried out after direct project support ceases?) Key methods: i. Review of project documentation (annual reports, project databases, other information and documents including photographs of different activities being carried out) ii. Field visits and field observations of different activities iii. Discussions with project participants and triangulation/cross-checking of information received (using participatory tools from the Plan Vivo Socio-economic Manual) iv. Comparison and assessment of information from annual reports (and elsewhere) and the thresholds (targets) for these activities listed in the PDD/Technical Specification

	v. For each activity, use the simple traffic light system (described above) to summarise progress
3. Have project activities contributed to generating the project's overall climate benefits?	Whilst reported project activities may be fully carried out, they may not necessarily be effectively contributing to generating climate and other project benefits. For example, patrolling may be regularly carried out but may not necessarily lead to better forest protection. Improved cook-stoves may be distributed, but may not be used to reduce fuelwood consumption. For each project activity a somewhat qualitative assessment is required of the actual contribution, including an assessment of critical activities that may be required in order to achieve emissions reductions/removals but which are not being carried out. Key methods: i. Review of project documentation (annual reports, project databases, other information and documents) ii. Field visits and field observations of different activities iii. Discussions with key local experts iv. Discussions with project participants and triangulation/cross-checking of information received (using participatory tools from the Plan Vivo Socio-economic Manual)
4. Have the emissions reductions (climate benefits) generated by the project been made in accordance with those estimated in the project's Technical Specifications for each approved project intervention?	Is the project complying with Plan Vivo Standard principle 5? Assess the accuracy of reported emissions reductions based on the estimates made in the approved Technical Specification. In the case of more than 1 approved Technical Specification, each should be separately assessed and combined information on emissions reductions calculated for the whole project. For each intervention reported, make an assessment of whether the carbon model used in the Technical Specifications is still relevant. Key methods: i. Using remote sensing analysis commissioned by the project coordinator before the start of verification. Information and reports resulting from this analysis will be provided to the verifier prior to the assignment in order to make this assessment. ii. Assessment of the quality of the remote sensing analysis carried out and reported prior to the verification and of the quantities calculated in comparison with those estimated in the Technical Specification. iii. Field visits to sites of different interventions (if more than 1) to verify the physical site conditions and the presence or otherwise of evidence of changes in forest conditions

	iv. Discussions and application of participatory tools[5] with community members to assess changes in forest condition v. Review of fixed point photographs (if available from the project) vi. Review of other forest-related monitoring data (if available) e.g. sample plots and inventory data and comparisons with baseline information produced by the project
5. To what extent has the project generated livelihoods and biodiversity benefits in addition to the climate benefits?	Is the project complying with Plan Vivo Standard principles 1, 2 and 7? REDD+ projects under the Plan Vivo Standard must demonstrate positive livelihoods impacts for participating households (especially poor and disadvantaged) and must also conserve and enhance biodiversity. Key methods: i. Semi-structured interviews with representatives of relevant stakeholder groups especially poor, women or otherwise disadvantaged people, as well as with community leaders and project staff ii. Comparison of project's socio-economic baseline conducted at the start (or immediately after) the project activities with its most recent socio-economic survey results in order to assess the positive impacts the project has had on the livelihoods of local communities. iii. Assessment of available biodiversity information including any information in the PDD/Technical Specification and any information more recently generated through project monitoring or separate studies iv. Interviews with local experts (covering socio-economic factors and biodiversity) on locally-experienced changes v. Analysis of project information regarding payments made to community groups and individuals and expenditure details on how such funds have been used (including verification of bank accounts, as required)
6. Have any new project activity types or significant changes to project design (activities, procedures or monitoring	During the previous 5-year period, the project may have made some changes or increased the scope of its interventions. These

[5] Please, refer to the Plan Vivo Socio-economic Manual (http://www.planvivo.org/docs/Socio-economic-Manual.pdf) for more information on participatory tools.

protocols) as recorded in project annual reports and updates to the PDD been effectively implemented in compliance with the Plan Vivo Standard?	changes should have had prior approval by Plan Vivo (if significant[6]). Key methods: i. Review of annual reports and relevant communications between the project and Plan Vivo to assess which changes have been made to project design, whether these were justified, whether these have been implemented and to what extent they have contributed to project impacts ii. Discussions with Plan Vivo prior to verification to identify any particular areas of concern or issues that have been raised during the previous project period (if Plan Vivo is present as an observer during the verification process this can be an on-going discussion) iii. Discussions and presentations by the project coordinator highlighting and significant changes.

Verification Outputs

The output of the verification is a Plan Vivo Verification Report, which, along with any supporting documents, presents the review findings and details the project's conformance with each of the requirements in the Plan Vivo Standard and performance as per annual reports submitted. The verification report will have the following main sections:

A. Assessment of project against the requirements of the Standard
The report should describe whether the project meets each requirement of the Plan Vivo Standard using the verification template provided by Plan Vivo

B. Presentation of the verification response to each of the verification questions
The report should provide an answer to each of the verification questions using the verification template provided by Plan Vivo.

Corrective Actions
Where the verifier finds that the project is not compliant with a given requirement of the Standard or where the response to a verification question is not satisfactory, the report should specify the corrective action needed for compliance and propose a timescale within which it must be implemented. This should be discussed with the project coordinator. In cases where it is not possible to assess whether the project is compliant or where the question cannot be answered due to lack of

[6]Further information is available in the Plan Vivo Procedures Manual (Section 9, p.33) regarding project expansion and the specific circumstances that may trigger the need for a separate validation of these new activities/intervention(s).

adequate information, this should also be considered as a corrective action to be addressed by the project by provision of further information.

The reviewer should specify whether, in their professional opinion, a major or minor corrective action is required.

- **Major Corrective Action Request (CAR):** A non-conformance likely to result in the failure of the project or likely to materially reduce its ability to deliver the benefits intended. A major CAR may include a collection of many less significant non-conformances that collectively suggest critical failings in the project or inability of the project coordinator to successfully manage the project.
- **Minor Corrective Action Request (CAR):** A non-conformance not likely to materially affect the project's delivery of the intended benefits. This may include e.g. a single or small number of lapses in maintaining systems, minor omissions or inconsistencies in documentation.

Where corrective actions are specified, the Plan Vivo Foundation will conduct a follow-up review of any amendments or additions to project documentation, or other evidence submitted by the project to demonstrate that corrective actions have been fulfilled.

If major CARs are identified that substantially affect the project's ability to comply with the Plan Vivo Standard, then Plan Vivo may opt to temporarily suspend the project whilst these are being addressed. During the suspension period the project will not be issued with Plan Vivo Certificates and will not be able to sell any unsold certificates that have already been issued. If a project fails to address major CARs – despite having been formally requested by Plan Vivo to do so – Plan Vivo may choose to remove the project from the Plan Vivo registry.

Observations/recommendations

The verifier may find areas where procedures, data or documentation could be clarified or improved, but which are not deemed material enough to impose a corrective action. In this case, the reviewer should make observations or recommendations, which the Plan Vivo Foundation will follow up with the project coordinator at its discretion. In particular, the verifier should indicate in the report whether there is a need to revise the project technical specification(s) (as a result of more recent monitoring data becoming available) or whether the % risk buffer as agreed in the original specification is still applicable.

C. Verification Opinion

The report will include a summary verification opinion, as to whether:

i. The project documents represent an accurate and clear description of the project, its activities and its activity-based monitoring.
ii. Based on an objective assessment of the project, the project meets the Plan Vivo Standard.

D. Project Documentation and Supporting Evidence

The project coordinator should make the project documentation (PDD, technical specification, annual reports, databases, remote sensing reports/data, and any other supporting evidence, to show compliance with the Standard) needed for verification available to the reviewer, a minimum of 15 working days before the field visit. For this purpose, the Plan Vivo Secretariat can make available the

most recent "List of Documents" the Project Coordinator must provide the verifier with in order to begin the desktop review of the REDD+ project.

The verifier is expected to use his/her expert knowledge and professional judgment to evaluate available evidence to determine which of the requirements of the Plan Vivo Standard are satisfied by the project as designed and documented.

The verifier is expected to operate by the principle of client confidentiality and treat all information provided by Plan Vivo and by the project coordinator as confidential both during and after the end of the verification assignment. Information should not be disclosed to any 3rd party or included in any other document or report without the express permission in writing from Plan Vivo.

Submission of Verification Reports

A draft verification report will be submitted to the project coordinator and to Plan Vivo Foundation simultaneously by the verifier at the end of the verification visit. Plan Vivo will respond within 30 days with any requests for clarification, further questions or other comments to enable the verifier to finalise the report.

Publication of Verification Reports

The final verification report, all of its contents and any drafts will remain confidential until the Plan Vivo Foundation publishes its contents following its decision regarding ongoing project approval.

All final verification reports will be published on the Plan Vivo website.

Verification Report

Name of Verifier(s)	Date of Review
Klaus Geiger, Senior Staff Carbon Auditor, Rainforest Alliance	**Field visit:** October 31st, 2016 through November 4th, 2016 **Draft report:** November 28th, 2016 **Draft final report:** April 28th, 2017 **Final Report:** June 19th, 2017

Project Description
The Khasi Hills REDD project is a grass roots forest conservation and forest restoration project that spans 27,139 hectares of indigenous land in the eastern Indian state Meghalaya. The project has approximately 15,000 hectares of densely and open forested land, and has a potential impact of about 25,000 people—the population of the Umiam sub-watershed, which is the project area boundary. The project was preceded by a pilot project, but officially began in 2011. The project

was validated in 2012 and, through the verification described by this final report, has successfully completed its first verification event, conducted by the Rainforest Alliance.

Description of field visits (including list of sites visited and individuals/groups interviewed)		
The 2016 verification field audit took place between 10/31/2016 and 11/4/2016. More than 75 people were interviewed over the course the field audit.		
Audit Date	**Name**	**Affiliation**
10/31/2016 – 11/4/2016	Tambor Lyngdoh	Chief Community Facilitator and Project Manager, Ka Synjuk Ki Hima Arliang Wah Umiam ("Synjuk" or "Federation")
10/31/2016 – 11/4/2016	Mark Poffenberger	Executive Director, Community Forestry International (CFI)
10/31/2016 – 11/4/2016	Felix Pde	Monitoring Specialist, Synjuk
10/31/2016 – 11/4/2016	Bathmulang Warjri	Monitoring Specialist, Synjuk
10/31/2016	Sanggai Leima	Technical Consultant, Synjuk
10/31/2016 – 11/4/2016	Beautiful	Socio-Economic Specialist, Synjuk
10/31/2016 – 11/4/2016	Esther Kharjana	Socio-Economic Specialist, Synjuk
10/31/2016 – 11/4/2016	Ridalis Kurbah	Socio-Economic Specialist, Synjuk
10/31/2016	Lembhar Syrwet Majaw	Accountant, Synjuk
10/31/2016	Ibanda E. Nongsdeng	Accounting Assistant, Synjuk
10/31/2016 – 11/4/2016	Shaika Rakshi	Technical Consultant and Advisory Committee member, Synjuk
10/31/2016 – 11/4/2016	Sunitah	Senior Project Officer, Synjuk
10/31/2016 – 11/4/2016	Lapdiong	Data Input Specialist, Synjuk
11/1/2016	Meridian Nongbet	SHG –Member, Ka Bankiew Shaphrang SHG
11/1/2016	Daplinda B. Lyuses	Member, Ka Bankiew Shaphrang SHG
11/1/2016	Belinta Rynjah	Member, Ka Bankiew Shaphrang SHG
11/1/2016	Trein Rynjah	Member, Ka Bankiew Shaphrang SHG
11/1/2016	Tiewlinda Rynjah	Secretary, Ka Bankiew Shaphrang SHG
11/1/2016	N. Nongbet	Kyrphei headmanVillage Headman and member of Synjuk
11/1/2016	Wilfringson Lemdor	CF Kyrphei
11/1/2016	Justanwell Rynjah	YV Kyrphei

11/1/2016	Hierbolanda Mawlong	President, Kiew Shaphrang SHG
11/1/2016	Assmeka Mawlong	Member, Kiew Shaphrang SHG
11/1/2016	Alistina Nongbet	Member, Kiew Shaphrang SHG
11/2/2016	6 people (2 men, 4 women)	Ryntihlang Farmer's Club
11/2/2016	Lamphrang Blah	KHADC member and Chief of hima Mawphlang
11/2/2016	Synjuk	12 of 17 members represented
11/2/2016	Tennyson Saiborn	Chief Forest Officer – Khasi Hills Autonomous District Council
11/2/2016	Marchwell Lyngdoh	Deputy Chief Forest Officer - KHADC
11/3/2016	Mawbeh Community Group Meeting 30 people (~55% men)	Mawbeh
11/3/2016	Lewis Nongrum	Mawbeh CF and HBN/Smokeless Chulla beneficiary
11/3/2016	Lewis Nongbri	CF Jathang
11/3/2016	Betsing Rynjah	ACF Jathang
11/3/2016	Darling Nongrum	YV Jathang
11/3/2016	Synsharlang Myrthong	YV Mawbeh
11/3/2016	Patsha Myrthong	YV and Synjuk member from hima Mawbeh
11/3/2016	Meris Nong Gram	Mawstep, Jathang LWC
11/3/2016	Therisia Swer	Mawstep, Jathang LWC
11/3/2016	Abinolin Rynjah	Mawstep, Jathang LWC
11/3/2016	Betsing Rynjah	Mawstep, Jathang LWC
11/3/2016	Homping Nongrum	Mawstep, Jathang LWC
11/3/2016	Wainsing Marwein	LWC representative from Laitsohpliah
11/3/2016	Sosila Dohling	Female LWC representative from Umdiengpoh
11/3/2016	Plewelstar Synrem	Chief Coordinator – Dympep Cluster Farmers Club, Mawmyrsiang Village
11/3/2016	Jendra Mawniuh	Associate Coordinator – Dympep Cluster Farmers Club, Mawmyrsiang Village
11/3/2016	Flystar Synrem	CF – Hima Laitkroh

Table 1. Summary of major and minor Corrective Actions

Theme	Major CARs	Minor CARs	Observations	Status
Project's Eligibility	0	0	0	Compliant

Ecosystem Benefits	0	2	0	Compliant – CARs closed
Project Coordination and Management	2	2	7	Compliant – CARs closed
Participatory design	0	2	1	Compliant – CARs closed
Quantifying and Monitoring Ecosystem Services	3	3	0	Compliant – CARs closed
Risk Management	0	1	1	Compliant – CARs closed
Livelihoods Impacts	-	-	-	Incorporated throughout report.
PES Agreement	0	2	0	Compliant – CARs closed, and FAR 01/17 opened

Table 2 - Report Conformance (Delete Yes/No as appropriate)

Theme	Conformance of Draft Report	Conformance of Final Report
Project's Eligibility	Yes	Yes
Ecosystem Benefits	No	Yes
Project Coordination and Management	No	Yes
Participatory design	No	Yes
Quantifying and Monitoring Ecosystem Services	No	Yes
Risk Management	No	Yes
Livelihoods impacts	No	Yes
PES Agreement	No	Yes

Tables 3 – Corrective Action Requests (CAR) and Observations (OBS)

The CAR and OBS tables have been moved to Appendix 1 of this report.

PROJECT'S ELIGIBILITY
Requirement: Project directly engage and benefit community groups
Verification Question: 1 and 2

1.1 Project interventions are still taking on land where smallholders and/or community groups have clear land tenure **(1.1)**

1.2 Land that is not owned by or subject to use rights has included in the project area because **(1.2):**

- It represents less than a third of the project areas at all times
- No part of the area was acquired by a third party from smallholders or community groups for the purpose of inclusion in the project
- Its inclusion will have clear benefits to the project by creating landscape level ecosystem benefits such as biodiversity corridors.
- There is an executed agreement between owners/mangers of such land and participants regarding the management of the area consistent with these requirements

A. Findings (describe)	1.1) The project has engaged with 62 villages in the Khasi Hills district, several of which the audit team visited during the 2016 verification audit. It is in and around these villages where the project's REDD and ANR areas are located. These peoples are represented and governed first by their respective Village Headman (VH), and collectively by their 'hima', which is the local traditional authority. The project area is generally outlined by the boundaries of the Umiam sub-watershed, which nearly encompasses the 10 hima that have a portion or all of their land within it. The hima and their authority are recognized by the Government of India's 6th Schedule of the Constitution of India. This recognition of authority extends to the hima's power "to the allotment, occupation or use, or the setting apart, of land, other than any land which is a reserved forest for the purposes of agriculture or grazing or for residential or other non-agricultural purposes or for any other purpose likely to promote the interests of the inhabitants of any village or town". Therefore, the hima have tenure over the project area lands, and the authority to execute management decisions affecting their use. The project demonstrates conformance. 1.2) The project area is the boundaries of the Umiam sub-watershed in the Khasi Hills district of India's state Meghalaya. The entirety of the sub-watershed is subject to the authority of the heads of each hima—government-recognized indigenous authorities. In that sense, the land within the project area is bound by rules and restrictions adopted and imposed by the hima, such as the project design, implementation and management plans. In other words, there is no land included in the project that is not owned or subject to rights of smallholders that are not under an agreement with the heads of each hima to participate in the project. The project is compliant with the standard.		
B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	None		

D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*
E. Status	*In Conformance*

ECOSYSTEM BENEFITS	
Requirement: Project generates ecosystem service benefits and maintains or enhances biodiversity.	
Verification Questions: 1, 3 and 5	
2.1 Project interventions are maintaining or enhancing biodiversity **(2.2)** 2.2 Project interventions have not led to any negative environmental impacts **(2.3)** 2.3 Any trees being planted to generate ecosystem services are native or naturalised species and are not invasive **(2.4)**	
A. Findings (describe)	2.1) The project is both maintaining and enhancing biodiversity through its assisted natural regeneration and REDD (forest protection) interventions. The 2016 verification audit team bore witness to heavily deforested areas falling outside of the project intervention areas and, through consultation with local experts, is able to confirm that the project activities are maintaining and enhancing biodiversity. The project's 2016 Biodiversity Report evidences tracking of fauna sightings in the project area. The document contains a list of fauna observed by project participants or staff, the date they were observed (some of which were previously missing), the name of the area where they were observed, the precise GPS coordinates, and in which Hima the sighting took place. The report is simple in that it lists the animals observed, when, and where and does not produce any analysis in terms of a tally of species, genera, or families, spatial distribution, or other metrics that might support potentially broader claims in the future of increasing wildlife populations comparing one year to another. Nonetheless, the report provides documentary evidence that biodiversity monitoring is taking place and that records are being kept for tracking purposes. The project could still benefit from incorporating this information in to other project documentation where biodiversity tracking is referenced or where claims are made about wildlife populations in the area. The project has also created a tracking form which includes fields for more detailed information, specifically a range of dates can be entered (first sighting and last sighting), as well as evidence (visual, audio, feces etc) and a box for descriptions of the site where the observation occurred. The implementation of this form will provide for more robust information that can be utilized for subsequent analyses. 2.2) Project interventions focus on forest conservation, facilitating natural regeneration of forest on degraded lands, and the sustainable

	use of these resources. The project's monitoring activities have not reported any negative environmental impacts. Stakeholders interviewed during the audit did not report any negative environmental impacts attributable to project interventions. In general, the audit team also did not observe any negative environmental impacts due to project activities. However, at one nursery, when asked what the CF who runs the nursery what he does with the 'polypot' plastic nursery bags, the CF said he burns them. Though this is a common means of trash disposal in the country side of India, burning plastic emits noxious fumes in to the atmosphere. Nursery managers will now collect the polypots and either reuse or bury them, and the project will investigate the potential for implementing biodegradable nursery bags. 2.3) The species selected by the project are all native or naturalized and non-invasive. This is described in project documentation, and was confirmed by the audit team in conversations with project staff and project beneficiaries. In practice, now most nurseries are populated with seedlings that had already germinated in a forest. This sourcing of native seed promotes genetic diversity and a resilient ecosystem.		
B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	None.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*In Conformance.*		

PROJECT COORDINATION AND MANAGEMENT
Requirement: Project is managed with transparency and accountability, engagement of relevant stakeholders and in compliance with the law of the Host Country.
Verification Questions: 1, 2 and 6
3.1 The project coordinator still has the capacity to support participants in the design of the project interventions, select appropriate participants for inclusion in the project, and develop effective participatory relationships including providing on-going support to sustain the project **(3.4)** 3.2 The project coordinator still has the legal and administrative capacity to enter into PES Agreements with participants and to manage the disbursement of payments for ecosystem services **(3.5)** 3.3 A transparent mechanism and procedures for the receipt, holding and disbursement of PES funds is applied, with funds intended for PES earmarked and managed through an account established for this sole purpose, separate to the project coordinator's operational finances. **(3.9)**

3.4 The project coordinator has accurately described the progress, achievements and problems encountered by the project in the Annual Reports. The Annual Reports transparently report sales figures and demonstrate resource allocation in the interest of target groups **(3.10; 3.11)**	
A. Findings (describe)	3.1) The Khasi Hills REDD Project's management is structured in a multi-tier hierarchy. The project's leading organization is the "Ka Synjuk Ki Hima Arliang Wah Umiam, Mawphlang Welfare Society" of Meghalaya, India. This organization, frequently called 'Synjuk' or 'the Federation', is a collective of traditional Khasi leader representatives of the 10 hima (traditional territories) located within the Umiam sub-watershed, the project area boundary. The Synjuk is the final authority in project management to approve or reject project management plans and implementation activities. The Synjuk is also advised by a general Advisory Committee and a Technical Advisory Committee, both made up of various professionals with varying backgrounds in natural resource management and socioeconomic development. The Synjuk meets twice a year, which is very little when considering the complexity of the project, the amount of decisions to be made on a day to day and monthly basis and the impact of these decisions on each Synjuk member's respective hima. OBS 01/16 The Synjuk technical team is the semi-autonomous body that is responsible for most of the project's planning and coordination activities. The team is headed by project manager Tambor Lyngdoh, who oversees all facets of project design, implementation and management. Tambor's team includes monitoring specialists, a socio-economic team, accountants, data management specialists, and consultants. The various teams have delegated responsibilities that frequently overlap with each other. For example, the forestry monitoring team said they are also responsible for conducting socio-economic monitoring, whereas though the socio-economic team seems more focused on the formation of Self Help Groups (SHGs) and Farmers Clubs and conducting trainings, they too conduct monitoring and evaluation (whether livelihood is increased). This overlapping division of responsibilities has contributed to what may be an inefficient approach to monitoring of the project's many activities. Nevertheless, the team is delivering on intended goals, keeping the project in conformance. During the verification audit a project staff member suggested that the 'monitoring team' be solely responsible for the forest and biodiversity monitoring, whereas the 'socioeconomic team' be responsible for monitoring livelihood activities. The verification team agrees that this approach would provide greater clarity for the project staff, and may even introduce added efficiency to the monitoring activities, such that the project need rely less on the CFs. It should be noted that when the team goes to the field they are single-minded in their purpose—the team will only conduct forestry monitoring on a given day, not forestry

	and socio-economic monitoring. This is due to the depth with which each activity and its indicators must be assessed. That said, the 6+ staff that conduct field monitoring activities are not able to complete all their duties by themselves, and so they also rely on the Community Facilitators (CF) to conduct monitoring activities in addition to their many other responsibilities. The largest amount of project management responsibility falls on the Community Facilitators, of whom there are nine are spread across the ten hima. CFs are nominated by the Hima as they are the best, most responsible citizens, and interviewed by Tambor for confirmation of their role. CFs typically have employment outside of the project—some CFs are local teachers, or may run a family business. The Community Facilitators are largely responsible for the project's implementation and monitoring, and the bulk of their activity is from September through April. This entails a significant amount of work, which at times has strained the CFs and overall project management team. CF responsibilities include: • Home Based Nursery (HBN) establishment and maintenance • Coordinating Local Working Committee (LWC) meetings • Collecting forest monitoring inventory data • Train village Extension Workers on bookkeeping, accounting, and data collection / monitoring • Conduct socio-economic survey every five years Work distribution seems lopsided: One CF has 3 villages whereas another has 12. The CF with that many villages old project it was too much work and is now supported by an Assistant CF (ACF), as well as youth volunteers (YV). One village's youth volunteer is not very motivated, and since the YV was nominated by the village the CF cannot just do the work without him, which is slowing things down. This is an example where the grievance mechanism should also work for project staff. The project has monthly CF meetings where complaints are brought to everyone's attention and potential solutions are identified. The project has a grievance tracking form to ensure that each complaint or potential conflict is adequately resolved. CFs receive training together in a central location on monitoring and data collection, and CFs in turn train ACFs, YVs, and community members on the same topics, with varying degrees of depth depending on their involvement. CFs, ACFs, and YVs interviewed each stated they felt they had received sufficient training to fulfil their duties as required of them. CFs, ACFs and YVs are all compensated for their participation in the project, though at times they say they feel their pay is not always representative of the level of work required of them. CFs also receive

	equipment for project uses (GPS unit, camera, mobile phone, DBH tape, daily monitoring data sheets and monthly reporting books). CFs are not given a measuring tape, which may be problematic. One of the Assisted Natural Regeneration (ANR) enrichment planting sites had recently planted seedlings that seemed more scattered than organized in any fashion. The CF responded that the trees should be planted in a 6' x 6' grid, but this was not the case for the ANR plot visited. When asked how the distances are measured, the CF responded that they use a stick that they measure to be 6' long. The use of a stick is not an issue, but the irregular spacing between plantings will skew estimates of tree density and subsequent estimates of carbon stocks. Further, the area did not seem to be properly weeded before the seedlings were planted, as perhaps only a month and a half had passed between then and the field audit, and seedlings were already experiencing mortality from overcrowding. The project has engaged with an organization called "WeForest", which is financing the tree nurseries, and pays the CFs and ACFs to plant the trees. WeForest also provides polypots to the nursery if requested. Historically, WeForest has been planting their share of trees within the project area, but in areas distinct from the PV enrichment plantings. These WeForest areas are part of the Plan Vivo project area and do form part of the ANR activities. The project can claim the carbon in the form of Plan Vivo Certificates from the WeForest-sponsored trees, however to avoid double-counting WeForest cannot claim to contribute to carbon sequestration from co-funding this activity. Nevertheless, in order to assist non-project reporting to WeForest, plots with WeForest-sponsored trees will be marked with signs and paint. The reporting books given to CFs are simply blank notebooks for the CFs to track their activities (e.g. meeting with LWCs) for reporting to the data management specialist. Conversations with the data management specialist confirmed that sorting and interpreting the information given by CFs can be a time-consuming and complicated task, and that there is inconsistency on which indicators the CFs are to be reporting. The project previously utilized pre-printed forms, but these had been abandoned because the CFs tended to write more than the allotted space allowed. OBS 02/16 Support for women CFs and YVs, who may be better able to conduct the socio-economic project activities monitoring due to cultural norms and traditional divisions of labor. Some of those who expressed support for women CFs also contemplated how it may be difficult for a woman to be CF, "because she must first care for her family before anything else". OBS 03/16 The project has organized clusters of communities to form "Local Working Committees", also known as "Lower Working Committees",

	both abbreviated as LWC. The LWCs are typically made up of the village headmen for 2-5 nearby villages, and have various responsibilities: • Prepare NRMs plans, • Coordinate construction projects (e.g. drinking well or washing place, footpaths) • Receive more materials than SHGs and FCs because their projects benefit the entire community • LWC should be made up of 50:50 men:women, but in practice are majority men because they are typically the Village Headmen. The Village Headmen (VH) represent their respective villages and meet to review village natural resource management plans, and to select a community development project based on the proposals of their constituents. These projects are typically infrastructural, and may involve sanitation (e.g. construction of an artificial pond for washing purposes, or a drinking well). The LWC members are also representatives of the communities that are to benefit from the project, and they are charged with selecting a project type and location that will benefit each of the villages represented by the LWC. The majority of LWC members interviewed confirmed they felt the projects selected and location of their implementation have been successful and equitable. However, over the course of the verification audit it came to the audit team's attention that there were two villages that had not agreed to the project(s) their LWC(s) had selected, but the LWC(s) continued with the project(s) anyway. Asked if there was a way for the project to check that LWC projects were selected and distributed in an equitable manner, project staff described how LWC members must unanimously agree to any given project. The process for determining the approval for these projects— unanimous acceptance by the Village Council to fund a given proposal is needed, otherwise it will not be accepted. It was speculated by the project proponent that the participant who relayed the comment to the audit team did not have full information, and what likely happened is that the two Village Councils identified by participants as not agreeing to the projects their LWCs selected had in fact agreed to the projects despite those projects not being their preferred choices and priority. In any case, the grievance mechanism has been further developed in order to resolve potential conflicts, including those arising out of disagreement on how to allocate funds for Community Development Grant projects. Capacity for project management is a complex and far-reaching issue for all forest carbon projects, and despite the identified potentials for improvement, the project meets the standard's criteria. Furthermore, project beneficiaries confirmed to the audit team during interviews that they felt that they had been included in a participatory project design process, and are now also taking part in its implementation.

	3.2) For the Khasi Hills REDD Project, the Khasi Hills Autonomous District Council (KHADC) is the relevant legal authority from which the project needed to seek approval. According to the project's 2013 annual report to the Plan Vivo Foundation it was in 2013 that the project obtained this approval. During the 2016 verification audit the audit team met with two officials from the KHADC—the Chief Forest Officer and Deputy Chief Forest Officer—who were able to confirm both the KHADC's authority and issuance of a letter of no objection to the project. The process by which any given project and project developer must follow is to submit an application to a KHADC Chief Executive member, who undertakes a preliminary review of the application and supporting documentation. The application is then presented and discussed amongst the KHADC Executive Committee, which then issues a letter of no objection if the council allows the project to proceed. The two KHADC officials with whom the audit team met confirmed that, as the project had originally sought approval to implement the project in the ten himas whose territory falls completely or in partially in the Umiam sub-watershed, the project will need to seek KHADC approval should it decide to expand to further, neighboring himas. OBS 04/16 The KHADC officials confirmed that to date the project is in compliance with applicable laws. However, they also expressed desire to be kept abreast of the project's progress, and suggested it be by means of the same annual reports the project submits to the Plan Vivo Foundation. The officials also suggested that they be invited to participate in the occasional Synjuk meeting. OBS 05/16 The project has demonstrated that it has the legal and administrative capacity to enter into PES Agreements with participants and to manage the disbursement of payments for ecosystem services See section 3.3 of this report for more on administrative capacity to disburse PES payments. 3.3) Since the project's validation in 2013, the Khasi Hills REDD Project has been selling CO2 certificates on the voluntary carbon market. Revenues from sales are held first in the Plan Vivo Foundation's ESCROW account. The project's original arrangement was for these funds to then be transferred from the ESCROW account to Community Forestry International, which would then transfer them to the Federation. This was done because the project has not been successful in securing authorization under the Foreign Contributions Regulations Act (FCRA), which would allow the project to receive carbon revenues tax free. Since the Indian Bharatiya Janata Party has come in to power, the current Prime Minister's administration has increased the difficulty in obtaining FCRA authorization. This is an attempt to stem corruption and the illegal receipt of funds, however it is also negatively impacting the project. Also due to the FCRA, the project has had to change the

	way it receives CO2 Certificate revenues. The project has entered in to an agreement with the Shillong, India-based Rilum Foundation for Sustainable Development, such that Rilum receives the revenues as allowed by their FCRA authorization, transfers them to Synjuk, and charges a service fee of no less than Rs 500,000 per year (about $8,000/year). This is an effective but inefficient substitute, one for which the project is seeking yet another alternative, including no longer seeking FCRA approval and simply paying GoI taxes, despite being a non-profit India-based NGO. OBS 06/16 During the 2016 verification audit, the project demonstrated consistent capacity to enter in to PES Agreements with participants and manage transparent disbursement of PES. 100% of the CO2 certificate revenues go to the project beneficiaries, after fees and taxes. The project management team shared a sample of active PES agreements with beneficiaries, as well as tables of funds disbursed. The project is no longer giving cash payments for ecosystem services as the primary means of compensating project beneficiaries. Now the project relies on funding development projects and material contributions, such as animal husbandry with chickens and pigs, providing seed for improved agriculture and food security, LPG stoves, smokeless chullas (improved wood stoves) and more. When a project activity is approved and preparations must be made (materials purchased) for implementation, the project sends requests to the Rilum Foundation for specific amounts, which are then deposited in to CF and LWC bank accounts. The responsible person withdraws the amount, and collects receipts for each transaction made, including when the materials are given to the project beneficiaries. The project has chronicled these disbursements in the annual reports submitted to the PVF, and the audit team bore witness to these projects through direct observation in conjunction with stakeholder interviews. The project is in conformance. 3.4) The project has regularly submitted annual reports to the Plan Vivo Foundation, describing progress, milestones, and challenges the project faces. As required, the reports detail sales of CO2 certificates, and describe the use of funds for livelihood activities undertaken by Self Help Groups, Farmers' Clubs and Local Working Committees. Despite fulfilling the PV standard requirement to report annual progress and challenges, the project does not have a clear report or summary of overall accomplishments and progress. OBS 07/16 The project has purchased an external hard drive with which it will backup all project related data on a monthly basis, and will be stored offsite. The project has evidenced this to the audit team with a photograph of the device.

B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	OBS 01/16 The Synjuk meets only twice a year, and should consider meeting more frequently so as to keep the Synjuk members better abreast of the project activities when they make decisions. OBS 02/16 Sorting and interpreting the information given by CFs can be a time-consuming and complicated task, and that there is inconsistency on which indicators the CFs are to be reporting. The project should consider distributing structured reporting forms or a similar alternative (with sufficient space for reporting) to the blank notebooks which are currently being used. OBS 03/16 There are few female CFs and YVs. Women may be better able to conduct the socio-economic project activities monitoring due to cultural norms and traditional divisions of labor. The project should explore means to reduce the barriers to participation as Community Facilitators and other roles over leadership for women. OBS 04/16 The KHADC requires that the project seek KHADC approval should it decide to expand to further, neighboring himas, beyond the current project boundaries. The project should work with the KHADC to secure their approval prior to the project expansion beyond its current boundaries. OBS 05/16 KHADC members expressed desire to be kept abreast of the project's progress, and suggested it be by means of the same annual reports the project submits to the Plan Vivo Foundation. The officials also suggested that they be invited to participate in the occasional Synjuk meeting. The project should consider periodically including representatives of the KHADC in regularly scheduled meetings or other events. OBS 06/16 The project has an adequate, but highly complex and inefficient financial structure and should consider eliminating layers of complexity to reduce uncertainty surrounding external actors and forces that may affect the project's financial sustainability. OBS 07/16 The project does not have a clear report or summary of overall accomplishments and progress. The project should detail and describe overall project progress and accomplishments.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*In Conformance*		

PARTICIPATORY DESIGN AND DEVELOPMENT OF PLAN VIVO	
Requirement: the project has demonstrated community ownership: communities participate meaningfully through the design and implementation of plan vivos that address local needs and priorities.	
Verification Questions: 1, 2 and 6	
4.1 A voluntary and participatory planning that address local needs and inform the development of technical specification is taking place **(4.1; 4.6).** Barriers to participation are being identified and measures taken to encourage participation **(4.3)** 4.2 Smallholders or communities are not being excluded from participation in the project on the basis of gender, age, income or social status, ethnicity or religion, or any other discriminatory basis **(4.2)** 4.3 The project is not undermining the livelihood needs and priorities or reduce the food security of the participants **(4.7)** **4.4** There exists a system for accurately recording and verifying location, boundary and size of each plan vivo **(4.8)**. Participants have access to their *plan vivos* in an appropriate language and format **(4.9)** **4.5** Participants are being provided with a forum to periodically discuss the design and running of the project with other participants and raise any issuance or grievances with the project coordinator **(4.12)**. A robust grievance redressal system is in place **(4.14)**	
A. Findings (describe)	4.1) The 2016 verification audit team confirmed through various stakeholder interviews that the project undertook a participatory planning process to identify beneficiary wants and needs, as well as barriers to participation. A socioeconomic baseline study of the region was conducted by the Bethany Society in 2011. The project plans to reassess the socioeconomic baseline every 5 years in order to track progress of project activities and improvements to local wellbeing. The project has detailed the monitoring plan's activity and impact indicators, allowing for precise determination of ecosystem service benefits, changes to the environment and biodiversity, and evolving socio-economic factors. The project has also developed a Five Year Indicator Survey, which, with survey data collected from project stakeholders, compares a range of socioeconomic indicators every five years. The last survey was conducted in 2016, and shows that the project is on track for meeting its socioeconomic development goals. The next survey will be conducted in 2021, when the project aspires to demonstrate additional progress towards these same goals. The project implements an activity-based approach to monitoring, and has further distinguished between activity outcomes and the impact indicators. Before the Khasi Hills REDD project began there was a pilot project in Mawphlang, which focused on assisted natural regeneration of an open pine stand. After the pilot project proved to be successful, Mark Poffenberger (the executive director of CFI), Chief Community Facilitator Tambor Lyngdoh and others began to hold sensitization meetings with Village Headmen and hima officials. These meetings expanded to the community level, where the project concept was

	described, and attendees were given opportunity for feedback. When the audit team asked if they felt that they had been included in the project design process and that their opinion was taken in to account, the answer was invariably 'yes'. One barrier to participation are the local customary gender roles. Men are typically the leaders of groups, the Village Headmen, and Chiefs of the himas. The project recognized this and thus instituted Self Help Groups in to the project design, which focus on women's needs, though men are also allowed to join. Here they may self-govern and advance their interests. The project is also actively considering recruiting women to become Community Facilitators, though as one beneficiary stated it may be difficult because women are still tasked with family care. The project has also recognized this, and has distributed a limited number of propane stoves for beneficiaries. This not only reduces the amount of fuel wood needed for daily and monthly purposes, it also reduces the amount of time necessary for fuel collection--a chore done primarily by women and children. The project is strategizing a massive distribution of these stoves to reach as many project beneficiaries as possible. This collective reduction in fuel wood consumption and increased time availability for other activities will have a significant positive impact on the environment and beneficiaries. 4.2) The 2016 verification audit team confirmed through observation and field interviews that there is no discrimination or otherwise exclusion of small holders and communities. 4.3) The project's socio-economic baseline survey was one conducted by Bethany Society in 2011. There were 218 respondents (~50:50 male:female) from 28 villages. The total population in the project area is ~25k, so the survey, though conducted in nearly half of the 62 villages participating in the project, is below 1% of total population. When asked if there were plans to increase the reach of the survey to include more households and respondents, project staff responded that yes, the survey would be amplified because the project area population has grown since the last survey was conducted 5 years ago. Though this logic is sound, the slightly modified approach may still not be representative of the total population. OBS 08/16. Nevertheless, conclusions drawn from the original survey are both credible and in all likelihood applicable to a majority of project beneficiaries. Considering this, the project has made significant progress since inception and subsequent validation to improve community livelihoods without undermining their needs, priorities or food security. 4.4) All Plan Vivo project areas are mapped and their respective cover types are defined and known. Forests are demarcated by scarifying the

	soil, whereas others may have a natural boundary, such as an adjacent stream. In still other cases there may be a rock wall or perhaps a hand-dug trench to delineate the boundary of a property or forest area. The project asserts that it will put markers or other identifiers on the ANR area boundary corners. This method will not be used for the REDD areas due to the large area and cost associated with demarcating them in their entirety. Participating communities will, on the other hand, continue to demarcate project boundaries in locally appropriate ways, such as what is already being done, through firebreaks, walls, ditches and potentially more. This will take time, and will likely be implemented first for planting and conservation areas nearest participating communities, extending outward over time. Despite room for improvement, the project's PVs are demarcated and these boundaries are respected and recognized. Therefore, the project demonstrates conformance. The audit team confirmed through a community meeting that the participants have access to their Plan Vivos (locally known as 'Natural Resource Management plans'), which they developed themselves. The PVs are typically held by the secretary of a given village. Participants confirmed that they can ask the secretary to show them their PVs at any time. As a result the project has demonstrated that Plan Vivos are readily accessible to all interested parties and are written in an appropriate language. 4.5) The proponent has instituted a functional grievance mechanism. Conflict resolution generally follows these steps: first it will go to the CF. Should the CF be unable to resolve the matter between the involved parties the issue is then taken to the Village Headman. The Synjuk Federation would be the next contact if it remains unresolved. In cases where the Synjuk has not arrived at an acceptable resolution, then it passes to the KHADC for review, as the last resort. The project implements a Grievance Reporting Form. The CF is responsible for receiving and documenting all grievances and reporting them to the project office for prompt resolution during the monthly team meetings. The Grievance Reporting Form has spaces for the date and place of the grievance, person reporting and contact information, the nature of the grievance, and the action taken/resolution date. The PDD includes discussion on the grievance mechanism. The PDD describes the mechanism consistently with the grievance reporting form in that CFs are to aggregate complaints on the form for discussion during the monthly CF meetings, when a resolution strategy will be identified. Documenting the process in the PDD and implementing the grievance reporting form should facilitate an effective grievance resolution process. The project demonstrates conformance.

B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	OBS 08/16 The socioeconomic survey has a sample size that is less than 1% of total population. This sample design has not demonstrated how it creates results that are representative of the project area population.The project should consider increasing the number of people surveyed or adjusting its sampling approach to improve the representativeness of its population samples.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*In Conformance*		

QUANTIFYING AND MONITORING ECOSYSTEM SERVICES
Requirement: project generates real and additional ecosystem service benefits that are demonstrated with credible quantification and monitoring
Verification Questions: 2, 3 and 4
5.1 Sources of data used to quantify ecosystem services, including all assumptions and default factors, have been specified and updated when possible, with a justification why they are appropriate **(5.1; 5.2)** 5.2 The project coordinator has been conducting ground-truthing activities in order to collect real data and field measurements from the project sites that have been or will be used to update the project's PDD and technical specifications, including the quantification of climate benefits **(5.3)** 5.3 A clear and consistent Standard Operating Procedure (SOP), or equivalent, for remote sensing analysis has been elaborated by the project coordinator. 5.4 The results of the remote sensing analysis are not in stark conflict with the results of Activity-Based Monitoring and there is a high level of correlation between the two monitoring methods. Reasons for any discrepancy have been accurately justified. 5.5 Ecosystem services forming the basis of the Plan Vivo project are still additional **(5.4).** **5.6** To avoid double counting of ecosystem services, the project interventions are not being used for any other project or initiative **(5.14)** 5.7 A monitoring plan has been correctly implemented and a system for checking its robustness is in place, where **(5.9):** • The Activity-Based Monitoring indicators and performance targets directly or indirectly linked to the delivery of ecosystem services. ABM provides sufficient evidence that the project is on track to deliver the expected impacts and to reduce the drivers of deforestation. • Corrective actions and contingency plans are described when performance targets have not been met • The validity and assumptions of the technical specifications have been correctly tested • Communities have been actively participating in monitoring activities

• Monitoring has been regularly shared and discussed it with the participants	
A. Findings (describe)	5.1) The project is on track to meeting criteria 5.1 and 5.2 of the Plan Vivo Standard. The technical specification for the Khasi Hills REDD project includes references to literature where general data assumptions are made (e.g. Table 2; Table 6; Table 7; Table 13. The sources provided are credible. That said, the project technical specification only quantifies the carbon benefit resulting from the project, and nothing else. There are qualitative statements surrounding the mitigating impact that fire lines will have on forest fires, how forest conservation and assisted natural regeneration will improve sustainability of firewood collection and charcoal making, that the prohibition of new stone quarries will reduce erosion and improve water quality, among other things. There is no quantification of the potential ecosystem services that any of these activities may provide to the climate, community, or biodiversity that stands to benefit. The standard asks that the project describe what ecosystem service benefits will be generated and how they will be quantified, and whether the service impacts can be estimated or quantified, however, the project does not do this in the technical specification. The annual reports to the Plan Vivo Foundation describe progress in terms of hectares protected/reforested, charcoal briquette makers distributed, improved cookstoves and LPG stoves distributed, and others. The project appropriately identifies forest growth and maintenance of forest cover as the key environmental outcomes resulting from the project interventions and mitigation activities. Indeed, quantifying these outcomes bears the most importance on determining the project's effectiveness towards maintaining and enhancing environmental conditions in the project area and the reduction and removal of emissions. These outcomes also serve as indicators of successful leakage mitigation activities. Overall, the protection of existing forest and regeneration of degraded forest / deforested areas are the only by-products of project activities that require a numerical figure attached to them to determine project effectiveness. Progress towards achieving other benefits (i.e. ecosystem services) need not be quantified similarly in order to achieve project verification, though obtaining such data does prove useful towards that end. The project takes this approach, and has developed surveys and other techniques to obtain the information. However, not all activities have been implemented long enough for benefits to materialize or for there to be enough data to conduct an analysis on their impacts. That said, the project is progressing in this direction and is on track to eventually producing thorough analyses of activity results and associated benefits. Thus, the project demonstrates conformance to the standard.

	5.2) As required by the Plan Vivo Standard, the Khasi Hills REDD project has been conducting forest inventory monitoring in order to update the project's PDD and technical specifications. Based on field interviews, Community Facilitators and Assistant Community Facilitators were previously taking various approaches to measuring the DBH of multi-stem trees, with differing results. Some CFs take the DBH of each stem, whereas others may only take the DBH of one stem. The project has since developed a Standard Operating Procedures manual for Tree Measurement. The audit team has reviewed the manual and confirm it provides guidance for a variety of tree-measurement scenarios. More importantly, upon review of the monitoring activities, the verification audit team has found that the sample size comprises a relatively small area compared to the total project area, a risk that the sample size is not adequately representative of the sampled population. In other words, the sample size likely does not capture all the variation found in the project area in terms of land use, forest type, fauna, among other components of the landscape relevant for the project. For example, the entire forested area of the project area (REDD and ANR together) measures about 16,000 hectares. Across this area there are 60 permanent monitoring plots, each measuring 10 meters X 10 meters. A few calculations, where 10,000 is how many square meters there are in a hectare, indicate that: ((10x10x60)/10,000 = 0.6 hectares are being monitored (.6/16,000)x100 = .003% of total project area being monitored .003% of the total project are is being monitored. This is unlikely to be a representative sample of forest habitat considering the ecological variability in this topographically diverse landscape. For 16k ha, at a 95% confidence level (CL) and a 1.96 confidence interval (CI), the project would need sample size of 2,162 ha for the sample size to be statistically significant. The auditors recognize that monitoring 2,162 hectares of sampling plots is a high bar and difficult to attain, and note that a smaller sample size can still be statistically significant, but this would also reduce the CL and CI. The Plan Vivo Standard does not mandate that forest inventories have a target sample size. Also, most statisticians will acknowledge that while an ideal sample size can be suggested, but that it must be reconciled with available time and resources. The Khasi Hills REDD project is one that is constrained by limited available funding and staff capacity to implement a more rigorous monitoring system. Nevertheless, there are alternative approaches that could improve the

	monitoring, such as what is described in section 3.1 of this report. Further, it is not necessary to conduct monitoring of the same permanent monitoring plots on an annual basis. Monitoring need only occur prior to each verification event. This means that for each of the five years between verifications, the project may monitor a different cohort of permanent monitoring plots. For example, if the project determines that 60 plots is the absolute maximum the monitoring staff are able to attend in one year, over five years a total of 300 plots, weighted according to area covered by REDD or ANR, could be evaluated between each verification. Though this would still only represent .015% of the total project area and may not be statistically significant representative of the sample population or capture all of its variation, it is a step in that direction. The above issue is especially salient considering that the project is now intending to revise the technical specifications and the carbon calculations based on the empirical data gathered from the PMPs. With so few plots and area being inventoried, it is likely that the carbon stock estimates are skewed. It is possible there are more REDD areas with shorter trees with smaller diameter than vice a versa, yet if both growth types have equal representation in the sample, the estimate of total carbon stocks will be inflated by the forest with taller and thicker trees, despite covering less of the project area. The opposite is also possible, as the project could in theory be underestimating the total carbon stocks if too many of their monitoring plots are in forested areas with scrubby vegetation. That said, by virtue of being approved by the Plan Vivo Foundation Technical Advisory Committee and several external reviewers, the audit team acknowledges the constraints the project faces and agrees that the sample size is sufficient for the project to estimate forest cover and related carbon stocks, and demonstrate an overall trend with respect to the increase in those stocks over time. For the 1 January 2012 through 31 December 2016 monitoring period the project has calculated a total net carbon benefit of 223,263 tCO2e (212,814 tCO2e from REDD; 10,450 tCO2e from Assisted Natural Regeneration [planting activities]), which totals 178,610 tCO2e after accounting for the 20% risk buffer. The audit team reviewed the validated carbon calculations in detail step by step, have verified the appropriateness of the chosen equations and related assumptions. The project is in conformance. 5.3) The project has provided a Standard Operating Procedures document (“Processingmethods.doc”) describing the processing methods and image analysis conducted in determining land use and cover types throughout the project area. It should be noted that this is not a Standard Operating Procedure, but simply a description of the first remote sensing analysis conducted by the project. The project’s remote sensing specialist followed a generally acceptable approach, resulting in

	a simple analysis of land use change between 1990 – 2010. The document states that "Due to the nature of this type of analysis there are few ways to conduct any sort of classification accuracy assessment." While the statement is true, a critical step to any remote sensing classification accuracy assessment is the ground truthing component, which the project was unable to do. The project has provided a table in the Permanent Plot Monitoring that identifies the locations of 40 plots used in part to identify land use classes at each location. As noted in the revised Technical Specification, use of forest inventory plots cannot be used because their individual area is smaller than that of a single pixel from the remote sensing exercise. In absence of using ground-truthing data to refine the land use classifications, the project has opted to rely on a clustering algorithm which groups together pixels that emitted particular spectral responses for land use classification purposes. Based on consultation with a remote sensing expert, the audit team confirms this technique to be appropriate in absence of ground-truthing data. The project has completed its remote sensing exercise for the 2016/2017 verification event, and presents the process, results and analysis in the April 2017 Technical Specification Appendix 6: Satellite Image Analysis 2010-2016. The section adequately describes the purpose of the exercise ("to monitor the rate and spatial pattern of land cover change and deforestation within the project area…"), and proceeds to detail the specific satellite used to acquire the imagery, the acquisition date (9/11/2016), the resolution and processing level. The acquisition date falls within the verification period, as is appropriate. The proponent describes processes used for detecting land use change in appropriate detail. Transitions in LULC classes have been monitored in the project area, appropriately, to detect deforestation, regrowth of forest, and degradation. Previously, SPOT images from 2006 and 2010 were used to create a forest cover benchmark map and determine the baseline rate of deforestation. The 2010 map has been compared to the updated forest 2016 forest cover map to detect change. The 2010 map uses SPOT imagery for classification, and the 2016 map has been updated to also use SPOT satellite imagery. Figures 3, 4, and particularly Figure 5 transparently show the processing steps, resulting land cover maps, and the final land cover change map between 2010-2016. Table E provides data comparing land cover areas in 2010 and 2016, with a general increase in dense and open forest cover. The project demonstrates conformance. 5.4) The project has completed the most recent remote sensing analysis and results it is possible for the verification audit team to confirm that there are no major discrepancies with the activity-based monitoring. 5.5) Though the project has not provided quantified assumptions regarding the expected ecosystem services, based on observations and

	interviews conducted during the field audit, it is possible to accurately state that the ecosystem services provided by the Khasi Hills REDD Plan Vivo project are indeed still additional. There are no government or private projects with similar scope or scale in the region. 5.6) The project has engaged with a Belgian NGO, WeForest, which has been supporting the Khasi Hills REDD project's home based nursery activities, as well as conducting reforestation activities in the project area. As described in section 3.1 of this report, the project can claim the carbon in the form of Plan Vivo Certificates from the WeForest-sponsored trees, however to avoid double-counting WeForest cannot claim to contribute to carbon sequestration from co-funding this activity. 5.7) The project monitoring plan, found in the project Technical Specification, was last updated September 2015. The indicators provided in the plan are very general, and allow for wide interpretation. This allows the project to facilitate adaptive management, but largely does not detail outcomes to be measured and impact indicators that would provide for meaningful interpretation of the expected and actual environmental and community benefits beyond the climate (carbon) benefit. Further, the implementation schedule is so broad that every component is to be implemented in Year 1 of the project, and monitoring is to occur in the following years. As such, there is little means for the reader to tell the timing of activities by month, and to deduce the work load at a given point as it waxes and wanes throughout a given year, and thus determine if the project is 'on track' to meet the intended impacts. For example, the technical specification's Table 18 provides columns for 'Type of Monitoring', 'Baseline', 'Monitored annually (activity indicators) included in annual reports', 'Monitored at 5-year intervals', and 'Responsibility' (responsible person or personnel). Under the 'Socio-economic' type of monitoring, most of the indicators to be included in the annual report relate to the number of meetings and trainings held, % of men/women attending meetings, and others, but these are activity outcomes, not impacts. The success of an activity is not determined by how many people attend a training, but rather the effect that the training has on the attendees and their lives. Another example is that the monitoring plan includes no activities or indicators for measuring changes in biodiversity. To begin with, there is no description or assessment of what sensitive and/or threatened species exist in the project area. As discussed in sections 2.1, 5.1, and 5.7 of this report, biodiversity monitoring occurs and is carried out principally by the CFs, and there are records of the biodiversity encountered in the project area. Biodiversity monitoring, as with water quality monitoring, can be a complex and time consuming task, but

	assumptions can be made based on forest species composition, area forested, and other characteristics, which can be tracked and measured as a proxy for changing/increasing biodiversity potential as a direct result of project activities. Finally, the monitoring plan has activities to be monitored (e.g. length of fire-line constructed and maintained [km]), but the project has apparently failed to implement corrective actions accordingly. For example, the document "ForestFire and Fire Line data 2010-2016.xls" details total area burned (in ha) and length of fire line (km). The Mawbeh hima has been the most affected by fire, and saw 107 hectares burn in 2014, but has not had any fire-lines constructed since the project's start in January 2011. As with corrective actions, there are no contingency plans defined if performance targets are not met. Annual reports have not consistently reported monitoring indicators against the format outlined in the technical specification's monitoring plan. For example, in the 2015 annual report, Table E3 does not contain a figure on % of men/women attending meetings, despite that 'indicator' (it is an outcome, not an impact indicator) being recognized in the technical specification as a figure to be included in the annual reports. Project communities have been actively participating in monitoring activities, as required by the standard. The project, in response to the draft verification report, modified the technical specification and has addressed the many of these issues, and proper adherence to the updated April 2017 TS should prevent inconsistent reporting for monitoring indicators. Despite these identified opportunities for improvement, the project has taken steps to carry out an activity-based monitoring schedule, and is on track to achieve many of the goals outlined therein; the project demonstrates conformance with the standard. Section 5.2 of this report further details monitoring plan issues relevant to section 5.7 of this report.		
B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	None.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*In Conformance*		

RISK MANAGEMENT	
Requirement: The project manages risks effectively throughout its design and implementation.	
Verification Questions: 2 and 4	
6.1 Where leakage is likely to be significant, i.e. likely to reduce climate services by more that 5%, an approved approach has been used to monitor leakage and subtract actual leakage from climate services claimed, or as a minimum, a conservative estimation of likely leakage has been made and subsequently deducted from the climate services claimed (**6.1; 6.2)** 6.2 The level of risk buffer that has determined using an approved approach is adequate and is a minimum of 10% of climate services expected **(6.3)** **6.3** Does the project maintain a buffer account and is the cumulative total of credits deposited in the account equal to the total reported in the latest annual report? **(6.3)**	
A. Findings (describe)	6.1) Leakage can be defined as net changes of anthropogenic emissions by GHG sources that occur outside the project or program boundary, but are attributable to the project or program due to being displaced by project activities. Though the project acknowledges that it faces various environmental, social, and economic risks that threaten its permanence, the validated PD specifies that the potential risks for leakage are firewood collection, charcoal making, agricultural expansion, and grazing in the forest. The project assigns each potential source of leakage a risk level, and each either scores 'low' or 'medium', but does not explain what defines a low or medium score, or how the project arrived at such conclusions. Nevertheless, mitigation measures are described for each of the potential sources of leakage. First and foremost, the project has facilitated the development of the Plan Vivos—locally known as the village natural resource management plans—which are drafted by each participating community in order to strategically plan resource usage. These plans are designed to not only directly support the forest conservation and assisted natural regeneration project activities, but also to indirectly facilitate them through establishing designated fuelwood collection areas, the distribution of fuel efficient cookstoves (the smokeless chullas), LPG stoves, charcoal briquette makers, conducting trainings on sustainable agricultural practices, the distribution of and training on stall-fed livestock to reduce grazing risks, and various other activities that would indeed reduce the human pressure on the immediate and surrounding environment. OBS 09/16 The Technical Specifications document includes a table of the 'drivers of mitigation', the project intervention activity affected by leakage, and the corresponding mitigation measures. This table, though no different from what was presented in the original PDD, does describe in general terms how leakage potential will be reduced. The project continues to

	deduct 5% from the calculated carbon benefit as a leakage buffer pool. However, the biggest difference from the original PDD and revised TS is the removal of the insufficiently supported claim that "with leakage mitigation measures, the risk of leakage is zero". Taking the justifications for these qualitative statements in to consideration, the project has demonstrated conformance to the standard, in that it is identifying areas of potential leakage and taking steps to mitigate against it. 6.2) The project is applying a 20% risk buffer against the climate benefit claimed, which is well above the minimum 10% required by the standard. The process by which project arrived at this figure is described in Table 3 of Appendix 5 in the technical specification. There is also discussion in section 8.4 of the technical specification related to risk and buffers of 20%. Since this approach was used in the validated project documents, which the project achieved several years ago, the verification admits that the validated approach used for the verification is also an appropriate one. 6.3) The project maintains a buffer account to which 20% of total credits are allocated by the project.		
B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	OBS 09/16 The location and extent of designated fuelwood collection areas is not clear. These areas should be mapped with GPS, and their management/duration as designated collection areas should be described. This will facilitate the project's quantification of potential leakage and the effectiveness of this mitigation action.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*In Conformance*		

PES AGREEMENT AND BENEFIT SHARING
Requirement: project shares benefits equitably and transact ecosystem services benefits through clear PES Agreements with performance-based incentives.
Verification Questions: 1, 2 and 6
8.1 Procedures for entering into a PES Agreement with participants are being applied correctly **(8.2)** 8.2 Participants are entering into PES agreement voluntarily and according to the principle of free, prior, informed consent, in an appropriate language and format **(8.3)** 8.3 PES Agreements are not removing, diminishing or threatening participant's land tenure **(8.4)**

8.4 A fair and equitable benefit-sharing mechanism is in place and has been agreed with the participation of communities involved, identifying how PES funding will be distributed among participants **(8.8; 8.9; 8.10)** 8.5 The project has committed to deliver at least 60% on average of the proceeds of the sales of Plan Vivo Certificates. Where less than 60% has been delivered, the project has justified why this was not possible **(8.12)**	
A. Findings (describe)	8.1) The Plan Vivo 2013 Standard specifies that the following points be addressed or otherwise described in the PES agreements between the project coordinator and project participants: the quantity and type of ecosystem services transacted, interventions to be implemented, the plan vivo (natural resource management plan) the PES agreement relates to and its date of approval and implementation, performance targets and monitoring schedule, amount of payment or benefit to be received, consequences if performance targets not met, PES period, impacts of the PES agreement on participant rights to resource usage, the deduction of a risk buffer, and a grievance mechanism. To meet these requirements, the project presents several documents, with varying degrees of consistency both with each other and the Plan Vivo standard. One such document is an example provided on page 68 of the PDD, the "Community Resolution on Conservation and Protection of Forests". This document does not address all the points above. A more detailed Memorandum of Understanding was shown to the verification audit team. The example shown to the audit team was in English, but the version signed by the communities is in Khasi, the local language. The MoU describes the interventions to be implemented, partially describes impacts of the PES agreement on participant rights to resource usage, and a brief description of the grievance mechanism. The remainder of the requirements are not addressed in the PES agreement. These issues are discussed further under CAR 16/16, which the project addressed. The project proponent and the Plan Vivo Foundation have agreed that the PES agreements will be updated per the 2013 PV Standard requirements, and will be verified by the PVF or the next verifier either during the next annual reporting period, or by the next verification event. The audit team communicated with the PVF about this resolution via email. CAR 16/16 has therefore been closed, and Forward Action Request (FAR) 01/17 opened—see below and Tables 3 above. 8.2) Based on observation and interviews conducted during the 2016 verification event, the audit team can confirm that the project participants are entering in to the PES agreement voluntarily and according to FPIC. Extensive sensitization meetings were held prior to the project start in January 2011, during which the project concept and implications were explained, clarifications provided where requested by participants, and participant opinions and suggestions incorporated into the project design and subsequent implementation. Approval was sought by the project at each level of traditional authority, up to the

	hima, which was granted. Participants and local authorities each confirmed with the audit team that their participation was voluntary, they had been informed before the project's start, and consent was given—all in the local language Khasi and in meetings, the typical means by which decisions are made. The project is compliant with the standard. 8.3) The project's PES agreements are not removing, diminishing or threatening participants' land tenure. If anything, the project and PES agreements are documenting proof of historical and traditional ownership patterns in the Khasi Hills, ultimately strengthening the participants' land tenure. This was confirmed through interviews with heads of each hima visited during the 2016 verification audit field visit, as well as several public officials the audit team interviewed during the same visit. The project is compliant with the standard. 8.4) The project's benefit-sharing mechanism is generally fair and equitable. SHGs/FCs, LWCs. An LWC is a group, or 'cluster' of 2-5 villages represented by their village headmen that develop local project ideas for which multiple communities can benefit (e.g. a drinking well). This is in contrast to the SHGs and FCs, where only active members and presumably their respective families benefit from their projects. Asked if there is a means to ensure that the LWCs benefit equitably, it appears that there is not a clear means to rule whether all the villages in an LWC will have consistent potential to benefit from these projects. For example, within a LWC there could be 3 villages that want a project and a fourth village that does not agree. The audit team was told that there are actually two cases where villages have disagreed about what project to carry out, with the outlying village being left out, but the audit team was not able to confirm this with the parties involved. Nevertheless, the project has since revamped their grievance mechanism, so that it will be more effective at addressing this type of issue than previous versions, and will continue to be refined per the project's needs. The project is in conformance with the standard. The project correctly describes the challenges behind disbursing activity-based payments dependent on sales of and revenue generated from carbon credits produced by the project interventions. The PES agreement, in conjunction with the Benefit Sharing Policy, communicate the relationships between the project activities, their impact on the environment and consequent issuance of carbon credits, then how the sale of credits ties in to social and livelihood community projects. The translation of this policy and continued communication between the project and project participants should ensure stakeholder comprehension of the project's benefit sharing aspects. The project has shifted away from monetary payment for environmental services to distribution of materials for projects. The

	project coordinators explained that this change was made because it found there was no re-investment by the beneficiaries for alternative income generating activities, labor saving devices, or things that could otherwise reduce local anthropogenic pressures on the environment. Project participants agreed to accept these in-kind payments, and the audit team agrees that this approach is both acceptable and more effective than monetary payments for project-generated environmental services. 8.5) The project is delivering 100% of the proceeds from CO2 Certificate sales to the communities, which was evidenced to the audit team through submission of payment receipts.		
B. Conformance	Yes [X]	No [ ]	N/A [ ]
C. Corrective Actions (describe)	FAR 01/17 The MoU describes the interventions to be implemented, partially describes impacts of the PES agreement on participant rights to resource usage, and a brief description of the grievance mechanism. The remainder of the Plan Vivo requirements in section 8.2 are not addressed in the PES agreement. The project proponent and the Plan Vivo Foundation have agreed to update the PES agreements either during the next annual reporting period or by the next verification event. This FAR is minor.		
D. (Insert Project Coordinator's Name) Response	*(To be filled out by the Project Coordinator)*		
E. Status	*FAR OUTSTANDING—to be closed during next annual reporting period or by the next verification event.*		

Audit Plan

Day 0	Evening	Auditors travel to audit site.
Day 1, Monday October 31st	Morning	Audit team opening meeting with project staff; Document Review and Project Staff Interviews: • Baseline activities, maps; • Ownership/tenure, landowner MOU documents (e.g. contracts, FPIC); • Legality and compliance;
	Afternoon	• Meet accounting staff re financial sustainability and payments to beneficiaries; • Meet technical staff re forest management plan, inventory and analysis, carbon calculations, biodiversity monitoring; • Meet GIS and remote sensing specialists • Review record keeping, database management

Day 2, **Tuesday November 1st**	Morning	REDD Area project site visit and data collection, Wahlyngkien Sunei, HBN Wistilian Lyngdoh, REDD Area project site visit and data collection, Meet with the Bankiewshaphrang, Kyrphei Kiewshaphrang, Nongmadan Iakryshanlang, and Mawlum Tyrsad women's Self Help Groups • Kyrphei, Rice cooker • Charcoal Briquette • HBN activities
	Afternoon	Meet with Lyngdoh Phanblang Local Working Committees, HBN, LPG, Smokeless chullas REDD Area project site visit and data collection Lyngdoh Phanblang Cluster;
Day 3, **Wednesday November 2nd**	Morning	Meeting with SYNJUK Federation, Nongrum farmers club Mawphlang
	Afternoon	Meet with local environmental government authority, Meet with Khasi Hills Autonomous District Council Meet GIS and remote sensing specialists, State Forest Department (Sylvan House Shillong)
Day 4, **Thursday November 3rd**	Morning	ANR Area project site visit and data collection Mawbeh Local working committees, HBN, LPG, Smokeless chullas REDD Area project site visit and data collection • Mawbeh cluster Kyntiew jingshai SHG • Mawbeh Nangiaikyrsoi SHG, Wahstew ANR Area project site visit and data collection Meet with Dympep cluster Iatreilang SHG • Sohrarim, Mawstep Rice cooker. • Charcoal briquette, • HBN, Activities
	Afternoon	ANR Area project site visit and data collection in Jathang cluster Meet with Local Working Committees
Day 5, Friday November 4th	Morning	Document review, final project staff interviews, and preparation of preliminary findings
	Afternoon	Presentation of preliminary findings

Day 6, Saturday November 5th	Morning	Auditors Depart

The Verifier: KLAUS GEIGER, STAFF CARBON AUDITOR, RAINFOREST ALLIANCE

Signature: **(the Verifier)** **Verification Final Report Date: 19 June 2017**

Appendix 1 – Corrective Action Requests (CARs) and Observations (OBS)

CAR#:	01/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 2.2
Report Section:	Section 2.1
Description of Non-conformance and Related Evidence:	
Project biodiversity monitoring records appear to be incomplete (e.g. missing GPS data) and contrary (e.g. few records given) compared with Community Facilitator (CF) and villager accounts of observing and subsequent reporting. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"A new form has been created and distributed to the CFs. These forms will be submitted by them on a monthly basis. Biodiversity monitoring reports have been corrected to show GPS data." See Siting Report -1/16 see Biodiversity reporting form. 2016 biodiversity observation report.
Findings for Evaluation of Evidence:	The project's 2016 Biodiversity Report evidences a more complete tracking of fauna sightings in the project area than what was previously demonstrated to the audit team. The document contains a list of fauna observed by project participants or staff, the date they were observed (some of which were previously missing), the name of the area where they were observed, the precise GPS coordinates, and in which Hima the sighting took place. The report is simple in that it lists the animals

	observed, when, and where and does not produce any analysis in terms of a tally of species, genera, or families, spatial distribution, or other metrics that might support potentially broader claims in the future of increasing wildlife populations comparing one year to another. Nonetheless, the report provides documentary evidence that biodiversity monitoring is taking place and that records are being kept for tracking purposes. The project could still benefit from incorporating this information in to other project documentation where biodiversity tracking is referenced or where claims are made about wildlife populations in the area. The project has also created a new tracking form which includes fields for more detailed information, specifically a range of dates can be entered (first sighting and last sighting), as well as evidence (visual, audio, feces etc) and a box for descriptions of the site where the observation occurred. The implementation of this form will provide for more robust information that can be utilized for subsequent analyses.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	02/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 2.3
Report Section:	Section 2.2
Description of Non-conformance and Related Evidence:	
A Community Facilitator (CF) told the verification team that they dispose of 'polypot' plastic nursery bags by burning them. Though this is a common means of trash disposal in the country-side of India, burning plastic emits noxious fumes in to the atmosphere and has a definite negative environmental impact. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	Training of nursery managers now includes a component on disposal of polypot plastic bags which are to be buried at least 60 cm underground. In future the project will explore using biodegradable materials or reusable pots. Added to the SOP on Nursery Management (see bottom of page 4). "At the end of the first year, the seedling will be taken out of poly-pots and moved to cultivated beds, and each SHG will be paid 200/- for

	doing this. Used plastic poly pot will be collected by the nursery manager and buried at last 50 cm deep in an isolated place that will not be disturbed."
Findings for Evaluation of Evidence:	The project has addressed the issue of burning the plastic polypots. Nursery managers will now collect the polypots and either reuse or bury them, and the project will investigate the potential for implementing biodegradable nursery bags.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	03/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Report Section:	Section 3.1
Description of Non-conformance and Related Evidence:	
The grievance mechanism has been formally established by the project, but is not well defined and has, at times, proven ineffective. Additionally, there is no consistent means for the project to document and track the progress of a grievance and its resolution. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	Community Facilitators have been given guidelines on how to collect information about project related grievances. These are to be recorded and reported to the Synjuk during monthly meetings. The grievances will be included as a permanent agenda for all meetings in the office or in the project area. Thus, the grievances will be recorded in the proceedings (RECORD KEEPING) and could be addressed in the next meeting prior to RESOLUTION that could happen at the committee level itself or in the office level itself. See Grievance Reporting Form 3-16 Team meeting minutes – See references in PDD page 26 and 40
Findings for Evaluation of Evidence:	The project has clarified how it will collect, address, and document grievances arising from project activities. This includes the creation and implementation of the Grievance Reporting Form. The CF is responsible for receiving and documenting all grievances and reporting them to the project office for prompt resolution during the monthly team meetings. The Grievance Reporting Form has spaces for the date and place of the grievance, person reporting and contact information, the nature of the grievance, and the action taken/resolution date.

	The revised PDD now includes discussion on the grievance mechanism. The PDD describes the mechanism consistently with the grievance reporting form in that CFs are to aggregate complaints on the form for discussion during the monthly CF meetings, when a resolution strategy will be identified. Documenting the process in the PDD and implementing the grievance reporting form should facilitate an effective grievance resolution process.
CAR Status:	CLOSED
Comments (optional):	Project participants or other stakeholders may fear for retaliation if the grievance mechanism does not include a format for them to submit comments anonymously. Further, with respect to timely resolution of grievances raised, the project may want to define a process for resolving grievances outside of the monthly CF meetings, should the matter prove urgent and need attention quicker than the current framework extends.

CAR#:	04/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Report Section:	Section 3.1
Description of Non-conformance and Related Evidence:	
There are insufficient means to distinguish between areas planted for WeForest purposes and those established solely for the project, which has caused great confusion for the CFs and other project staff about how everyone keeps track what is part of the Plan Vivo project and what belongs to WeForest, and thus avoid double counting. This CAR is major.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"We Forest plots are clearly identified by signposts and through GPS points. The main corners (North, South, East and West corners) will be marked by paint (maybe LIGHT BLUE?) and GPS taken. Hence distinguishing the REDD+ plots from the WeForest plots. Contracts with WE Forest specifically prohibit the sale of carbon offsets generated from the ANR areas supported by We Forest; consequently there is no risk of double counting." Signposts and list of WE Forest Plots by GPS location available on request. Please see CAR 4-16 SOP on Permanent Plot Monitoring - For guidance – Top page 9.

Findings for Evaluation of Evidence:	The audit team misunderstood the arrangement between WeForest and the project. These WeForest areas are part of the Plan Vivo project area and do form part of the ANR activities. The project can claim the carbon in the form of Plan Vivo Certificates from the WeForest-sponsored trees, however to avoid double-counting WeForest cannot claim to contribute to carbon sequestration from co-funding this activity. Nevertheless, in order to assist non-project reporting to WeForest, plots with WeForest-sponsored trees will be marked with signs and paint.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	05/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Report Section:	Section 3.1
Description of Non-conformance and Related Evidence:	
There were two villages mentioned during the verification audit (and possibly others) that had not agreed to the project(s) their Local Working Committees (LWCs) had selected, but the LWC(s) continued with the project(s) anyway. Asked if there was a way for the project to check that LWC projects were selected and distributed in an equitable manner, project staff described how LWC members must unanimously agree to any given project, but discussion did not provide further insight as to how such potential conflicts are identified and resolved. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The Community Development Grant projects are determined by the Village Council and then supported through the LWC. Projects are not funded unless there is a unanimous decision by the council which represents all village households about project type and location. If this does not occur, a grievance can be lodged with the CF who is required to report it to the Federation for resolution." All CFs will receive training in the new grievance reporting system and how to use the form. See - Grievance Reporting Form 3-6 -Recorded in LWC meeting minutes

	CFs will be instructed to ensure that village durbar is selecting projects after full participatory discussion and with inputs from women village members.
Findings for Evaluation of Evidence:	The project clarifies and confirms the process for determining the approval for these projects—the Village Council must unanimously agree to fund a given proposal, otherwise it will not be accepted. It was speculated by the project proponent that the participant who relayed the comment to the audit team did not have full information, and what likely happened is that the two Village Councils identified by participants as not agreeing to the projects their LWCs selected had in fact agreed to the projects despite those projects not being their preferred choices and priority. In any case, as described in the resolution of CAR 03/16, the grievance mechanism has been further developed in order to resolve potential conflicts, including those arising out of disagreement on how to allocate funds for Community Development Grant projects.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	06/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 3.10 & 3.11
Report Section:	Section 3.4
Description of Non-conformance and Related Evidence:	
The project does not have a system to back up all project information and records outside of the main project offices. This CAR is major.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The project will purchase an external hard drive to do a monthly back up of all project documents and records. A designated staff member will be responsible for doing the monthly back-up and checking all computers for viruses. The hard drive is now being stored at Bah Tambor's mother's house until the Resource Training Center is completed, where it will be kept permanently." Picture of the external harddrive

	Excerpt from PDD monitoring section K.5. (see page 51).
Findings for Evaluation of Evidence:	The project has purchased an external hard drive with which it will backup all project related data on a monthly basis, and will be stored offsite. The project has described the backup system to the audit team and evidenced their possession of the device to the audit team with a photograph. The project is in conformance.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	07/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 4.1, 5.9
Report Section:	Section 4.1, 5.7
Description of Non-conformance and Related Evidence:	
The socio-economic, biodiversity, and other environmental indicators selected by the project are not well defined, and are, in many cases not actually indicators of an impact, but rather are an outcome. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"1)The project has established a new monitoring system using AKVO, an android-based software that allows the field staff to collect information on 17 socio-economic and environmental indicators directly tied to the project and reflective of project impact. This will be done every 5 years. 2)The updated PDD and Technical Specifications are clarifying the socio-economic and other indicators. These are based on annual activity indicators which are then lead to the achievement of 5 year goals. (see pages 45-50 of the PDD)" See CAR 7-16 KHCRP Impact indicators Note that the project has opted for activity-based monitoring consistent with the 2013 Version of the standard. These will include indicators tied to key drivers of deforestation. However, other indicators will still be used to assess wider impact such as the 17 socio-economic indicators.

	See CAR 7-16 PDD Monitoring Section pp. 45-50.
Findings for Evaluation of Evidence:	The project has refined the monitoring plan's activity and impact indicators, allowing for more precise determination of ecosystem service benefits, changes to the environment and biodiversity, and evolving socio-economic factors. The project has also developed a Five Year Indicator Survey, which, with survey data collected from project stakeholders, compares a range of socioeconomic indicators every five years. The last survey was conducted in 2016, and shows that the project is on track for meeting its socioeconomic development goals. The next survey will be conducted in 2021, when the project aspires to demonstrate additional progress towards these same goals. The project implements an activity-based approach to monitoring, and has further distinguished between activity outcomes and the impact indicators. The project demonstrates conformance to the standard.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	08/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 4.8
Report Section:	Section 4.4
Description of Non-conformance and Related Evidence:	
Not all sites of intervention (REDD/ANR) have markers or other identifiers that clearly indicate the intervention's boundaries. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"ANR boundaries will be clearly demarcated at the corners. ANR areas are identified with signage and the boundaries are known to the communities, as they are defined by the communities. Fire-lines around the boundary also help identify the area. REDD+ areas do not have boundary markers. They are designated by GPS points. It would be extremely costly to place boundary markers around the 9,000 ha. REDD+ area. All 62 villages have natural resource management plans and maps that define boundaries." - See example of CAR 8-16 Kryphei Village management map to show how REDD+ areas (protected forests) are spatially defined.

Findings for Evaluation of Evidence:	The project asserts that it will put markers or other identifiers on the ANR area boundary corners. This method will not be used for the REDD areas due to the large area and cost associated with demarcating them in their entirety. Participating communities will, on the other hand, continue to demarcate project boundaries in locally appropriate ways, such as what is already being done, through firebreaks, walls, and ditches, among others. This will take time, and will likely be implemented first for planting and conservation areas nearest participating communities, extending outward over time. Additionally, all project areas are mapped and their respective cover types are defined and generally known by community members. The project demonstrates conformance.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	09/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.1 & 5.2
Report Section:	Section 5.1
Description of Non-conformance and Related Evidence:	
The project annual reports describe progress in terms of hectares protected/reforested, charcoal briquette makers distributed, improved cookstoves and LPG stoves distributed, and others. What is described are the activities (the 'what') and the outcomes (the 'how'), but the results are not well described, nor are the impacts quantified in any meaningful way. There were no measurable assumptions made relating to the outcomes and non-climate related impacts. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"Forest growth is the key environmental outcome monitored each year in the annual report with the resulting impact of mitigation activities on forest growth and forest cover change. Forest growth is quantified through the forest inventory plots. This reflects some of the impacts of the energy transition program which is designed to reduce biomass extraction from the forests. The Forest cover change impacts and outcomes are not reported in the annual reports, but during the 5-year verification activity as they require the analysis of satellite imagery. There are measurable assumptions for both forest growth and forest cover change in the Technical Specifications. The assumptions are measured against the outcomes described above.

	The near elimination of forest fire from the project area is one of the clearest quantifiable outcomes of the project over the past three years. Data on area burned and MODIS satellite imagery show the impact of the fire control program including fire lines construction, awareness raising and community resolutions that fine those that cause fires. (see attached note on MODIS fire data). The impact of stoves and briquette makers has been monitored since 2015 in terms of fuelwood consumption based on sample surveys conducted during the fuelwood harvesting months – January-March. Targets are now set to determine whether the stove program is actually reducing fuelwood consumption." See CAR 9-16 Forest Plot Inventory 2015 See CAR 9-16 Forest Fire Control Impacts Annual Monitoring Indicators -9-16
Findings for Evaluation of Evidence:	The project appropriately identifies forest growth and maintenance of forest cover as the key environmental outcomes resulting from the project interventions and mitigation activities. Indeed, it is these figures the quantification of which bears most importance on determining the project's effectiveness towards maintaining and enhancing environmental conditions in the project area and the reduction and removal of emissions. It is true that those outcomes are indeed indicators of successful leakage mitigation activities. Over all, the protection of existing forest and regeneration of degraded forest / deforested areas are the only by-products of project activities that require a numerical figure attached to them to determine project effectiveness. Progress towards achieving other benefits need not be quantified similarly in order to be verified, though obtaining such data does prove useful towards that end. The project takes a qualitative approach to measuring results in these cases, and has developed surveys and other techniques to obtain this type of information. However, not all activities have gone on long enough for benefits to materialize or for there to be enough data to conduct an analysis on their impacts. That said, the project is progressing in this direction and is on track to eventually producing thorough analyses of activity results and associated benefits.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	10/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.3
Report Section:	Section 5.2
Description of Non-conformance and Related Evidence:	

The area covered by the project's 60 monitoring plots is a very small sample size compared to the total project area. Expectations of optimal sample sizes must be tempered with availability of personnel and resources. However, the project has not provided an adequate or any justification as to why the sample size was selected. This CAR is major.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The 60 forest plot monitoring sites were selected randomly to reflect the three main forest classes and restoration strategies used by the project. This method is described and justified in the TS, which was reviewed and approved by the TAC and several external reviewers. While the sample size is relatively small, it takes a team three weeks each year to collect the data from the often remote forest patches. To improve the sample, the annual sample will include several random plots around each permanent plots. This will improve the representativeness of the forest inventory and increase the sample size to 110 plots."
Findings for Evaluation of Evidence:	There is no set number of plots that will give a representative sample size for any given situation. The consequence of low sample size usually results in greater variance in the plot data and much less certainty about the confidence interval for the sample mean. By virtue of the justification provided for sampling design in the validated Technical Specifications and the addition of the random plots to the annual monitoring, as well as the TSs being approved by the Plan Vivo Foundation Technical Advisory Committee and several external reviewers, the audit team acknowledges the constraints the project faces and agrees that the sample size is sufficient for the project to estimate forest cover and related carbon stocks in the ANR and REDD project areas, and demonstrate an overall trend with respect to the increase in those stocks over time. The project is in conformance.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	11/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.3
Report Section:	Section 5.2
Description of Non-conformance and Related Evidence:	
Various approaches are being taken to measure the DBH of multi-stem trees, with differing results. This inconsistency in monitoring produces varying estimates of carbon stocks. Despite being a systemic inconsistency in implementation, the resulting differences in DBH measured are likely insignificant. Therefore, this CAR is minor.	

Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The forest inventory team will be given a refresher course each year on standard DBH measurement techniques to ensure they are following the measurement guidelines." -See CAR 11-16 .SOP measurement guidelines
Findings for Evaluation of Evidence:	The project has developed a Standard Operating Procedures manual for Tree Measurement. The audit team has reviewed the manual and confirm it provides guidance for a variety of tree-measurement scenarios.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	12/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.3
Report Section:	Section 5.3
Description of Non-conformance and Related Evidence:	
The project has not undertaken ground truthing [accuracy assessment] of the remote sensing land use classification system which took place, nor has it given indication that it will do ground truthing for the current and ongoing remote sensing activities. This CAR is major.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The remote sensing analyst (Dr. Rocky Pekham) works closely with the forest inventory specialist (Dr. Sanggai Leima). Both visit the field frequently and have an extensive set of 110 forest plots used for ground truthing. This includes the 60 PV plots plus another 50 plots monitored for We Forest that are randomly located throughout the project area. GPS data to cross reference the actual ground truth with the LANDSAT Images. MODIS and Google Earth are assessed by different analysts to reach a consensus on forest cover change. Remote

	sensing image results are also discussed with the CFs to confirm why forest cover change is occurring." -SOP on Permanent Plot Monitoring .See pages 16-20
Findings for Evaluation of Evidence:	The project has provided a table in the Permanent Plot Monitoring that identifies the locations of 40 plots used in part to identify land use classes at each location. As noted in the revised Technical Specification, use of forest inventory plots cannot be used because their individual area is smaller than that of a single pixel from the remote sensing exercise. In absence of ground-truthing data, the project has opted to rely on a clustering algorithm for land use classification purposes which groups together pixels that emitted particular spectral responses. The audit team confirms this technique to be appropriate in absence of ground-truthing data, which would otherwise typically provide a more accurate assessment of land use classes and cover types.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	13/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.3
Report Section:	Section 5.3
Description of Non-conformance and Related Evidence:	
The project has not yet completed its most recent remote sensing analysis and presented the verification audit team with the results and interpretation. This CAR is major.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	The SPOT imagery analysis for 2016 has now been completed by Dr. Rebecca Stedham of BioClimate, a 3rd party carbon design specialist and the findings used to update the Technical Specifications for the project which are attached. -See Technical Specifications (see Appendix 6, page 37 onwards.
Findings for Evaluation of Evidence:	The project has completed its remote sensing exercise for the 2016/2017 verification event, and presents the process, results and analysis in the April 2017 Technical Specification Appendix 6: Satellite Image Analysis 2010-2016. The section adequately describes the purpose of the exercise ("to monitor the rate and spatial pattern of land cover change and deforestation within the project area…"), and proceeds to detail the specific satellite used to acquire the imagery, the

	acquisition date (9/11/2016), the resolution and processing level. The acquisition date falls within the verification period, as is appropriate. The proponent describes processes used for detecting land use change in appropriate detail. Transitions in LULC classes have been monitored in the project area, appropriately, to detect deforestation, regrowth of forest, and degradation. Previously, SPOT images from 2006 and 2010 were used to create a forest cover benchmark map and determine the baseline rate of deforestation for the same years prior to the project start, in January 2011. The 2010 map has been compared to the updated forest 2016 forest cover map to detect change. The 2010 map uses SPOT imagery for classification, and the 2016 map has been updated to also use SPOT satellite imagery. Figures 3, 4, and particularly Figure 5 transparently show the processing steps, resulting land cover maps, and the final land cover change map between 2010-2016. Table E provides data comparing land cover areas in 2010 and 2016, with a general increase in dense and open forest cover. The project demonstrates conformance.
CAR Status:	CLOSED
Comments (optional):	None

CAR#:	14/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 5.9
Report Section:	Section 5.7
Description of Non-conformance and Related Evidence:	
Annual reports have not consistently reported monitoring indicators against the format outlined in the technical specification's monitoring plan. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The technical specifications have been updated to reflect the new monitoring indicators consistent with the 2013 activity oriented PV standard and will be reported in the annual report." -See Technical Specifications and Project Design Document Monitoring Section -(see response to CAR 7/16)
Findings for Evaluation of Evidence:	The modification to the technical specification has addressed the issue, and proper adherence to the TS should prevent inconsistent reporting for monitoring indicators. The project demonstrates conformance.

CAR Status:	CLOSED
Comments (optional):	None

CAR#:	15/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 6.1
Report Section:	Section 6.1
Description of Non-conformance and Related Evidence:	
The project has not attempted to quantify leakage potential or otherwise justify that the leakage mitigation measures being implemented fully eliminate project leakage as is claimed in the PDD. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"The project has acknowledged that some leakage will occur as a limited amount of fuelwood is brought into the project area from the outside. This is considered to be the primary source of leakage and a 5% reduction in total offsets is included in the Technical Specifications to reflect this leakage. In addition, the project is now conducting a fuelwood monitoring survey each year to assess how fuelwood volumes (and hence leakage) is changing. Targets are set to reduce leakage levels, while the 5% leakage reduction remains in place." -See Technical Specifications (please see page 25).
Findings for Evaluation of Evidence:	The project has revised the Project Design Document and reorganized discussion on leakage in the revised Technical Specifications document which demonstrates that monitoring protocols will ensure that leakage quantification will take place where possible, and qualification will describe the leakage where quantification is not possible. Like the original PDD, the revised Technical Specifications document includes a table of the 'drivers of mitigation' (possibly meant to say 'drivers of leakage'), the project intervention activity affected by leakage, and the corresponding mitigation measures. This table, though no different from what was presented in the original PDD, does describe in general terms how leakage potential will be reduced. The project continues to deduct 5% from the calculated carbon benefit as a leakage buffer pool. However, the biggest difference from the original PDD and revised TS is the removal of the insufficiently supported claim that "with leakage mitigation measures, the risk of leakage is zero".
CAR Status:	CLOSED

Comments (optional):	Table 16 in the April 2017 Technical Specification labels the first column "Drivers of Mitigation". It is possible the project intended to say "Drivers of Leakage".

CAR#:	16/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 8.2
Report Section:	Section 8.1
Description of Non-conformance and Related Evidence:	
The MoU describes the interventions to be implemented, partially describes impacts of the PES agreement on participant rights to resource usage, and a brief description of the grievance mechanism. The remainder of the Plan Vivo requirements in standard section 8.2 are not addressed in the PES agreement. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"Some points in 8.2 are not suitable for a community-based REDD+ projects, but were designed for private holder agro-forestry projects. Plan Vivo has agreed to accept the benefit sharing arrangements under the Khasi Hills Community REDD+ project. Community Development grants have been provided each year in increasing amounts as the project sells more carbon (ie. 2014 Rs. 15K, 2015 Rs. 20K, 2016 Rs. 25K) Due to year to year uncertainties with carbon sales volumes, it is not possible to include contractual information on future benefits to be distributed. It is important to recall that all funds flowing into the project go to community institutions including the Synjuk, except for overheads to international participants (Plan Vivo, Rainforest Alliance, BioClimate, etc). The new monitoring indicators show annual targets. If the targets (green) are missed and come in below expectations (yellow), the project will need to explain the reasons behind the lack of achievement (ie. Inadequate funding, etc). If the indicators show failure to achieve (red), then a corrective action will be required. (see p.45 -50 of revised PDD). The project team is committed to ensure that whatever funds are available, as much as possible should flow to the communities for resource management and livelihood activities. At times, staff have

	taken reduced salaries to achieve this goal. The staff will continue to work to achieving Plan Vivo requirements under section 8.2 The new impact indicator monitoring system is now in place and will be reported in the 2016 annual report. The PES agreement already includes procedures for grievance resolution, when targets are not achieved. This will be monitored by Plan Vivo in the next reporting cycle."
Findings for Evaluation of Evidence:	The project asserts that the Plan Vivo Foundation has accepted and will allow the use of the existing MoUs. To close this CAR the project has provided documentary evidence the audit team in the form of email correspondence to demonstrate that this approval has been given for this course of action. A Forward Action Request (FAR 01/17 – see below) has been opened as a result, and should be closed no later than the next verification event.
CAR Status:	CLOSED
Comments (optional):	See FAR 01/17 below.

CAR#:	17/16
Standard & Requirement:	Plan Vivo Standard 2013, Section 8.9
Report Section:	Section 8.4
Description of Non-conformance and Related Evidence:	
It is unclear whether the full details of the benefit-sharing mechanism have been made available to participants in Khasi. The PES agreement, which is available in Khasi, does have some discussion of benefit-sharing, but this is non-specific and insufficient to demonstrate conformance with the standard. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to verification
Evidence Provided by Organization:	"Benefits depend on project income which is uncertain. Annual budgets are created, but sales of carbon determine actual revenues for benefit sharing. The project works with the CF, LWC and Village durbar to communicate reasonable expectations on the part of the project participants. The annual Community Development Grants have been instituted as a regular benefit sharing mechanism. Additional funds are being sought to create a larger women-run pig breeding program for the SHGS and address the needs of the poorest households. The benefit sharing policy is being translated into Khasi and will be distributed to project participants."

	-See CAR 17-16 Benefit sharing policy
Findings for Evaluation of Evidence:	The project correctly describes the challenges behind disbursing activity-based payments dependent on sales of and revenue generated from carbon credits produced by the project interventions. The PES agreement, in conjunction with the Benefit Sharing Policy, attempt to communicate the relationships between the project activities, their impact on the environment and consequent issuance of carbon credits, then how the sale of credits ties in to social and livelihood community projects. The translation of this policy and continued communication between the project and project participants should ensure stakeholder comprehension of the project's benefit sharing aspects.
CAR Status:	CLOSED
Comments (optional):	None

FAR#:	01/17
Standard & Requirement:	Plan Vivo Standard 2013, Section 8.2
Report Section:	Section 8.1
Description of Non-conformance and Related Evidence:	
The MoU describes the interventions to be implemented, partially describes impacts of the PES agreement on participant rights to resource usage, and a brief description of the grievance mechanism. The remainder of the Plan Vivo requirements in standard section 8.2 are not addressed in the PES agreement. This CAR is minor.	
Corrective Action Request:	Organization shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	Prior to next verification event
Evidence Provided by Organization:	"Some points in 8.2 are not suitable for a community-based REDD+ projects, but were designed for private holder agro-forestry projects. Plan Vivo has agreed to accept the benefit sharing arrangements under the Khasi Hills Community REDD+ project. Community Development grants have been provided each year in increasing amounts as the project sells more carbon (ie. 2014 Rs. 15K, 2015 Rs. 20K, 2016 Rs. 25K) Due to year to year uncertainties with carbon sales volumes, it is not possible to include contractual information on future benefits to be distributed. It is important to recall that all funds flowing into the project go to community institutions including the Synjuk, except for overheads to international participants (Plan Vivo, Rainforest Alliance, BioClimate, etc).

	The new monitoring indicators show annual targets. If the targets (green) are missed and come in below expectations (yellow), the project will need to explain the reasons behind the lack of achievement (ie. Inadequate funding, etc). If the indicators show failure to achieve (red), then a corrective action will be required. (see p.45 -50 of revised PDD). The project team is committed to ensure that whatever funds are available, as much as possible should flow to the communities for resource management and livelihood activities. At times, staff have taken reduced salaries to achieve this goal. The staff will continue to work to achieving Plan Vivo requirements under section 8.2 The new impact indicator monitoring system is now in place and will be reported in the 2016 annual report. The PES agreement already includes procedures for grievance resolution, when targets are not achieved. This will be monitored by Plan Vivo in the next reporting cycle."
Findings for Evaluation of Evidence:	The project asserts that the Plan Vivo Foundation has accepted and will allow the use of the existing MoUs. To close this CAR the project has provide documentary evidence the audit team in the form of email correspondence to demonstrate that this approval has been given for this course of action. The PES agreement will be updated accordingly per the requirements of the 2013 Plan Vivo Standard. The project proponent, the Plan Vivo Foundation, and the audit team all recognize that these standard updates were made quite recently and that it may take some time to amend the PES agreements and get signatures from all the participating villages. The Plan Vivo Foundation has suggested that updating the PES agreement could (for example) be done by adding an addendum detailing the monitoring framework including the thresholds and mitigating actions and their implications on issuance and payments etc., which could then be signed at village level. Therefore, the Plan Vivo Foundation has proposed to the audit team and the project that the PVF would check the updated PES agreement at the next annual reporting cycle, or that this be verified during the next verification event. The audit team agrees with this course of action.
FAR Status:	OPEN
Comments (optional):	To be closed no later than the next verification event.

OBS	01/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Description of findings leading to observation:	The Synjuk meets only twice a year, which is very little when considering the complexity of the project, the amount of decisions to be made on a day to day and monthly basis and the impact of these decisions on each Synjuk member's respective hima.		
Observation:	The Synjuk should consider meeting more frequently so as to keep the Synjuk members better abreast of the project activities when they make decisions.		

OBS	02/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Description of findings leading to observation:	Sorting and interpreting the information given by CFs can be a time-consuming and complicated task, and that there is inconsistency on which indicators the CFs are to be reporting.		
Observation:	The project should consider distributing structured reporting forms or a similar alternative (with sufficient space for reporting) to the blank notebooks which are currently being used.		

OBS	03/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.4
Description of findings leading to observation:	There are few female CFs and YVs. Women may be better able to conduct the socio-economic project activities monitoring due to cultural norms and traditional divisions of labor.		
Observation:	The project should explore means to reduce the barriers to participation as Community Facilitators and other roles over leadership for women.		

OBS	04/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.5
Description of findings leading to observation:	The KHADC requires that the project seek KHADC approval should it decide to expand to further, neighboring himas, beyond the current project boundaries.		
Observation:	The project should work with the KHADC to secure their approval prior to the project expansion beyond its current boundaries.		

OBS	05/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.5
Description of findings leading to observation:	KHADC members expressed desire to be kept abreast of the project's progress, and suggested it be by means of the same annual reports the project submits to the Plan Vivo Foundation. The officials also suggested that they be invited to participate in the occasional Synjuk meeting.		
Observation:	The project should consider periodically including representatives of the KHADC in regularly scheduled meetings or other events.		

OBS	06/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.9
Description of findings leading to observation:	The project has an adequate, but highly complex and inefficient financial structure.		
Observation:	The project should consider eliminating layers of complexity to reduce uncertainty surrounding external actors and forces that may affect the project's financial sustainability.		

OBS	07/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 3.10 & 3.11
Description of findings leading to observation:	The project does not have a clear report or summary of overall accomplishments and progress.		
Observation:	The project should detail and describe overall project progress and accomplishments.		

OBS	08/16	Reference Standard & Requirement:	Plan Vivo Standard 2013, Section 4.7
Description of findings leading to observation:	The socioeconomic survey has a sample size that is not even 1% of total population. This sample size is not representative of the entire project area population unless the Khasi people are invariably homogenous.		
Observation:	The project should consider increasing the number of people surveyed, and not just adjusting for increases in population.		

OBS	09/16	Reference Standard & Requirement:	Plan Vivo Standard 2013 5.1
Description of findings leading to observation:	The location and extent of designated fuelwood collection areas is not clear.		
Observation:	These areas should be mapped with GPS, and their management/duration as designated collection areas should be described. This will facilitate the project's quantification of potential leakage and the effectiveness of this mitigation action.		