

PLAN  VIVO

PV Nature

# Guidance for Type II Projects

*Version 1.0*

# Contents

GUIDANCE FOR TYPE II PROJECTS.....	4
INTRODUCTION / CONTEXT .....	4
Project Participants Eligibility.....	5
Type II Project Participant(S) Managing More Than 30% Of The Project Area .....	5
Requirements.....	6
Benefit Sharing.....	7
Exclusion List: .....	7
Annex 1: Specific Project Requirements Relating To Non-Standard Project Participants:.....	8
1    Eligible Interventions.....	8
1.1    Management Rights .....	8
2    Stakeholder Engagement.....	8
2.1    Stakeholder Analysis.....	8
2.2    Project Participants.....	9
2.3    Free, Prior and Informed Consent (FPIC) .....	10
3    Project Design.....	<b>Error! Bookmark not defined.</b>
3.1    Land Management Plans.....	<b>Error! Bookmark not defined.</b>
3.2    Benefit Sharing Mechanism.....	11
4    Governance and Administration .....	11
4.1    Governance Structure .....	11
Annex 2: Example Distribution of Plan Vivo Biodiversity Certificates (Pvbc) Income .....	12
Annex 3: Requirements For Type II Project Participants .....	13
Annex 4: Case Studies .....	14
Case Study 1 – Private Land Ownership, Kenya.....	14
Location & Background.....	14

Project Governance.....	15
Project Participants & Project Interventions .....	15
Stakeholders.....	16
Simplified Stakeholder Analysis.....	17
Benefit Sharing Mechanism .....	17
Case Study 2 – Private Estate In Scotland .....	18
Location & Background.....	18
Project Governance.....	18
Project Participants & Project Interventions .....	19
Benefit Sharing Mechanism .....	19

## GUIDANCE FOR TYPE II PROJECTS

*Project areas with more than 30% managed by Type II Project Participants: Guidance for Engaging Communities and Benefit Sharing*

### INTRODUCTION / CONTEXT

This document contains guidance for PV Nature Projects with Type II Project Participants that manage more than 30% of a given Project Area. It also has a strict exclusion list, together with advice on eligibility requirements, the benefit-sharing mechanism and two case studies (Annex 4).

The decision to explore this approach for PV Nature was made after careful consideration as it is a deviation from the approach that has been applied in Plan Vivo carbon projects for over 25 years. Two main reasons for us considering this deviation are, firstly, to broaden our impact and allow more communities to access nature markets. Due to the nature of biodiversity restoration and conservation, many of the projects approaching us are taking a landscape perspective in terms of scale and approach, for example opening up and restoring wildlife corridors. A landscape impact can be very difficult to achieve with only 30% privately or publicly owned land. Meaning that these projects would not be able to use PV Nature if we did not adapt this eligibility requirement. Secondly, building on the first point, if projects cannot access the market through PV Nature, they may through an alternative route, which may have less stringent requirements around social and environmental safeguards, FPIC process, community engagement / ownership and benefit-sharing. Thus, we believe PV Nature offers a better option whilst challenging the market to select a high-integrity approach to support these projects.

Taking this into account, we have decided to relax the 30% requirement but only allowing this in certain exceptions and with a clear position as to which projects can and cannot (see exclusion list) take this approach. For those that can, there is a high bar to what is required from them in terms of stakeholder engagement and benefit sharing, with the overall objective of making private and public land work for nature and communities yet staying aligned with the Plan Vivo approach and values.

## Project Participants Eligibility

Plan Vivo projects are managed by Project Participants who are groups of smallholders, local communities, or coalitions of landowners, where communities and/or smallholders are responsible for managing at least 70% of the Project Area. Plan Vivo requires that Project Participants (those implementing Plan Vivo projects) are residents within the Project Region and manage and use land or natural resources within the Project Region for subsistence or small-scale production. It also requires that Project Participants are not structurally dependent on year-round hired labour for their land or natural resource management activities.

## Type II Project Participant(s) managing more than 30% of the Project Area

In order to enable Plan Vivo Nature to support biodiversity restoration or conservation on large areas of land or across different land areas connected through 'biodiversity corridors' thereby enabling a greater contribution to the global biodiversity crisis, exceptions to these Project Participant requirements will be permitted under certain conditions. Aligned with Plan Vivo's values, these exceptions also provide an opportunity to make private land work for local communities. This will be achieved by local livelihoods and public interest issues being attached to the benefit-sharing mechanism.

These Type II Project Participants may include public or private landowners who **do not** consider themselves as smallholders, or coalitions of landowners and are responsible for managing more than 30% of the project area

An overview of requirements for Type II Projects and their Participants is provided in Annex 1.

## Requirements<sup>1</sup>

To be eligible *Type II* Projects and Participants must:

- Provide clarification and justification as to why *Type II Project Participants* managing more than 30% of a *Project Area* must be included in a *Project Area* and detail how it will ensure that the local community and *Local Stakeholders* will be able to actively participate in the project and fairly benefit from it.
- If appropriate, identify a local body that represents the local community to act as a *Project Participant*, in addition to the *Type II Project Participant (s)*, with whom the *Project Coordinator* must also sign an agreement (see *Annex 4* for case study examples).
- Support the *Project Coordinator* to undertake a high-quality and independent stakeholder analysis and community consultation process. This will help to identify *Local* and/or *Primary* and *Secondary Stakeholders* relevant to the *Project*, including local communities eligible to benefit. Local communities who will benefit through the *Benefit Sharing Mechanism* must be clearly identified.
- Clarify user and tenure rights of local communities, *Indigenous Peoples*, staff and tenants.
- Actively engage with *Local Stakeholders* throughout the project design and implementation process and provide transparent mechanisms for enabling feedback and raising concerns. Specifically, we require that *Local/ Primary Stakeholders* are consulted in the design of *Project Interventions*, the *Land Management Plan* and benefit sharing arrangements.
- Ensure that any land within the *Project Area* that is leased from a community group has followed an *FPIC* process.
- Comply with all other PV Nature Project Requirements.

---

<sup>1</sup> Specific Project Requirements relating to Type II Project Participants are provided in Annex 1.

## Benefit Sharing

Primary stakeholders, including local communities and *Project Participants* are entitled to receive at least 60% retail income from the sale of Plan Vivo Biodiversity Certificates (PVBCs), provided:

- It is used to deliver direct benefits to *Local* and *Primary Stakeholders* that contribute to *Community Wealth and Wellbeing* in the *Project Region*, and that there is clear accountability of how this 60% contribution is spent. This provides a catalyst to encourage private land being used for the public interest.
- *Primary stakeholders* have agreed on the distribution of the 60% through a high quality, inclusive community consultation process. Examples of costs that may be supported by participant/ community income are provided in Annex 2.

## Exclusion List:

If key criteria are not met, *Type II Project Participants* will not be eligible. These criteria are detailed below:

### ***Note that Public and Private Landowners will not be considered eligible if:***

- The *Project Area* land was purchased from a *Community Group* or more than one individual landowner within the past 10 years; or if the intention is to purchase more land (thereby concentrating land ownership) to extend the *Project Area*.
- The *Project Coordinator* is considered not to have the capacity to carry out the day day-to-day management of the PV Nature Project. Fit and proper tests are made at the discretion of the Plan Vivo Secretariat.
- A *Project* has not conducted a thorough stakeholder analysis in the *Project Region* and its surrounding area, particularly in regard to *Local Stakeholders*/ communities impacted by the *Project's* proposed *Project Interventions*.
- It is not evident that the *Project* is incorporating and benefiting local communities from the *Project region* and surrounding areas in the *Project's* design and implementation.
- A *Project* does not have independent community representation in its governance structure.
- The *Project* interventions target environmental protection through 'conservation islands' or 'fortress conservation', Plan Vivo's core values indicate that *Local Stakeholders* must actively participate and have access to nature in the *Project Region*.
- *Project's* limit access to the *Project Area* for *Local Stakeholders* and curtail their intrinsic enjoyment and sustainable engagement with nature.

## Annex 1: Specific Project Requirements Relating to Non-Standard Project Participants:

### 1 Eligible Interventions

#### 1.1 Management Rights

- 1.1.1 Where greater than 30% of the *Project Area* is managed by *Project Participants*, additional requirements apply:
  - 1.1.1.1 *Project Area(s)* whose management rights are permanently held by the *Project Participant(s)* must not have acquired the land from a *Community Group* or more than one individual landowner within the past 10 years.
  - 1.1.1.2 *Project Area(s)* whose management rights are leased to the *Project Coordinator* from a *Community Group* must demonstrate an agreement that was formed between the two parties via an *FPIC* process.

### 2 Stakeholder Engagement

#### 2.1 Stakeholder Analysis

- 2.1.1 Where greater than 30% of the *Project Area* is managed by *Type II Project Participants*, a *Stakeholder* analysis and consultation with *Local* and *Primary Stakeholders* must determine what constitutes the local community.



## 2.2 Project Participants

- 2.2.1 Project Interventions must be implemented by Project Participants that are resident within the Project Region; and who manage and use land or natural resources within the Project Region for subsistence or small-scale production.
- 2.2.2 Project Participants must not be structurally dependent on year-round hired labour for their land or natural resource management activities.
- 2.2.3 *Project Participants* that do not meet requirements 2.3.1 and/or 2.3.2 (defined as *Type II Project Participants*) can only be included if:
- i) the *Project Areas* they own or manage were not acquired from smallholder or *Community Groups* for the purpose of inclusion in the *Project*;
  - ii) they have clear benefits to the *Project Region* and *Local Stakeholders*, for example by increasing ecological connectivity (valid justification must be provided); and
  - iii) they meet all other Project Requirements and additional requirements for *Type II Project Participants*.
- 2.2.4 Where greater than 30% of the *Project Area* is managed by *Type II Project Participants*, additional requirements apply:
- 2.2.4.1 *Project Interventions* must be implemented by *Project Participants* through consultation and where appropriate active participation with *Local* and *Primary Stakeholders*, in consideration of land ownership, land management and natural resources within the *Project Region*.
- 2.2.4.2 *Project Participants* should primarily be resident in the *Project Region* or country. Where this is not possible, valid justification must be provided.

## Guidance

- Justification provided for requirements 2.3.3 and 2.3.6.2 should clarify why *Local Stakeholders* are not able to be *Project Participants*, why the proposed *Project Participant* model is in the interest of *Local Stakeholders*, and how it will ensure that *Local Stakeholders* will benefit (in line with the Plan Vivo 60% *Benefit Sharing Mechanism*). It must also be clear how *Project Participants* will engage with *Local Stakeholders* throughout the project design and implementation process (see Sections 2.4 to 2.6).
- *Type II Participants* are participants who do not reside within the *Project Area*, do not manage land or natural resources within the *Project Area* for small-scale production, or are structurally dependent on year-round hired labour for their land or natural resource management activities. *Type II Project Participants* will be permitted on an individual *Project* basis and are required to meet additional requirements. These *Projects* will be permitted when aligned with Plan Vivo's values and, also provide an opportunity to make private land work for local communities. This will be achieved by improving local livelihoods and public interest issues being attached to the *Benefit Sharing Mechanism*.

## 2.3 Free, Prior and Informed Consent (FPIC)

- |         |  |
|---------|--|
| 2.3.1   | Where greater than 30% of the <i>Project Area</i> is managed by <i>Type II Project Participants</i> , additional requirements apply:   |
| 2.3.1.1 | <i>Projects</i> must follow an <i>FPIC</i> process with local communities and conduct a stakeholder engagement process with <i>Local</i> and <i>Primary Stakeholders</i> that are impacted by the <i>Project</i> but are not included as <i>Project Participants</i> . |

## 3 Project Design

### 3.1 Land Management Plans

- |         |  |
|---------|--|
| 3.1.1   | Where greater than 30% of the <i>Project Area</i> is managed by <i>Type II Project Participants</i> , additional requirements apply: |
| 3.1.1.1 | Project Participants must develop a Land Management Plan through consultation with Local and Primary Stakeholders.                   |

## 3.2 Benefit Sharing Mechanism

- 3.2.1 Where greater than 30% of the *Project Area* is managed by *Type II Project Participants*, additional requirements apply:
- 3.2.1.1 *Local* and *Primary Stakeholders* must agree on the distribution of the 60% contribution to *Community Wealth and Wellbeing*, based on the priorities and needs identified through a high quality and inclusive community consultation process.
- 3.2.1.2 At least 60% of income from the sale of *PVBCs*, after payment of any charges, taxes or similar fees levied by the host country or investment body, must directly benefit the *Local* and *Primary Stakeholders* and contribute to *Community Wealth and Wellbeing* in the *Project Region(s)*.
- 3.2.1.3 *Project Participants* and *Project Coordinators* must be fully transparent and accountable regarding the spending of funds allocated to *Community Wealth and Wellbeing*.

## 4 Governance and Administration

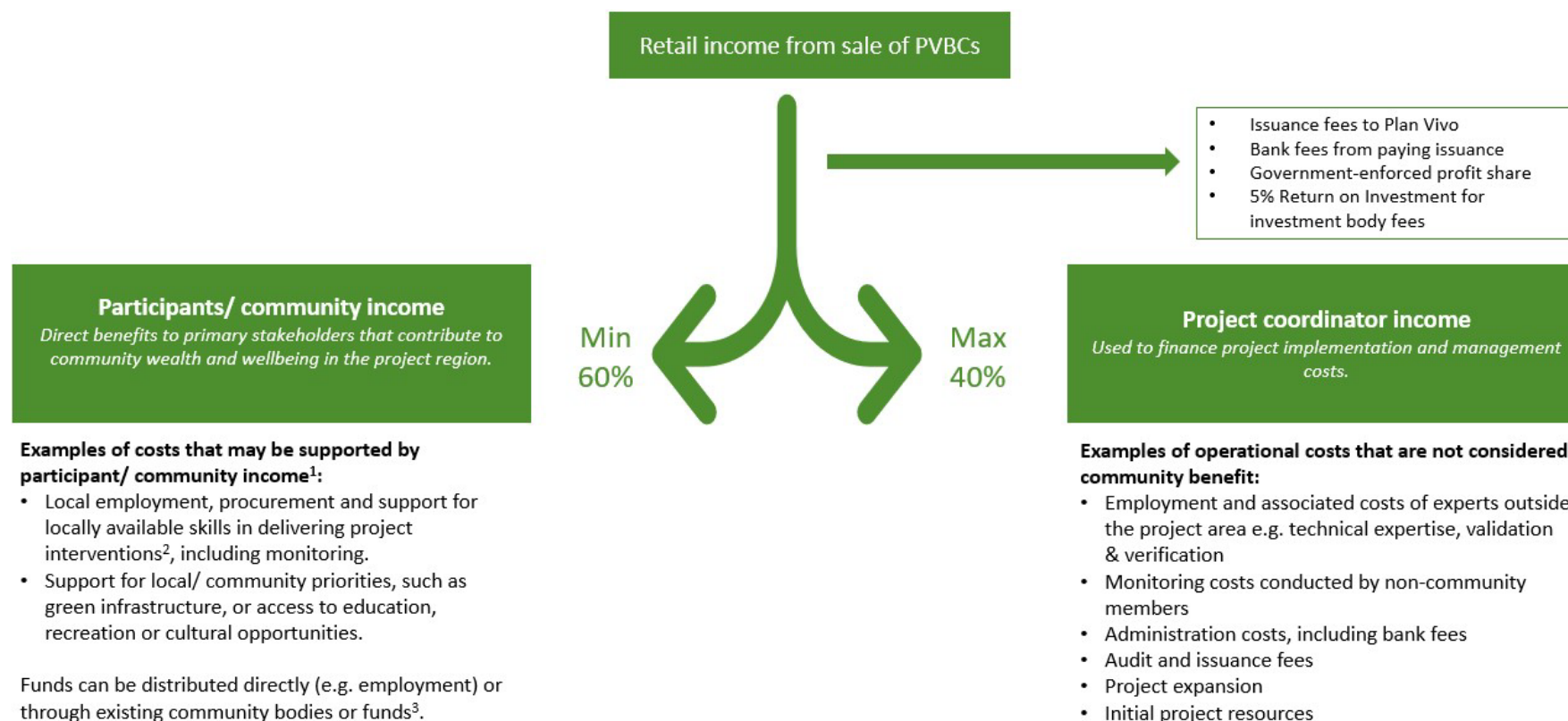
### 4.1 Governance Structure

- 4.1.1 Where greater than 30% of the *Project Area* is managed by *Type II Project Participants*, Projects must identify a local body that represents the local community to act as a *Project Participant*, in addition to the *Type II Project Participant*, whom the *Project Coordinator* must also sign an agreement with.

#### **Guidance**

- Where greater than 30% of the *Project Area* is managed by *Type II Project Participants*, we recommend that a formal institutional structure is established through which different *Stakeholders*, including the local community body, are represented and through which key discussions and decision-making can take place and be recorded.

## Annex 2: Example Distribution of Plan Vivo Biodiversity Certificates (Pvbc) Income



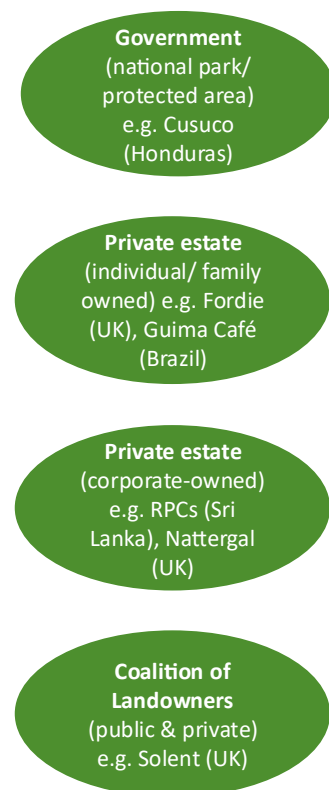
<sup>1</sup> Note that these are examples only. We recognise that every community is different, as are the needs and priorities that they would like the project to support. Primary stakeholders must agree on the distribution of the 60% through a high quality, inclusive community consultation process.

<sup>2</sup> Where skills or expertise are not available locally, this can include creation of new 'fair' locally-based jobs.

<sup>3</sup> Where a community fund or representative body does not exist, the project coordinator may have to support the establishment of an appropriate mechanism for channelling funds.

## Annex 3: Requirements For Type II Project Participants

### Type II Project Participants



### Pre-screening

Project not excluded

#### Project excluded on the basis of:

- Land recently acquired from smallholders or community groups
- No local community beneficiaries
- Part of a scheme resulting in concentrated land ownership
- No independent community representation in the governance structure
- Coordinator fails fit and proper test
- Targeting biodiversity impact through conservation islands
- Limiting access to the project area for local stakeholders

Not eligible

### Additional requirements

#### Stakeholder Analysis:

Identify Primary Stakeholders including local communities and indigenous peoples

#### Clarify user and tenure rights of

local communities, indigenous peoples, staff and tenants

#### Community representation:

Identify Project Participant to represent local community/ stakeholders

**Stakeholder Consultation** events with Primary Stakeholders, including local community on:

- Project interventions
  - Land Management Plan
  - Benefit Sharing
- Facilitated by external community animator*

#### Stakeholder Agreement:

Formal agreement with Primary Stakeholders, including local community on the above.  
Feedback and grievance mechanisms also established

### Benefit Sharing

**Primary stakeholders, including local communities and Project Participants are entitled to receive at least 60% retail income from the sale of PVBCs, provided:**

- It is used to deliver direct benefits to primary stakeholders that contributes to community wealth and wellbeing in the project region.
- Primary stakeholders have agreed on the distribution of the 60% through a high quality, inclusive community consultation process.

Examples of costs that may be supported by participant/ community income include:

- Local employment, procurement and support for locally available skills in delivering project interventions, including monitoring costs, and/ or
- Support for local/ community priorities such as green infrastructure, or access to education, recreation or cultural opportunities.

Subject to audit and review

## Annex 4: Case Studies

The following examples are hypothetical and have been created as guidance for prospective projects.

### Case Study 1 – Private Land Ownership, Kenya

#### Location & Background

The Enarau Conservancy (EC) was established in the Maasai Mara, Kenya, in 2022 under the Wildlife Conservation and Management Act 2013, which aims to expand wildlife conservation areas by protecting existing vegetation, and critically threatened habitats and restoring abandoned farmland. The EC is located within the Northern Mara conservancies, north of Enonkishu conservancy and bordering the newly formed Mbokishi conservancy to the northeast. The EC spans 1,285 ha, with the potential to expand to 4,050 ha if lease funds are made available.

The area is rich in vegetation and has diverse habitats including grasslands, forests, a 21-acre marsh spot, and a natural spring that has mineral-rich water throughout the year, creating a stream that discharges water to Mara river. A permanent spring is located in the conservancy's core, and two other springs can be found along the wildlife corridor. The vegetation is dominated by diverse plant species of *Vachelia*, *Euclea Divinorum*, *Olea europaea*, and *Diospyros abyssinica* forming a suitable habitat for birds, butterflies, herpetofauna, and small and big mammals. The neighbouring area is dominated by small-scale farmers, with the Kalenjin community practicing both livestock rearing and crop farming while the Maa community practices pastoralism.

Until recently, Enarau Conservancy has been a key livestock foraging area, with the local communities grazing their livestock freely. The community has also been collecting firewood and indigenous vegetables from the Enarau Conservancy. Going forward, a conservancy grazing plan has been implemented, which calls for rotational grazing in different blocks at different times of the year. A section of Enarau Conservancy, 336 acres, has been under intensive farming which stopped a year ago. The 336 acres have been privately leased for the purpose of restoration, scientific research, and is now one of the Centre for Ecosystem Restoration Kenya (CER-K) sites in the Savanna, Maasai Mara. Moreover, an additional 737 ha of the 880 ha will also be leased, along with 405 ha of a critical wildlife corridor that connects Enarau conservancy to the Mbokishi conservation area.

The project seeks to explore the benefits of biodiversity certificates to fund the community benefits and are in competition with investors who want to lease the land from Maasai landowners for farming/ cultivation instead of conservation. There is also a risk of falling into the tourism trap which could result in a single person making a large profit without having a fair benefit sharing mechanism in place for the local communities.

## Project Governance

The EC is collectively owned by 10-11 private landowners from the local Maa community. These landowners have elected an independent Trust who will lease the land (1,285 ha) from them in order to deliver conservation objectives and provide a steady income to the landowners and surrounding communities. Through the governance of the trust, the landowners will need to stop agricultural practices and bring wildlife fences down, however there will still be access to the land where they can graze their livestock on a controlled basis through a rotational grazing plan.

## Project Participants & Project Interventions

The Conservancy employs nine people. The project will be implemented by Francis Muli, the conservancy manager, a community liaison officer, five rangers, two researcher assistants, and a native tree nursery attendant from the local community and near by town (Narok).

The initiative to establish Enarau conservancy as a fully functioning wildlife conservancy requires the following interventions:

- Establishment of regular income streams to ensure that leases on the 1,285 ha can be secured for 20-25 years (as is the case with other Mara conservancies). Tourism is not currently an income source for Enarau Conservancy, in contrast to other established conservancies in the Mara landscape that rely on tourism revenue to pay for leases.
- Establishment of a rotational grazing scheme to ensure healthy livestock, which will continue to be a major source of income for conservancy members. As vegetation recovers and becomes healthier, this can also improve wildlife health and density.
- Continued reduction of the continued threat of charcoal burning, fire outbreaks, bush meat hunting, and illegal logging.
- Removal of fences in the proposed wildlife corridor, enabling free movement of wildlife from the Mbokishi to Enarau. This will enhance the traditional wildlife movement from Serengeti National Park through the Maasai Mara to the northern Mara Conservancies which Enarau is part of.

- Building essential infrastructure to execute the planned ‘restoration, research and conservation’ including spring rehabilitation, establishing a tree nursery, establishing long-term monitoring plots, setting up monitoring methodologies like line transects, quadrats, camera traps, etc. Creation of a community fund (ideally from the sale of PVBCs) to provide additional benefits to the local community, both inside and outside the conservation area, such as health programs, clean and safe water projects, education, and sustainable livelihoods programs.

## Stakeholders

<i>Local Stakeholders</i>	<i>Primary Stakeholders</i>
<ul style="list-style-type: none"> <li>• Kalenjin Community</li> <li>• Maa Community               <ul style="list-style-type: none"> <li>○ These two communities constitute approx. 5000-10,000 people</li> </ul> </li> <li>• Maasai Private Landowners (10-11 owners)</li> </ul>	<ul style="list-style-type: none"> <li>• Kalenjin Community</li> <li>• Maa Community               <ul style="list-style-type: none"> <li>○ These two communities constitute approx. 5000-10,000 people Maasai Private Landowners (10-11 owners)</li> </ul> </li> <li>• The Maa Trust</li> <li>• The Enarau Conservancy Community Based Organization, to be upgraded to Enarau Conservancy Trust</li> <li>• Neil Anthony (Private Leaseholder)</li> </ul>
<i>Secondary Stakeholders</i>	
<ul style="list-style-type: none"> <li>• Centre for Ecosystem Restoration, Kenya (CER-K)</li> <li>• Other Northern Mara Conservancies (neighbouring) conservancies and the landowners</li> <li>• Maasai Mara Wildlife Conservancies Association (MMWCA)</li> <li>• Kenya Wildlife Service (KWS)</li> <li>• Scientific institutions -Smithsonian</li> </ul>	



## Simplified Stakeholder Analysis

Stakeholder(s)	Stake/ major objective	Potential positive impacts/ benefits of project	Potential negative impacts/ costs of project
Conservancy/ Landowner	Biodiversity Tourism income	Income to support long-term conservation	Effect on reputation if project fails
Local Communities	Livelihoods Traditional practices	Long-term rights Income for sustainable management	Loss of farmland & traditional sources of food & income
Ministry of Environment	Biodiversity Water quality	Restoration of critical habitats & wildlife Landscape impacts	Encroachment of neighbouring Conservation Area
Ministry of Home Affairs	Water security Civil peace	Water security Indigenous peoples' rights protected	Conflict between landowners and rights holders
Scientific Research Body	Research	Learning to support effective restoration	Complexity of multiple partners

## Benefit Sharing Mechanism

Credits will go to a newly establish Community Fund to provide community benefits and allow scaling up. The Community Fund will be managed by a newly formed Community Trust that is elected, managed, and governed by members of the local communities.

The EC already has a developing “Community Plan” which requires funding to support these actions:

- Water rehabilitation, Natural water springs restoration
- Improved health resources and accessibility
- Education
- Long-term livelihood options- Including community owned and controlled tourism revenue and employment
- Rotational grazing plan

## Case Study 2 – Private Estate in Scotland

### Location & Background

The owner of a large estate in the Scottish Highlands wishes to implement a project to restore native woodland on their estate at a landscape scale, encouraging re-establishment of native fauna and flora, as well as introducing land management practices more conducive to its long-term health and permanence. The project area currently consists of open landscapes, including grassland and heathland, forestry and small fragments of native woodland. Large parts of the landscape are degraded, and biodiversity has been negatively impacted by burning (muirburn) and intensive sheep grazing. Certification through PV Nature will bring much-needed income to enable this to happen.

### Project Governance

The primary stakeholder and project participant is the estate owner, who is also acting as the project coordinator. A stakeholder analysis conducted by an independent community representative, identified that the project's other primary stakeholders include estate staff, estate tenants and local stakeholders who are impacted by the project's interventions. A power analysis (see

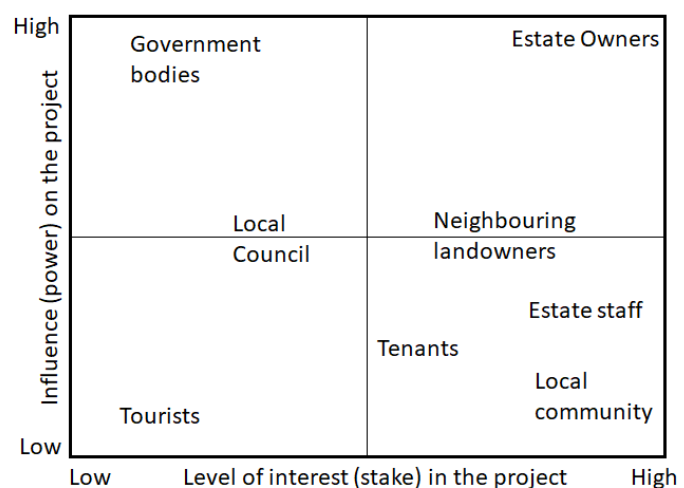


figure above) identified that different stakeholders will have different influence over the project and that some stakeholders with a strong interest and low influence may need support to participate in the process. A committee of local stakeholders has therefore been established comprising representatives from the local village and neighbouring estates. The committee is being supported by Nature Scot (for technical guidance) and a community representative. The project also has in place a robust grievance mechanism.

This governance structure helps to ensure that the Estate owner, local community and key stakeholders are effectively supported in developing project interventions. Benefit sharing arrangements also reflect priorities for nature and people in the longer term.

## Project Participants & Project Interventions

The Estate has an experienced team of ecologists who form part of the estate's staff and will be largely responsible for the project's interventions. Where possible the project also hopes to involve interested local stakeholders in the project's interventions, for example through providing training in woodland maintenance, planting and biodiversity surveys as well as creating training opportunities for some local stakeholders to support monitoring activities. It will also support environmental education at the local school, as requested by the community through the stakeholder committee.

## Benefit Sharing Mechanism

In alignment with PV Nature requirements, 60% of the money generated by the issuance of Plan Vivo Biodiversity Credits (PVBCs) should be used for the overarching nature positive and public interest objectives within the project region. In this example, the benefit sharing mechanism could support local employment and procurement, through harnessing locally available skills in delivering the project's interventions. In addition, it could also support local/ community priorities such as access to education, recreation or cultural opportunities. **Distribution of the 60% funds would need to be agreed with the primary/ local stakeholders through a consultation and participatory process.**