

# Validation Report

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**Loru Forest Project**  
**The Nakau Programme**  
**Prepared by Dr. Noim Uddin**  
**May 26<sup>th</sup>, 2016**

**Name of Reviewer:** Dr Noim Uddin, Senior Consultant Climate Policy and Markets Advisory (CPMA) International AB

**Date of Review:**

Initial desk review 16-22 Nov 2015; Field site visit 23-26 November 2015; Validation and Reporting 2-14 Dec 2015

**Project Name: Loru Forest Project**

An avoided deforestation project at Loru, Santo Vanuatu under the Nakau Program: An Indigenous Forest Conservation Program Through Payments for Ecosystem Services

**Project Description:**

The Loru Forest Project (with eligible forest area of 165.6 ha made up of 1 land parcels) in Luganville, Santo of Vanuatu employs the legal instrument of a Community Conservation Area to protect the tall coastal rainforest within the project boundary. The project seeks to manage the area through the implementation of the Loru Area Management Plan, which includes the removal of cattle from the area and seeks to reduce the impact of invasive weeds within Project Area. The project will establish a tree nursery with the clan to generate revenue and to promote forest conservation while increasing the planting of productive tree species.

The project is divided into three management zones:

**Zone A** – Avoided Deforestation with secondary forest to be rehabilitated through the removal of cattle and the agreement not to clear the area for gardens or copra during the project period.

**Zone B** – Enhanced Forest Regeneration where thicket will be weeded of aggressive herbaceous vines and managed sustainably to enhance natural regeneration.

**Zone C** – Agroforestry Non forestland currently infested with invasive vines.

While income is generated from Zone C and the rehabilitation of degraded areas under Zone B, no carbon revenues from these two Zones will be generated

The Loru Forest Project aims to protect the Loru coastal rainforest (one of the last stands of lowland rainforest on the East Coast of Espiritu Santo) from deforestation and forest degradation. The project also aims to provide livelihood benefits for the Serakar Clan (landowners). The project further aims to provide training in nut processing for women in the whole Khole community as an additional income sources that relies directly on forest protection.

**List of Documents Reviewed:**

1. Loru Forest Project – Project Description (PD) Part A: General Description (D3.2a v1.0, 20151009)
2. Loru Forest Project – Project Descriptions (PD) Part B: PES Accounting (D3.2b v1.0, 20151009)
3. Technical Specifications Module: (C) AD-DtPF: Avoided Deforestation – Deforestation to Protected Forest V.10 for the Nakau Program (D2.2.1 V1.0, 20150815)
4. Nakau Methodology Framework: General Methodology for the Nakau Program – An Indigenous Forest Conservation Program Through Payments for Ecosystem Services (D2.1 v1.0, 20140428)
5. Loru Forest Project – PES Agreement (D1.3 v1.0, 20151009)
6. Loru Forest Project – Project Coordinator License Agreement between Live & Learn Environmental Education Vanuatu and the Nakau Program Pty Ltd (D1.4 v1.0, 20151009)
7. Loru Forest Project – Program Agreement between the Nakau Program Operator and Serthiac Business (D1.2 v1.0, 20151009)
8. Project Development Agreement between Live & Learn Vanuatu and Serakar Family of Khole, Espiritu Santo (16 January 2013)
9. Certificate of Incorporation of Committee of a Charitable Association, Live & Learn Environmental Education Society Association, Vanuatu Financial Services Commission, Republic of Vanuatu, 17 April 2001
10. Community Conservation Area Registration (CCA) Notice – Loru Protected Area 16 Nov 2015 (via email notification)
11. Draft Sale and Purchase Agreement
12. Loru Protected Area Management Plan, 2015
13. Loru Conservation Area – Education Program Report
14. Loru Carbon Budget and Pricing
15. Loru Forest Inventory
16. Serthiac Business Plan
17. Loru PIN (D3.3 v1.0, 20140606)
18. Ser-Thiac Business Name Registration Certificate, Vanuatu Financial Services Commission (Registration No. 013450, dated 07 Aug 2014)
19. Live & Learn Environmental Education Finance Manual 2014
20. Live & Learn Environmental Education Good Practice Manual 2010
21. Live & Learn Environmental Education Recruitment Policy
22. Annual Audit Report, Live & Learn Environmental Education Society Committee (Inc) Vanuatu Finance Statement 30 June 2014
23. Memorandum of Understanding between Live & Learn Environmental Education (LLEE Vanuatu) and the Vanuatu Department of Forests (2012)
24. Memorandum of Understanding between Live & Learn Environmental Education (LLEE Vanuatu) and Sanma Provincial Government
25. Live & Learn Environmental Education Vanuatu, Field Trip Reports (July, Aug, Sept, Oct 2014)
26. Mandate for Management of Loru Protected Area, Custom Landowners of Loru Protected Area, 20 Sept 2015
27. Climate Change and REDD+ Education Manual 2012
28. Agreement for Serthiac Board to Sign Loru PES Agreement, Custom Landowners of Loru Protected Area, 13 Nov 2015
29. PES Agreement and Program Agreement Participation Report, 13 Nov 2015
30. Agreement for Serthiac Board to Sign Loru PES Agreement and Loru Program Agreement, 12

Nov 2015

31. Acceptance of Loru Forest Project PD Part A D3.2a v1.0 20151009 and Loru Forest Project Part B D3.2b v1.0 20151009, 13 Nov 2015
32. PD Summary Report Signed
33. Nakau Program Management Report 2013
34. Project Owner Entity Participation Report, Loru Forest Project, Nov 2014
35. Nakau Sales Register
36. National Forest Act 2001
37. Shareholder Agreement to Conduct a Social Enterprise, The Nakau Program Pty Ltd and the Shareholders (Live & Learn and Ekos), 2015
38. Donna Kalfatak, Loru Protected Area Rapid Biodiversity Assessment Report, 17-18 Nov 2014
39. Khole Agroforestry Plot Design, Live & Learn Community REDD+ Project (draft)
40. Philemon Ala, Loru Conservation Area Terrestrial Biodiversity Assessment Report for REDD Project of Live & Learn 16-19 Nov 2014
41. Loru Forest Project – Monitoring Report 1, 2015 (D3.3 (1) v1.0 20151009b)
42. Loru Livelihood Impact Monitoring Guide and Methodology for Socioeconomic Baseline
43. Loru Forest Project, Protected Area Boundary Coordinates
44. Plan Vivo Foundation, Validation of Methodology Elements of the Nakau Program 21 April 2015
45. VCS Monitoring Report Template
46. Director's Certificate – Monitoring 12 Dec 2015
47. Memo dated 12 Aug 2015, Proposed Audi Procedure (from Sean Weaver and Robbie Henderson of Nakau Program to Eva Schoof and Chris Stephenson of Plan Vivo)
48. Loru Protected Area Boundary Marking 2014
49. Contract Amendment, Amendment to Loru Project PES Agreement D1.3 v0.1, 20151009, dated 25 Jan 2016
50. About the Nakau Programme <http://www.nakau.org/about.html>
51. Sale Agreement – Carbon Offsetting Services between the Nakau Program Pty Ltd and ZeroMission AB (signed)
52. Socio-economic survey forms (completed), Live & Learn Vanuatu
53. Validation of Technical Specification Module: (C) 2.1 (AD-DtPF): Avoided Deforestation – Deforestation to Protected Forest V1.0 for the Nakau Program
54. Response to CARs and Clarification Request, Loru Forest Project, Sean Weaver 14 Feb 2016
55. Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013
56. VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015
57. Loru Additionality Assessment, the Nakau Program
58. Tool for the demonstration and assessment of additionality in VCS agriculture, forestry and other land use (AFOLU) project activities, VT 0001, v1.0

**Description of field visits (including list of sites visited and individuals/groups interviewed):**

Validation of Loru Forest Project was conducted in conjunction with first verification of Loru Forest Project.

During 23<sup>rd</sup> to 26<sup>th</sup> November 2015, Dr Noim Uddin conducted the field site visit. This included field visit into the eligible forest area and performing interviews with Project Stakeholders including – the

Project Coordinator (Live & Learn Vanuatu), the Program Operator (Nakau Program) and the Project Owner (Ser Thiac) as well as a number of stakeholders and communities.

The field visit was conducted as per the on-site visit plan dated 17<sup>th</sup> Nov 2015. The field visit started with an inception meeting with the Project Operator on 23<sup>rd</sup> Nov 2015 in Port Villa. On 24<sup>th</sup> Nov 2015, an opening meeting was held at Live & Learn Vanuatu. On-site audit process, confidentiality and requirements as per Plan Vivo Terms of Reference for Project Validation (v.2013) were described. Followed by the inception meeting, a stakeholder consultation was carried out in Port Villa on 24<sup>th</sup> Nov 2015. Field visit at project site and community consultation was conducted in Santo, Vanuatu during 25<sup>th</sup> Nov 2015. The rest of the stakeholders was interviewed during 26<sup>th</sup> Nov 2015 in Port Vila (following table provides details of interview). A closing meeting was held with Project Operator and Project Coordinator on 26<sup>th</sup> Nov 2015. During the close-out meeting, findings from on-site visit were shared with the Project Operator and the Project Coordinator (as also listed in “Table 1: Summary of major and minor corrective actions”).

Following table provides details of interview.

Date	Name	Position & Department	Topics
23-26.11.2015	Anjali Nelson	Co-Director, Nakau Program Operator	Effective and Transparent Project Governance, Administrative Capabilities, Technical Capabilities, Social capabilities, Monitoring and Reporting capabilities, Benefit sharing and equity, Sale agreements and payments, Socio-economic impact assessment and monitoring plan, Community-led planning
24-26.11.2015	Glarinda Andre	REDD+ Project Coordinator, Live & Learn Vanuatu	
24-26.11.2015	Serge Warakar	REDD+ Project Officer, Live & Learn Vanuatu	
24.11.2015	Ephraim D. Songi	VCS	National REDD+ Readiness Program, Ecosystem and Livelihood benefits, Forest Inventory, Traceability and double counting,
24.11.2015	Watson Lui	Deputy Director, Department of Forestry	
24.11.2015	Samson Lulu	REDD+ Ext. & Outreach Officer, Department of Forestry	
24.11.2015	Godfrey Bome	Senior Forest Officer, Department of Forestry	
24.11.2015	Dick Tomker	Regional Forest Officer North, Department of Forestry (Santo)	National REDD+ Readiness Program, Ecosystem and livelihood benefits, Forest Inventory
24.11.2015	Jude Tabi	Regional Forest Officer South, Department of Forestry (Vila)	
24.11.2015	Anaclet Philip	Sanma Environment Officer, Department Environmental Protection and Conservation, Sanma Province	Monitoring, Forest Management Plan, Community engagement, Biodiversity monitoring
24.11.2015	Dr Sean Weaver	Ekos NZ, Nakau Program	Nakau Methodology Framework,

		(via Skype call)	Carbon benefits, Accounting methodology, Baseline, Additionality, Permanence, Leakage, Traceability and double-counting, Monitoring
24.11.2015	Robbie Henderson	Live & Learn International, Nakau Program (via Skype call)	Nakau Methodology Framework, Plan Vivo Requirements
25.11.2015	Sero Isaiah	Forest Officer, Santo – Sanma Province	Interpreter
25.11.2015	Peter Servet	Chief, Khole Village	Ecosystems and Livelihood benefits, Biodiversity, Forest Conservation
25.11.2015	John Vimoli	Pastor, Khole Village (Shark bay Session)	
25.11.2015	Jerry Iavro Boaz	Leading Elder, Khole Village (Shark bay Session)	Ecosystems and Livelihood benefits, Socio-economic impact assessment/monitoring plan, Community-led planning, Planting native and naturalised species, Ecological impacts, <i>plan vivos</i>
25.11.2015	Kaltapas Sam	Chief Council, Khole Village	
25.11.2015	Clarence Ser Dan	Administration Officer, Serthiac Forest Project	Ecosystems and Livelihood benefits, Socio-economic impact assessment/monitoring plan, Community-led planning, Planting native and naturalised species, Ecological impacts, <i>plan vivos</i>
25.11.2015	Kalsakau Ser	Chairman of the Land Management Committee, Serthiac Forest Project	
25.11.2015	George Kalorip	Board Member, Serthiac Forest Project	
25.11.2015	Steve Ser	Chairman of Board, Serthiac Forest Project	
25.11.2015	Rosito Moses	Member, Serakar Clan	
25.11.2015	Tonny Moses	Member, Serakar Clan	
25.11.2015	Kates Fred	Member, Serakar Clan	
25.11.2015	Samuel Dan	Member, Serakar Clan	
25.11.2015	Oli Fred	Board Member, Serthiac Forest Project	
25.11.2015	Riman Ser	Field Operator, Serthiac Forest Project	
25.11.2015	Rachel Ser	Member of Finance Committee, Serthiac Forest Project	
25.11.2015	Rosina Moses	Member of Finance Committee, Serthiac Forest Project	

**Validation Opinion:**

In summary, it is the opinion of the validator that the project activity Loru Forest Project in Vanuatu as described in the Project Design Document (PDD) meets all relevant Plan Vivo requirements for this Payments for Ecosystems Services (PES) project and all relevant host country requirements. The Loru Forest Project has correctly adopted the baseline and monitoring methodology described in the

PDD.

Table 1. Summary of major and minor Corrective Actions [Now ALL CLOSED]

Theme	Major CARs	Minor CARs	Observations
Governance		<p><b>Minor CAR:</b> Legal Entity (Project Coordinator).      Finding: Live &amp; Learn Environmental Education Society Committee as per Vanuatu Financial Services Committee, where as PD Part A refers Live &amp; Learn Vanuatu as Project Coordinator. Other agreements also include Live &amp; Learn Vanuatu.</p> <p><b>Response:</b>      Project Coordinator has provided a Contract Amendment in response to the CAR relevant to Legal Entity.      Amendment to Loru Project PES Agreement D1.3 v0.1, 20151009, dated 25 Jan 2016 /49/ indicates that Live &amp; Learn Environmental Education Society Committee registered as a Charitable Association on 17 April 2001 with the Vanuatu Financial Services Commission is the legal entity through any contract and/or documentation relating to the Loru Forest Project.</p> <p><b>Status:</b>      The Contract Amendment document has been checked and it has been signed duly as required. Live &amp; Learn</p>	

		<p>Environmental Education Society Committee registered as a Charitable Association on 17 April 2001 with the Vanuatu Financial Services Commission. It is the legal entity for any contract and/or documentation relating to the Loru Forest Project.</p> <p><b>The CAR is CLOSED.</b></p>	
Carbon	<p><b>CAR:</b> Additionality as per Plan Vivo (2013) 5.4, 5.4.1 and 5.4.2 has not been addressed in PD Part B and TS</p> <p><b>Response:</b> Additionality of Loru Forest Project has been demonstrated adequately /57/. Loru Forest Project has applied the most recent VCS tool for the demonstration of additionality: Tool for the demonstration and assessment of additionality in VCS agriculture, forestry and other land use (AFOLU) project activities, VT 0001, v1.0 /58/.</p> <p><b>Status:</b> Additionality of Loru Forest Project has been checked and it has been found that additionality of Loru Forest Project has been demonstrated adequately /57/.</p>	<p><b>Minor CAR:</b> As per 5.9 Plan Vivo (2013), a Monitoring plan must be developed for each project intervention that specifies 5.9.6 – Resources and Capacity Required. It was observed during on-site visit and the interviews with the entities responsible for the project's monitoring (Project Owner and Project Coordinator) that capacity building, training and hardware (information management systems) are required to be in place in future monitoring activities.</p> <p><b>Response:</b> Project Monitoring Plan has been checked. Roles and responsibilities in regard to project monitoring have been demonstrated appropriately. Monitoring Plan includes capacity building, training and hardware (information</p>	

	<p><b>The CAR is CLOSED.</b></p> <p><b>CAR:</b> as per 5.9 Plan Vivo (2013), a Monitoring plan must be developed for each project intervention that specifies (Point 5.9.2) the monitoring approaches (methods). PD Part B, Monitoring Report and TS lack appropriate monitoring approaches (methods).</p> <p><b>Response:</b> Loru Forest Project Monitoring Plan has been developed and demonstrated in PD Part B /2/. Roles and responsibilities in regard to project monitoring has been demonstrated in PD Part (B) Table 8.1.6 /2/ which is consistent with monitoring guideline as per Technical Specification Module (C) 2.1 (AD-DtPF) /3/. Responsibility and required resources availability were checked with the Project Coordinator and the Program Operator during on-site inspection and appeared appropriate as required by adopted methodologies.</p> <p><b>Status:</b> Project Monitoring Plan has been checked. Roles and responsibilities in</p>	<p>management systems) as required during monitoring.</p> <p>Status: this Observation is <b>CLOSED</b>.</p> <p><b>Minor CAR:</b> As per 5.14 Plan Vivo (2013) “[...] project intervention areas must not be in use for any other projects or initiatives [...]”. The Project Coordinator, the Project Owner and the Program Operator shall consider appropriate safeguard measures in order to avoid double counting.</p> <p><b>Response:</b> Issue of double counting is addressed in two reference docs: Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013 /55/, and VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015 /56/. Project-scale REDD+ will be incorporated into national program via the JNRI being developed by VCS (pages 15 and 67) /56/ The guidance from VCS on how ERs are accounted for within the JNRI (pg 8 and 9) /55/</p> <p><b>Status:</b> Issue of double counting are addressed in two reference docs:</p>	
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	<p>regard to project monitoring have been demonstrated appropriately.</p> <p>This CAR is <b>CLOSED</b>.</p>	<p>Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013 /55/, and VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015 /56/.</p> <p>Status: the Observation is <b>CLOSED</b>.</p>	
Ecosystem			
Livelihoods			

*Table 2 - Report Conformance*

Theme	Conformance of Draft Report	Conformance of Final Report
<b>Governance</b>	Yes	Yes
<b>Carbon</b>	No	Yes
<b>Ecosystem</b>	Yes	Yes
<b>Livelihoods</b>	Yes	Yes

Theme	1. Effective and Transparent Project Governance
<i>Ensuring that the project meets requirements 3.1-3.16 of the Plan Vivo Standard (2013)</i>	
A. Requirement	<p><b>1.1 Administrative capabilities</b></p> <p>Is there a legal and organisational framework in place that has the sufficient capacity and a range of skills to implement all the administrative requirements of the project? Aspects of this framework may include:</p> <p class="list-item-l1">1.1.1 A legal entity (project coordinator) that is able to enter into sale agreements with multiple producers or producer groups for carbon services</p> <p class="list-item-l1">1.1.2 Standard sale agreement templates for the provision of carbon services</p> <p class="list-item-l1">1.1.3 Systems for maintaining transparent and audited financial accounts able to the secure receipt, holding and disbursement of payments to producers</p> <p class="list-item-l1">1.1.4 All necessary legal permissions to carry out the intended project activities</p>

	<p>1.1.5 Mechanisms for participants to discuss issues associated with the design and running of the project</p> <p>1.1.6 Procedures for addressing any conflicts that may arise</p> <p>1.1.7 Ability to produce reports required by Plan Vivo on a regular basis and communicate regularly with Plan Vivo</p>
<b>B. Findings (describe)</b>	<p>The Loru Forest Project is coordinated by Live &amp; Learn Environmental Education Society Committee – Vanuatu. Live &amp; Learn Environmental Society Committee is incorporated in Vanuatu as per Certificate of Incorporation of Committee of a Charitable Association, Live &amp; Learn Environmental Education Society Association, Vanuatu Financial Services Commission, Republic of Vanuatu, 17 April 2001 /9/.</p> <p>Live &amp; Learn is registered under the Australian Associations Incorporation Act 1981, as a non-government organization since 14 November 1992 and was entered into the Register of Environmental Organizations on 14 June 2002 and through this registration under the Income Tax Assessment Act 1997 item 6.1.1 of subsection 30-55(1), it is eligible to receive deductible donations. Live &amp; Learn Australia provides support to Live &amp; Learn Environmental Education Society Committee – Vanuatu, the latter being part of the regional Live &amp; Learn network /1/.</p> <p>The Project Owner of Loru Forest Project is Ser-Thiac /18//7/. Ser-Thiac is registered in accordance with the provisions of the Business Names Act [CAP 211] of Vanuatu Financial Services Commission, Republic of Vanuatu /18/.</p> <p>The Program Operator is the Nakau Program Pty Ltd. The Nakau Program Ltd is a business registered under Australian Law and wholly owned by two charities: Live &amp; Learn International and Ekos /37//50/.</p> <p>Project Coordinator License Agreement between Live &amp; Learn Environmental Education Vanuatu and the Nakau Program Pty Ltd, (D1.4 v1.0, 20151009) /6/ has been signed at the time of validation.</p> <p>At the time of validation, both Program Agreement between Nakau Program Pty Ltd and Live &amp; Learn Environmental Education – Vanuatu (D1.2 v1.0, 20151009) /7/ and PES Agreement between Live &amp; Learn Environmental Education – Vanuatu and Ser-Thiac (D1.2 v1.0, 20151009) /8/ have been signed.</p> <p>The document review and on-site inspection (interview with key personnel as listed under the section referring to the site-visit details as above) demonstrated that institutional arrangements and legal agreements are in place. Project Coordinator and Program Operator have the sufficient capacity and the appropriate range of skills to implement all the administrative requirements for the project.</p> <p>According to Clause 3.1 (f) of the Program Agreement /7/ grants permission for the Program Operator to enter into a Sale and Purchase Agreement with</p>

	<p>purchasers for PES Units acting as Sales Agent on behalf of the Project Owner – Ser-Thiac. The first Sales and Purchase Agreement signed at the Program Level with ZeroMission /51/ between Nakau Program Pty Ltd and ZeroMission AB. The sales agreement clearly lays out requirements in regard to issuance, monitoring, and reporting of emission reductions certificates.</p> <p>The PES Agreement /5/ clearly lays out roles and responsibilities of Project Coordinator and Project Owner, distribution of income from sales of emission reduction credits and arrangement of 20% risk buffer requirements.</p> <p>Annual Audit Report, Live &amp; Learn Environmental Education Society Committee (Inc) Vanuatu Finance Statement 30 June 2014 /22/ and Live &amp; Learn Environmental Education Finance Manual 2014 /19/ indicate that the financial statements present fairly all material in respects to the financial positions of Live &amp; Learn Environmental Education Society Committee – Vanuatu. Based on the evidence and discussion with the Program Operator, it is the opinion of the Auditor that the Project Coordinator and the Program Operator has the capacity to manage large quantities of funds from diverse public and private sources and to disburse and to track of carbon finance.</p> <p>A review of the Good Practice Manual of Live &amp; Learn Environmental Education /20/ and interviews with the Project Coordinator and the Program Operator reveals that necessary measures are in place to address any conflict of interests.</p> <p>The Project Coordinator and the Program Operator have the capacity of producing the reports required by the Plan Vivo Foundation on a regular basis and to communicate regularly with the Foundation.</p>												
<b>C. Conformance</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;">N/A</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	No	<input type="checkbox"/>				N/A				<input type="checkbox"/>
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<b>D. Corrective Actions (describe)</b>	<p><b>Minor CAR:</b> Live &amp; Learn Environmental Education Society Committee as per Vanuatu Financial Services Committee was indicated as the Project Coordinator, whereas PD Part A refers Live &amp; Learn Vanuatu as Project Coordinator. Other agreements also include Live &amp; Learn Vanuatu.</p>												
<b>E. Live &amp; Learn Response</b>	<p>Project Coordinator has provided a Contract Amendment in response to the CAR relevant to Legal Entity. Amendment to Loru Project PES Agreement D1.3 v0.1, 20151009, dated 25 Jan 2016 /49/ indicates that Live &amp; Learn Environmental Education Society Committee registered as a Charitable Association on 17 April 2001 with the Vanuatu Financial Services Commission is the legal entity through any contract and/or documentation relating to the Loru Forest Project.</p>												

<b>F. Status</b>	<b>CLOSED-</b> The Contract Amendment document has been checked and it has been signed duly as required. Live & Learn Environmental Education Society Committee registered as a Charitable Association on 17 April 2001 with the Vanuatu Financial Services Commission is the legal entity through any contract and/or documentation relating to the Loru Forest Project.				
<b>A. Requirement</b>	<p><b>1.2 Technical capabilities</b></p> <p>Is the project through its staff or partners able to provide timely and good quality technical assistance to producers and/or communities in planning and implementing the productive, sustainable and economically viable forest management, silvicultural and agroforestry actions proposed for the project and for any additional livelihoods activities that are also planned?</p>				
<b>B. Findings (describe)</b>	<p>Live &amp; Learn Environmental Education Society Committee – Vanuatu as Project Coordinator in close cooperation with the Nakau Program Pty Ltd as Program Operator to provide technical assistance to Project Owner – Ser-Thiac and overall technical support needed to implement the Loru Forest Project /1/.</p> <p>The Loru Forest Project is being managed by Ser-Thiac in close cooperation with the Project Coordinator – Live &amp; Learn Environmental Education Society Committee – Vanuatu.</p> <p>The Program Operator and the Project Coordinator demonstrated appropriate knowledge of agroforestry and land management techniques as well as a competency in administering the technical assistance activities occurring at the field sites.</p> <p>Forest rangers (as engaged by Ser-Thiac) have substantial technical knowledge in the areas of agriculture and forestry together with the capability to work with Project Coordinator and Program Operator.</p> <p>The Project Coordinator and the Program Operator have planned and conducted capacity building programs in order to provide timely and good quality technical assistance to Project Owner (administrative personnel and Forest Rangers). These programs focused on the planning and the implementation of productive, sustainable and economically viable forest management techniques, on silvicultural and agroforestry actions proposed for the project and on any additional livelihoods activities that are planned enhancing monitoring capabilities /13/.</p>				
<b>C. Conformance</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> N/A</td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A		
<b>D. Corrective Actions (describe)</b>	None				
<b>A. Requirement</b>	<p><b>1.3 Social capabilities</b></p>				

	<p>Is the project, through its staff or partners able to demonstrate an understanding of the social conditions of the target groups/communities and likely implications of the project for these? This might include:</p> <ul style="list-style-type: none"> <li>1.3.1 A demonstrated ability to select appropriate target groups through stakeholder analysis and to understand the implications of the project for specific groups e.g. poor, women, socially disadvantaged etc.</li> <li>1.3.2 Groups/communities that are well-informed about the Plan Vivo System and the nature of carbon and ecosystem services</li> <li>1.3.3 Local groups/communities that can demonstrate effective self-governance and decision-making</li> <li>1.3.4 Well-established and effective participatory relationships between producers and the project coordinator</li> <li>1.3.5 Demonstrated ability to establish land-tenure rights through engaging with producers/communities and other relevant organisations</li> <li>1.3.6 Ability to consult with and interact with producers/communities on a sustained basis through participatory 'tools' and methods</li> <li>1.3.7 Established system for conflict resolution</li> </ul>
<b>B. Findings (describe)</b>	<p>The Project Coordinator and the Program Operator have successfully carried out community engagement processes and identified and developed long-term relationships with the Project Owner and other Community Members (including women's group, elders, youth and others – church, school and neighbours) from the Loru Project Area. Records of such events (photographs, agenda and outcomes) are presented in Project Owner Entity Participation Report /34/ and Loru Forest Project Education Program Report /13/.</p> <p>The Project Area encloses the land owned by the Serakar Clan and demarcated as a Community Conservation Area. As per local custom law, land passes through patrilineal lines. Chief Serakar's grandson, Chief Stephen Skip, is the current landowner of Loru. During on-site inspection and interview customary landownership was confirmed by Chief Stephen Skip. Ser-Thiac, the Project Owner was formed in 2014 /18/. Ser-Thiac Board consists of a representative from the five children of the Old Chief Serakar /16/.</p> <p>The Project Development Agreement between Live &amp; Learn Vanuatu and Serakar Family of Khole, Espiritu Santo was signed on 16 January 2013 /8/. Review of Project Owner Participation Report – Loru Forest Project Nov 2014 /34/ and Live &amp; Learn environmental Education Vanuatu – Field Trips Reports /25/ reveal records of various community meetings and outcomes from training workshops. The Project Coordinator conducted socio-economic baseline survey in order to assess community livelihood /1/.</p> <p>Project Coordinator and Program Operator were able to demonstrate understanding of the social conditions of the target groups/communities and</p>

	likely implications of the Loru Forest Project.			
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>D. Corrective Actions (describe)</b>	None			
<b>A. Requirement</b>	<p><b>1.4 Monitoring and Reporting capabilities</b></p> <p>Does the project have an effective monitoring and reporting system in place that can regularly monitor progress and provide annual reports to the Plan Vivo Foundation according to the reporting schedule outlined in the PDD?</p> <p>1.4.1 Accurately report progress, achievements and problems experienced            1.4.2 Transparently report sales figures and demonstrate resource allocation in the interest of target groups</p>			
<b>B. Findings (describe)</b>	<p>At the time of validation, no emission reductions certificates were traded. However, the first Sales and Purchase Agreement signed at the Program Level with ZeroMission /51/ between Nakau Program Pty Ltd and ZeroMission AB. The sales agreement clearly lays out requirements in regard to issuance, monitoring, and reporting of emission reductions certificates.</p> <p>The Project Coordinator also demonstrated theirs capacity to develop and manage complex fiscal and programmatic reporting requirements as well as the hard and soft infrastructures required to track Plan Vivo activities.</p> <p>Based on these, it is conclusive that the Project Coordinator, the Project Owner and the Program Operator are capable of maintaining accurate and transparent reporting procedures and producing and submitting annual reports to the Plan Vivo Foundation based on an agreed-upon schedule.</p>			
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>D. Corrective Actions (describe)</b>	None			

<b>Theme</b>	<b>2. Carbon Benefits</b>
<i>Ensuring that the project meets requirements 5.1-5.20 of the Plan Vivo Standard (2013)</i>	

<b>A. Requirement</b>	<b>2.1 Accounting methodology</b> <p>Have the carbon benefits been calculated using recognised carbon accounting methodologies and/or approved approaches and are the estimates of carbon uptake/storage conservative enough to take into account risks of leakage and reversibility?</p>
<b>B. Findings (describe)</b>	<p>The Loru Forest Project has adopted carbon accounting methodology “TS (c) 2.1 (AD-DtPF): Avoided Deforestation – Deforestation to Protected Forest V1.0 for the Nakau Program” /3/ as per Nakau Methodology Framework /4/.</p> <p>Each project in the Nakau Program is developed by means of applying two methodological components:</p> <ul style="list-style-type: none"> <li>• The Nakau Methodology Framework (covering all general methodology elements)</li> <li>• A Technical Specification Module for each activity type and measured ecosystems service (ecosystem service accounting elements specific to that activity type).</li> </ul> <p>The Nakau Methodology Framework has been validated under Plan Vivo /44/ and an approved approach for projects being developed under the Nakau Program. The Program Operator has developed the Nakau Methodology Framework and demonstrated sufficient understanding on carbon accounting methodology and approach.</p> <p>At the time of the validation of Loru Forest Project, the first validation of Technical Specification “TS (c) 2.1 (AD-DtPF): Avoided Deforestation – Deforestation to Protected Forest V1.0” for the Nakau Program has been completed /53/. The Validation of The TS concluded that Technical Specifications as described in the Technical Specifications documentation Version 1.0, dated 15<sup>th</sup> August 2015 meets all relevant requirements of Plan Vivo Standard (2013), ISO 14064-2, and IPCC guidelines and are technically sound for carbon accounting. All CARs and Clarification Requests have been adequately addressed /53/. The Technical Specifications Module sets out clear conditions under which it can be applied. The Module is applicable to project activities that implement legal protection of the eligible forests within the project areas for the duration of the project period against a baseline of deforestation and forest degradation caused by conversion of forests to non-forest land use in areas that have been designated, sanctioned or approved for such activities by the national and/or local regulatory authorities.</p> <p>Interview with Program Operator reveals that the internal review of “TS (c) 2.1 (AD-DtPF): Avoided Deforestation – Deforestation to Protected Forest V1.0” for the Nakau Program by Technical Advisory Committee will be carried out by Plan Vivo /54/. Review of the Technical Specifications Module will be completed by TAC (Technical Advisory Committee of Plan Vivo). Program Operator – the Nakau Program sent a Memo (dated 12 Aug 2015) /47/ to Plan Vivo and have had discussion with Plan Vivo to undertake a combined validation and verification audit process for the first verification, which Plan</p>

	<p>Vivo has authorised. Under the Plan Vivo system, the methodology chapter (or Technical Specification in Plan Vivo terminology) is normally included in the main PDD and validation audits take place after the Plan Vivo TAC has reviewed it. .</p> <p>TS (c) 2.1 (AD-DtPF): Avoided Deforestation – Deforestation to Protected Forest V1.0 for the Nakau Program is based on, and follows the methodological requirements/guidance of Plan Vivo Standard (2013), ISO 14064-2, the VCS and 2006 IPCC Guidelines for GHG inventories.</p> <p>The adopted methodology element measures greenhouse gas ecosystem service derived from avoided forest activities in land use that avoids conversion of forest to non-forest land uses. The GHG elements of this Technical Specifications Module apply to anthropogenic carbon stock change factors in the baseline and project scenarios. The GHG sources, sinks and reservoirs estimated in the Loru Forest Project are restricted to LULUCF sector carbon emissions and removals /3/.</p> <p>The total volume of carbon stored in the above ground carbon pools is measured in this project by means of a carbon stock inventory. Carbon stored below ground is derived from the application of a root-shoot ratio. GHG sources and sinks estimated in this project are restricted to LULUCF carbon pools that are controlled by the Project Owners and lie within the Eligible Forest Area of the project.</p> <p>Project activity emissions are excluded from this methodology and, as such, the project GHG emissions focus on Enhanced Removals (ER) where relevant (expressed as a negative number to denote a removal). Enhanced Removals are calculated for annual forest growth in Logged Forest land parcels for the Project Period. The rate of Enhanced Removals is set at the mean sequestration rate for the forest type.</p> <p>Total Activity Shifting Leakage (TAL) is calculated = 0. There is no activity shifting leakage in this project. All tall forest within the Project Area is protected under this project.</p> <p>During validation, the Project Coordinator and the Program Operator demonstrated sufficient understanding of the carbon accounting methodology. The Project Owner demonstrated that they have clear understanding of agroforestry plot and elements of carbon accounting methodology /38/.</p>
<b>C. Conformance</b>	<p>Yes <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>No <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>N/A <input type="checkbox"/> <input checked="" type="checkbox"/></p>
<b>D. Corrective Actions (describe)</b>	<p>None</p>

<b>A. Requirement</b>	<p><b>2.2 Baseline</b></p> <p>Are the carbon benefits of the project measured against a clear and credible carbon baseline (for each project intervention)?</p>						
<b>B. Findings (describe)</b>	<p>Baseline activities for this project are restricted to deforestation implemented on forest lands and are included in the IPCC category “forest land converted to non-forest land”. Only areas that have been designated, sanctioned or approved for such activities (e.g. where there is legal sanction to deforest) by the national and/or local regulatory bodies are eligible for crediting under this project.</p> <p>The most likely land use in the absence of the project is deforestation and land conversion to coconut plantations in combination with cattle grazing. This land use is the prevalent land use in the lands surrounding the Project Area and is the most common land use in eastern Santo, Vanuatu.</p> <p>The methodologies for demonstrating baseline (project activity) are clear and credible and in accordance with the Nakau Methodology Framework that has been validated under Plan Vivo /44/.</p> <p>A robust socio-economic impact assessment and monitoring plan is in place that can measure changes against the baseline scenario in regards to Loru Forest Project. Determining the socio-economic baseline is in accordance with the Nakau Methodology Framework that has been validated under Plan Vivo /44/.</p>						
<b>C. Conformance</b>	<table border="1" data-bbox="464 1152 1404 1260"> <tr> <td data-bbox="464 1152 658 1260">Yes</td> <td data-bbox="658 1152 769 1260"><input checked="" type="checkbox"/></td> <td data-bbox="769 1152 1039 1260">No</td> <td data-bbox="1039 1152 1087 1260"><input type="checkbox"/></td> <td data-bbox="1087 1152 1293 1260">N/A</td> <td data-bbox="1293 1152 1404 1260"><input type="checkbox"/></td> </tr> </table>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>		
<b>D. Corrective Actions (describe)</b>	None						
<b>A. Requirement</b>	<p><b>2.3 Additionality</b></p> <p>Are the carbon benefits additional? Would they be generated in the absence of the project? Will activities supported by the project happen without the availability of carbon finance?</p>						
<b>B. Findings (describe)</b>	<p>Additionality of Loru Forest Project has been demonstrated adequately /57/. Loru Forest Project has applied the most recent VCS tool for the demonstration of additionality: Tool for the demonstration and assessment of additionality in VCS agriculture, forestry and other land use (AFOLU) project activities, VT 0001, v1.0 /58/.</p> <p>The most plausible baseline scenario for this project is a combination of copra production cattle grazing and cash crop gardening following the deforestation of the forest in question. This would be combined with the retention of a small percentage of indigenous forest in areas not suitable to these agricultural activities due to the steepness of land and the likelihood of small</p>						

	<p>patches of remnant forest in areas not used directly for agriculture.</p> <p>A barrier analysis approach has been adopted in demonstrating the additionality of the Loru Project Activity. The barrier to a project to permanently protect indigenous forest in Loru is the inability of a protected forest to cater to the reasonable (and very basic) socio-economic development needs and aspirations of the local community, now and into the future. This barrier to rainforest protection is not a barrier to the implementation of the alternative land use scenarios identified in the baseline: copra production, cattle grazing and cash cropping. The alternative land use scenarios mentioned here directly overcomes the barrier to economic development posed by the long-term protection of the indigenous forest.</p> <p>The project activity is the first of its kind in Vanuatu and so there is no opportunity to compare it with similar activities that have already diffused in the geographical area of the proposed project.</p>			
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>D. Corrective Actions (describe)</b>	<p><b>Major CAR:</b> Additionality as per Plan Vivo (2013) 5.4, 5.4.1 and 5.4.2 has not been addressed in PD Part B and TS.</p>			
<b>E. Live &amp; Learn Response</b>	<p>The additionality of the Loru Forest Project has been demonstrated adequately /57/. Loru Forest Project has applied the most recent VCS tool for the demonstration of additionality: Tool for the demonstration and assessment of additionality in VCS agriculture, forestry and other land use (AFOLU) project activities, VT 0001, v1.0 /58/.</p>			
<b>F. Status</b>	<p><b>CLOSED-</b> The additionality of the Loru Forest Project has been checked and it has been found that the additionality of the Loru Forest Project has been demonstrated adequately /57/.</p>			
<b>A. Requirement</b>	<p><b>2.4 Permanence</b></p> <p>Are potential risks to the permanence of carbon stocks identified in the project technical specifications and are effective and feasible mitigation measures included in the project design?</p>			
<b>B. Findings (describe)</b>	<p>The Project Buffer Rating (PBR) is used to calculate the Buffer for the baseline timeline.</p> <p>The Project Buffer Rating (PBR) is equal to 0.2 in this Technical Specifications Module. This is in accordance with Technical Specification and adopted methodology elements in accordance with the Nakau Methodology Framework.</p> <p>20% buffer is higher than minimum buffer (10%) as recommended by Plan Vivo (2013).</p>			

<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>D. Corrective Actions (describe)</b>	None		
<b>A. Requirement</b>	<p><b>2.5 Leakage</b></p> <p>Have potential sources of leakage been identified and are effective and feasible mitigation measures in place for implementation</p>		
<b>B. Findings (describe)</b>	<p>Clear procedures and guidance are provided in the Technical Specifications for assessing leakage and uncertainty in the estimation of baseline and project GHG emissions, as well as for monitoring the GHG project activities, which is also in accordance of the Nakau Methodology Framework.</p> <p>Total Activity Shifting Leakage (TAL) is calculated = 0. There is no activity shifting leakage in this project. All tall forest within the Project Area is protected under this project.</p> <p>Market leakage is not measured in this Technical Specifications Module because the driver for deforestation is small-scale, village based agricultural production. TLK = 0.</p> <p>Interviewing with Project Coordinator and Program Operator reveals that all potential leakage has been addressed. The Project Coordinator and the Program Operator have good understanding of the importance of addressing leakage amongst project participants.</p>		
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>D. Corrective Actions (describe)</b>	None		
<b>A. Requirement</b>	<p><b>2.6 Traceability and double-counting</b></p> <p>Are carbon sales from the project traceable and recorded in a database?</p> <p>Are the project intervention areas covered by any other projects or initiatives (including regional or national initiatives)? Are there formal mechanisms in place to avoid double counting?</p>		
<b>B. Findings (describe)</b>	<p>At the time of validation no emission reductions certificates were traded. However, the first Sales and Purchase Agreement signed at the Program Level with ZeroMission /51/ between Nakau Program Pty Ltd and ZeroMission AB. The sales agreement clearly lays out requirements in regards to the issuance, monitoring, and reporting of emission reductions certificates.</p>		

	<p>The Project Coordinator also demonstrated theirs capacity to develop and manage complex fiscal and programmatic reporting requirements as well as the hard and soft infrastructures required to track Plan Vivo activities.</p> <p>Based on these, it is conclusive that the Project Coordinator, the Project Owner and the Program Operator are capable of maintaining accurate and transparent reporting procedures as well as producing and submitting annual reports to the Plan Vivo based on an agreed upon schedule.</p> <p>The Loru Forest Project's monitoring management includes data management systems, Standard Operating Procedure (SOP - including monitoring and reporting tools, templates, appropriate training to monitoring personnel in the forest) and Quality Assurance (access of data by nominated personnel and storage of data in multiple sites). The Nakau Program has developed an Information Management Systems (IMS) where Loru Forest Project data are stored electronically. Hard copies of data are stored at Project Coordinator's Office and Project Owner's field office. Implementation of data management systems was verified during field visit inspection and when interviewing the Program Operator, the Project Coordinator and the Project Owner.</p> <p>The issue of double counting is addressed in two reference docs: Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013 /55/, and VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015 /56/.</p> <p>A project-scale REDD+ will be incorporated into a national program via the JNRI developed by VCS (pages 15 and 67) /56/. This includes a guidance from VCS on how ERs are accounted for within the JNRI (pg 8 and 9) /55/.</p>				
<b>C. Conformance</b>	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> N/A</td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A		
<b>D. Corrective Actions (describe)</b>	<p><b>Minor CAR:</b> As per 5.14 Plan Vivo (2013) [...] project intervention areas must not be in use for any other projects or initiatives [...]. The Project Coordinator, the Project Owner and the Program Operator shall consider appropriate safeguard measures in order to avoid double counting.</p>				
<b>E. Live &amp; Learn Response</b>	<p>Issue of double counting are addressed in two reference docs: Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013 /55/, and VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015 / 56/. Project-scale REDD+ will be incorporated into national program via the JNRI being developed by VCS (pages 15 and 67) /56/</p> <p>The guidance from VCS on how ERs are accounted for within the JNRI (pg 8 and 9) /55/</p>				
<b>F. Status</b>	<p><b>CLOSED.</b> Issue of double counting are addressed in two reference docs: Readiness Preparation Proposal (R-PP) Vanuatu 7 Oct 2013 /55/, and VCS Guideline – Technical Guidance for Jurisdictional and Nested REDD+ Programs 2 Jun 2015 /56/.</p>				

<b>A. Requirement</b>	<p><b>2.7 Monitoring</b></p> <p>Does the project have a monitoring plan in place? Is it being implemented and does it seem to be an effective system for monitoring the continued delivery of the ecosystem services?</p> <p>Does the project coordinator prescribe and record corrective actions where monitoring targets are not met and are these effectively followed up in subsequent monitoring?</p>						
<b>B. Findings (describe)</b>	<p>Loru Forest Project Monitoring Plan has been developed and demonstrated in PD Part B /2/. The roles and responsibilities in regards to project monitoring has been demonstrated in PD Part (B) Table 8.1.6 /2/ which is consistent with the monitoring guidelines as per Technical Specification Module (C) 2.1 (AD-DtPF) /3/. The responsibility and the required resource availability were cross-checked with the Project Coordinator, the Project Owner and the Program Operator during the on-site inspection and appeared appropriate as required by the adopted methodology.</p> <p>According to the Nakau Methodology Framework (validated to the Plan Vivo Standard, 2013,), all projects in the Nakau Program are required to prepare a Project Monitoring Plan as part of the Project Description in accordance with Requirement 5.4 of Nakau Methodology Framework and elements required in the relevant Technical Specifications Module/s applied. The adopted Monitoring Plan for the Loru Forest Project is detailed in Part B of PD (Section 8.1.5) and Technical Specification Module (C) 2.1 (AD-DtPF) (section 8.1.5).</p> <p>An effective Monitoring Plan is in place in regards to the Loru Forest Project. A simplified Standard Operating Procedure (SOP) has been developed in regards to the Project Monitoring during the first reporting period (from 16 January 2013 to 15 January 2015) as per Point 8.1.6 of Technical Specifications Module (C) 2.1 (AD-DtPF) and this appeared to be effective. Hence, implementation of Monitoring Plan will be effective in monitoring the continued delivery of ecosystem services.</p> <p>During validation and the on-site inspection, interviews with the Project Owner reveals that the good level of understanding by the project staff and by participating communities of the monitoring system ensures that there are shared responsibilities for monitoring and that these are matched by sufficient capacity. Communities have been made aware of monitoring systems and of their role. In case of any loss event, this will be addressed as per requirement of 5.6 of Technical Specifications Module (C) 2.1 (AD-DtPF).</p>						
<b>C. Conformance</b>	<table border="1" data-bbox="599 1742 1266 1828"> <tr> <td data-bbox="599 1742 679 1828">Yes</td> <td data-bbox="599 1742 679 1828"><input checked="" type="checkbox"/> X</td> <td data-bbox="679 1742 758 1828">No</td> <td data-bbox="679 1742 758 1828"><input type="checkbox"/></td> <td data-bbox="758 1742 837 1828">N/A</td> <td data-bbox="758 1742 837 1828"><input type="checkbox"/></td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Yes	<input checked="" type="checkbox"/> X	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>		
<b>D. Corrective Actions (describe)</b>	<p><b>Minor CAR:</b> as per 5.9 Plan Vivo (2013), a Monitoring plan must be developed for each project intervention that specifies (Point 5.9.2) the monitoring approaches (methods). PD Part B, Monitoring Report and TS lack appropriate</p>						

	<p>monitoring approaches (methods)</p> <p><b>Minor CAR:</b> As per 5.9 Plan Vivo (2013), a Monitoring plan must be developed for each project intervention which specifies 5.9.6 – Resources and Capacity Required. It was observed during on-site visit and interviewing monitoring responsible (Project Owner and Project Coordinator) that capacity building, training and hardware (information management systems) are required to be in place in future monitoring activities.</p>				
<b>E. Live &amp; Learn Response</b>	<p>The Loru Forest Project Monitoring Plan has been developed and demonstrated in PD Part B /2/. Roles and responsibilities in regards to the Project Monitoring has been demonstrated in PD Part (B) Table 8.1.6 /2/, which is consistent with the monitoring guidelines as per Technical Specification Module (C) 2.1 (AD-DtPF) /3/.</p> <p>The responsibility and required resources availability were checked with the Project Coordinator and the Program Operator during the on-site inspection and appeared appropriate as required by the adopted methodologies.</p>				
<b>F. Status</b>	<p><b>CLOSED-</b> The Project Monitoring Plan has been checked. Roles and responsibilities in regards to project monitoring have been demonstrated appropriately.</p> <p>Monitoring Plan includes capacity building, Training and hardware (information management systems) as required during monitoring.</p>				
<b>A. Requirement</b>	<p><b>2.8 Plan Vivos</b></p> <p>Are the <i>plan vivos</i> (or land management plans) clear, appropriate and consistent with approved technical specifications for the project? Will implementation of the plans cause producers' overall agricultural production or revenue potential to become unsustainable or unviable?</p>				
<b>B. Findings (describe)</b>	<p>The on-site inspection and interviews with the Project Coordinator and the Project Owner reveals that community groups were heavily involved in preparing community forest management plan.</p> <p>Section 1.1.5 of the Technical Specifications Module clearly specifies that the project period for all projects using the Module shall be no less than 30 years with perpetual right of renewal. This indicates that land-use pattern shall not be changed during project cycle.</p> <p>The on-site inspection and interviews with the Project Owner revealed that the implementation of the project will not cause the Project Owner's overall agricultural production or revenue potential to become unsustainable or unviable.</p>				
<b>C. Conformance</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> N/A</td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A		

<b>D. Corrective Actions (describe)</b>	None
<b>Theme</b>	<b>3. Ecosystem benefits</b>
<i>Ensuring that the project meets requirements 2.1-2.4 of the Plan Vivo Standard (2013)</i>	
<b>A. Requirement</b>	<b>3.1 Planting native and naturalised species</b>  Are the planting activities of the project restricted to native and naturalised species? If naturalised species are being used are they invasive and what effects will they have on biodiversity? Have the species been selected because they will have clear livelihoods benefits?
<b>B. Findings (describe)</b>	During the validation site visit, visual inspections were carried out at the Loru Forest Project sites. The Loru Forest Project protected area is a biodiversity hot spot /38/. The Loru Forest Project involves avoiding baseline activities of copra, cattle grazing, logging and agricultural activities. These activities protects habitat for native plants. In addition, improved understanding and practices for management of invasive species encouraged by the project also protects endangered species.  During validation, interviews with the Project Owner and the Provincial Government revealed that avoiding baseline activities is enhancing protection of remaining forests and is having positive biodiversity and livelihood benefits.
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>D. Corrective Actions (describe)</b>	None
<b>A. Requirement</b>	<b>3.2 Ecological impacts</b>  Have the wider ecological impacts of the project been identified and considered including impacts on local and regional biodiversity and impacts on watersheds?
<b>B. Findings (describe)</b>	During validation, visual inspections were carried out at Loru Forest Project sites. The forest of the Loru Conservation area contains a high degree of biodiversity and is regarded as one of the best lowland forest to be found in the Eastern part of Santo /40/. The Loru Forest Project involves avoiding baseline activities of copra, cattle grazing, logging and agricultural activities. The avoidance of these activities is supporting the protection of habitats for native plants. In addition, the improved understanding and the practices for the management of invasive species encouraged by the project are also protecting endangered species.  During validation, interviews with the Project Owner and the Provincial

	Government revealed that avoiding baseline activities appeared to be enhancing protection of remaining forests and is having positive biodiversity benefits. The Loru Forest Project acts like an ecological bank improving access to food and to indigenous plants in the surrounding areas.			
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>D. Corrective Actions (describe)</b>	None			

<b>Theme</b>	<b>4. Livelihood Benefits</b>			
<i>Ensuring that the project meets requirements 4.1-4.14, 7.1-7.5 and 8.1-8.10 of the Plan Vivo Standard (2013)</i>				
<b>A. Requirement</b>	<b>4.1 Community-led planning</b>  Has the project has undergone a producer/community-led planning process aimed at identifying and defining sustainable land-use activities that serve the community's needs and priorities?			
<b>B. Findings (describe)</b>	Project Coordinator has actively engaged with the Serakar Clan Community in the project's planning and in the identification of land-use and forest conservation activities that serve the community's needs.  The review of the Project Owner's Entity Participation Report /34/ revealed a strong engagement of communities and landowners during pre-project agreement and post-project agreement activities. Such activities are recorded in Project Owner Participation Report /34/ and Live & Learn Vanuatu Field Trips Reports /25/, which is then in accordance with Nakau Methodology Framework /4/.			
<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>D. Corrective Actions (describe)</b>	None			
<b>A. Requirement</b>	<b>4.2 Socio-economic impact assessment/monitoring plan</b>  Is there a robust socio-economic impact assessment and monitoring plan in place that can measure changes against the baseline scenario?			
<b>B. Findings (describe)</b>	A robust socio-economic impact assessment and a sound monitoring plan that can measure changes against the baseline scenario in regard to Loru Forest Project are in place.  A community impact measurement framework has been developed for the			

	<p>Loru Forest Project, which also includes a community impact survey instrument /1/. The review of the community impact survey instrument and the samples of hard copies of completed survey questionnaires /52/ revealed that interviewed individuals also included youth and women /1/. The Project Coordinator facilitated meetings with the Serakar Clan between 1 and 4 July 2014. At this time, the Serakar Clan gave their approval for the Community Livelihoods Assessment to go ahead and endorsed the indicators to be used /24/.</p> <p>The desktop review of the indicators via Approval of the Community Livelihoods Assessment /24/ and community impact assessment framework as per PD /1/ and on-site interviews revealed that selected livelihoods indicators can effectively monitor socio-economic changes taking place.</p> <p>The project Coordinator will monitor any negative impacts that may present as gradual shifts in ways of living within the clan and will provide education and awareness to mitigate negative impacts /1/.</p>				
<b>C. Conformance</b>	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> N/A</td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A		
<b>D. Corrective Actions (describe)</b>	<p>None</p>				
<b>A. Requirement</b>	<p><b>4.3 Sale agreements and payments</b></p> <p>Does the project have clear procedures for entering into sale agreements with producers/communities based on saleable carbon from <i>plan vivos</i>?</p> <p>Does the project have an effective and transparent process for the timely administration and recording of payments to producers?</p>				
<b>B. Findings (describe)</b>	<p>The Project Area encloses land owned by the Serakar Clan and demarcated as a Community Conservation Area. As per local custom law, land passes through patrilineal lines. Chief Serakar's grandson, Chief Stephen Skip, is the current landowner of Loru. During the on-site inspection and interviews, customary landownership was confirmed by Chief Stephen Skip. Ser-Thiac, the Project Owner was formed in 2014 /18/. Ser-Thiac Board consists of a representative from the five children of the Old Chief Serakar /16/.</p> <p>At the time of validation, both Program Agreement between Nakau Program Pty Ltd and Live &amp; Learn Environmental Education – Vanuatu (D1.2 v1.0, 20151009) /7/ and PES Agreement between Live &amp; Learn Environmental Education – Vanuatu and Ser-Thiac (D1.2 v1.0, 20151009) /8/ have been signed.</p> <p>PES Agreement /8/ indicates the share of carbon finance to be distributed amongst project participants as well as the sharing of responsibility to for the administration of the Project, in an effective and transparent way between the Project Coordinator and the Project Owner throughout the lifecycle of the</p>				

	<p>Loru Forest Project.</p> <p>Clause 3.1 (f) of the Program Agreement /7/ grants permission to the Program Operator to enter into a Sale and Purchase Agreement with buyers of PES Units acting as Sales Agent on behalf of the Project Owner – Ser-Thiac. The first Sales and Purchase Agreement signed at the Program Level with ZeroMission /51/ between Nakau Program Pty Ltd and ZeroMission AB. The sales agreement clearly lays out the requirements in regards to the issuance, monitoring, and reporting of emission reductions certificates.</p> <p>The Nakau Program Operator has established a sales register to record all PES unit sales income and project related transactions /1/. During the validation process, no transactions were made. Once the project begins trading, a record of the cash flow, the profits and losses and the project financial balance sheet will be incorporated into Annual Project Management reports.</p>				
<b>C. Conformance</b>	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/> N/A</td> </tr> </table>	Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Yes	<input checked="" type="checkbox"/> X	<input type="checkbox"/> No	<input type="checkbox"/> N/A		
<b>D. Corrective Actions (describe)</b>	<p>None</p>				
<b>A. Requirement</b>	<p><b>4.4 Benefit sharing and equity</b></p> <p>Will the project have livelihoods benefits for the local community? Are these benefits likely to accrue to all community members and/or are benefits targeted at particular groups within the community? What other actions is the project taking to ensure that disadvantaged groups e.g. women, landless households, poor people will benefit from sales of Plan Vivo certificates?</p>				
<b>B. Findings (describe)</b>	<p>The Loru Forest Project will result into livelihoods benefits for the local community including disadvantaged groups.</p> <p>A community impact measurement framework has been developed for the Loru Forest Project that includes a community impact survey instrument /1/. The desktop document review of the community impact survey instrument and samples of hard copies of completed survey questionnaires /52/ reveals that the interviewed individuals included youth and women /1/. The Serakar Clan gave their approval for the Community Livelihoods Assessment to go ahead and endorsed the indicators to be used /24/.</p> <p>The analysis of the indicators revealed that the Loru Forest Project will provide ecosystems benefits, community benefits, biodiversity benefits and co-benefits. During the on-site visit amongst the community, interviews with several community members revealed that the benefits from Loru Forest Project will be shared among the community members including youths and elders. Some co-benefits (nut processing know-how and nursery) will assist income generation activities for elders. Neighbours will also benefit from the know-how and the envisioned education/trainings.</p>				

<b>C. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>D. Corrective E. Actions (describe)</b>	None		

*Table 3. Site Visit Itinerary*

<b>On-site audit dates 23-27 November 2015</b>	
<b>Time</b>	<b>Activity</b>
<b>23 Nov 2015 Arrival in Port Villa, Vanuatu @ 15.30 PM (from Sydney, Australia) by Air Vanuatu NF 11 Pick-up by Anjali at 16.00 PM</b>	
<b>23/11/2015 Day 1</b>	
16.30 – 17.30	<b>Opening and Initial meeting with Project Coordinator (Live &amp; Learn Vanuatu) and Program Operator (the Nakau Program Ltd)</b> <ul style="list-style-type: none"> <li>Introduction with Project Coordinator and Project Team in Vanuatu</li> <li>Brief about on-site audit process, documentation, data/information gathering, conflict of interest and confidentiality (ethics)</li> <li>Discussion about stakeholders meetings during 24-26 Nov 2015</li> <li>Request additional documents from desk-review of PD , TS</li> <li>Access to project documentations and key contacts for follow-ups</li> <li>Review plan for on-site visit – logistics (travel, accommodation, consumables), OHS and emergency preparedness</li> </ul>
18.00 -	Check-in accommodation @ Port Villa
<b>24/11/2015 Day 2</b>	
09.00 – 09.30	<b>Stakeholder meeting (Loan Viji, National REDD+Technical Committee)</b> <ul style="list-style-type: none"> <li>Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>Comments/questions by stakeholders'</li> <li>Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
10.00 -	Fly to Santo from Port-Villa (by Air Vanuatu)
13.00 – 13.30	<b>Stakeholder meeting (Dick Tomker Regional Forest Officer North)</b> <ul style="list-style-type: none"> <li>Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>Comments/questions by stakeholders'</li> <li>Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
14.00 – 14.30	<b>Stakeholder meeting (Anaclet Philip DEPC Sanma)</b> <ul style="list-style-type: none"> <li>Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>Comments/questions by stakeholders'</li> <li>Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
14.30 – 17.00	<b>Meeting with Project Owner (Project Coordinator, Program Operator)</b> <ul style="list-style-type: none"> <li>Monitoring, Reporting and Verification – process, management and inventory</li> <li>Quality Control and Quality Assurance</li> </ul>

<b>On-site audit dates 23-27 November 2015</b>	
<b>Time</b>	<b>Activity</b>
17.00 – 17.30	<b>Stakeholder meeting (Project Technical Service Provider – Rexson Vira, Southern Cross University)</b> <ul style="list-style-type: none"> <li>• Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>• Comments/questions by stakeholders'</li> <li>• Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
17.45	Check-in accommodation @ Luganville, Santo
<b>25/11/2015 Day 3</b>	
07.00 – 08.00	Travel to Loru (Kalsakau) Project Location from Luganville, Santo
08.15 – 13.15	Project Site Visit
14.30 – 15.00	<b>Stakeholder meeting (The Nakau Management Plan Committee)</b> <ul style="list-style-type: none"> <li>• Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>• Comments/questions by stakeholders'</li> <li>• Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
15.00 – 16.00	<b>Stakeholder meeting (Landowner – Serakar Clan)</b> <ul style="list-style-type: none"> <li>• Describe Audit process (confidentiality, ethics)</li> <li>• Presentation or speech by Community Head (Target Group Representatives)</li> </ul> <p><b><i>Validation (as required using following structure):</i></b></p> <ul style="list-style-type: none"> <li>• Validation of Theme 1 – Effective and Transparent Project Governance (Administrative capabilities; Technical capabilities; Social capabilities; Monitoring &amp; Reporting capabilities)</li> <li>• Validation of Theme 2 – Carbon Benefits (Accounting methodology; Baseline; Addionality; Permanence; Leakages; Traceability and Double Counting, Monitoring and Plan Vivos)</li> <li>• Validation of Theme 3 – Ecosystems benefits (Planting native and naturalised species; Ecological impacts)</li> <li>• Validation of Theme 4 – Livelihood benefits (Community-led planning; socio-economic impact assessment/monitoring plan; Sale agreements and payments; Benefit sharing and equity)</li> </ul>
16.00 – 17.30	<b>Stakeholder meeting (Project Owner – Serthiac, Chief Skip Khole Village)</b> <ul style="list-style-type: none"> <li>• Describe Audit process (confidentiality, ethics)</li> <li>• Presentation or speech by Community Head (Target Group Representatives)</li> </ul> <p><b><i>Validation (as required using following structure):</i></b></p> <ul style="list-style-type: none"> <li>• Validation of Theme 1 – Effective and Transparent Project Governance (Administrative capabilities; Technical capabilities; Social capabilities; Monitoring &amp; Reporting capabilities)</li> <li>• Validation of Theme 2 – Carbon Benefits (Accounting methodology; Baseline; Addionality; Permanence; Leakages; Traceability and Double Counting, Monitoring and Plan Vivos)</li> <li>• Validation of Theme 3 – Ecosystems benefits (Planting native and naturalised species; Ecological impacts)</li> <li>• Validation of Theme 4 – Livelihood benefits (Community-led planning; socio-economic impact assessment/monitoring plan; Sale agreements and payments; Benefit sharing and equity)</li> </ul>
17.30 -	Leave for Luganville, Santo and check-in accommodation in Luganville
<b>26/11/2015 Day 4</b>	
07.00 – 09.00	Leave from Luganville to Santo, Fly from Santo to Port Villa

On-site audit dates 23-27 November 2015	
Time	Activity
10.00 – 10.30	<b>Stakeholder meeting (Department of Forest)</b> <ul style="list-style-type: none"> <li>• Project brief (Project objectives, location, governance and management, and provision of PES)</li> <li>• Comments/questions by stakeholders'</li> <li>• Discussion with stakeholders' (clarification, issues from desk review)</li> </ul>
11.00 – 11.15	Recapping from Project-Site Visit with Project Coordinator & Program Operator
11.15 – 12.15	<b>Meeting with Project Coordinator (Live &amp; Learn Vanuatu)</b> <ul style="list-style-type: none"> <li>• Validation of Theme 1 – Effective and Transparent Project Governance (Administrative capabilities; Technical capabilities; Social capabilities; Monitoring &amp; Reporting capabilities)</li> </ul>
13.15 – 14.15	<b>Meeting with Project Coordinator (Live &amp; Learn Vanuatu)</b> <ul style="list-style-type: none"> <li>• Validation of Theme 2 – Carbon Benefits (Accounting methodology; Baseline; Additionality; Permanence; Leakages; Traceability and Double Counting, Monitoring and Plan Vivos)</li> </ul>
14.15 – 15.15	<b>Meeting with Project Coordinator (Live &amp; Learn Vanuatu)</b> <ul style="list-style-type: none"> <li>• Validation of Theme 3 – Ecosystems benefits (Planting native and naturalised species; Ecological impacts)</li> <li>• Validation of Theme 4 – Livelihood benefits (Community-led planning; socio-economic impact assessment/monitoring plan; Sale agreements and payments; Benefit sharing and equity)</li> </ul>
15.15 – 16.15	<b>Meeting with Project Coordinator, Program Operator (and Project Owner)</b> <ul style="list-style-type: none"> <li>• Monitoring, Reporting and Verification – process, management and inventory</li> <li>• Quality Control and Quality Assurance</li> </ul>
16.15 – 16.30	<b>Compilation of findings</b>
16.30 – 17.00	<b>Closing meeting</b> <ul style="list-style-type: none"> <li>• Summary from on-site audit</li> <li>• Follow-ups with Project Coordinator &amp; Project Owner</li> </ul>
17.00 -	Check-in accommodation @ Port Villa
<b>27/11/2015 Day 5</b>	
<b>Fly to Suva from Port Villa by Fiji Airways FJ 5567</b>	
<b>Leaving Port Villa @ 11.30 AM and arrive in Suva @ 16.00 PM</b>	

**The Validator: Noim Uddin, PhD**

**Signature:**



**Date: 26 May 2016**

## Appendix 1

*Photographs during the Monitoring Activities and the Validation Site Visit.*

