

# The Plan Vivo Standard

for Community Payments for Ecosystem Services Programmes



Plan Vivo

Improving livelihoods, restoring ecosystems

# People and livelihoods

Ethical climate services

# Ecosystems

Watersheds

**PES**

Native species

# Biodiversity

Adaptation

Poverty Reduction

Community Rights

# Participation

Transparency

Habitats

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## Acknowledgements

Development of the Plan Vivo Standard is driven by the needs and priorities of its stakeholders, and acknowledges the input of all Plan Vivo project coordinators, developers, and supporters of Plan Vivo projects in driving the development of the standard.

The Plan Vivo Foundation gratefully acknowledges the support of the Waterloo Foundation during the development of this version of the Plan Vivo Standard and its supporting procedures and guidance.

## Version control

This is the 2013 version of the Plan Vivo Standard. This version supersedes all previous versions of the Plan Vivo Standard.

## Accessing more information

If you are interested in developing a Plan Vivo project or think your existing activities could be eligible for registration under the Plan Vivo Standard, it is advisable to contact the Plan Vivo Foundation to discuss whether the Plan Vivo Standard is appropriate for the project.

The Plan Vivo Standard and other supporting materials can be accessed via the Plan Vivo website ([www.planvivo.org](http://www.planvivo.org)), or by contacting the Plan Vivo Foundation.

## Contact the Plan Vivo Foundation

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*The Plan Vivo Foundation is a registered Scottish charity, number SC040151*

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## What is the Plan Vivo Standard?

The Plan Vivo Standard is a certification framework for community-based Payments for Ecosystem Services (PES) programmes supporting rural smallholders and community groups with improved natural resource management. The standard is designed to ensure that Plan Vivo projects benefit livelihoods, enhance ecosystems and protect biodiversity. Plan Vivo provides a framework for the equitable transaction of ecosystem services with communities and enables access to a range of funding sources and markets for ecosystem services, including voluntary carbon credits.

Organisations should consider using the Plan Vivo Standard if they plan to work with rural smallholders and community groups to enhance ecosystems through improved natural resource management.

### Meaningful participation and ownership by rural communities

The Plan Vivo Standard is designed to provide a framework for working with rural smallholders and communities who are dependent on the management of natural resources for their livelihoods and wellbeing, and supporting them by introducing activities to improve natural resource management and livelihoods. Projects may be located in any country, although the standard and guidance are tailored for projects working with resource-poor rural communities and aim to reduce rural poverty by integrating ecosystem management and livelihood development. The model requires active participation and ownership of activities by communities – where participating smallholders and groups take a leading role in the production and implementation of their own land management plan or ‘*plan vivo*’, according to their needs and priorities. *Plan vivos* are the building blocks of projects and are the basis of Payments for Ecosystem Services Agreements through which communities commit to undertake and manage activities, and receive staged payments and support in exchange.

### A landscape and ecosystem services approach

The Plan Vivo Standard provides a broad framework through which projects can undertake a wide range of land management and livelihood development activities, working with multiple communities across landscapes. Project interventions may include any improved land management activities that can generate demonstrable ecosystem service benefits, improve the livelihoods of participants and maintain or enhance biodiversity.

Plan Vivo projects follow a ‘whole landscape’ approach; with multiple participants and potentially also a range of different project interventions within each project, depending on the needs and priorities of the communities involved. Projects can be made up of a single area or many separate project areas, e.g. many smallholdings across a landscape, and can scale up over time. Many projects scale-up gradually to include more smallholders/ community groups as the project coordinator develops experience and resources to support more participants. Up-scaling may also create economies of scale in project implementation, contributing to the long-term sustainability of projects.

No Plan Vivo projects need be the same in their aims, context or design. The Plan Vivo Standard allows for projects to be designed to suit local circumstances including geographic, socioeconomic and legal differences, while generating benefits that are comparable among projects.

### Certification of ecosystem services

Ecosystem services are the benefits people obtain from ecosystems. These include provisioning services such as supply of food and water; regulating services such as climate regulation, flood and disease control; cultural services such as spiritual, recreational, and cultural benefits; and supporting services, such as nutrient cycling, that maintain the conditions for life on Earth. The Plan Vivo standard can be used in a range of PES schemes, including:

- Payments for Carbon Sequestration or Greenhouse Gas Emissions Reductions - 'climate services'
- Payments for Watershed Services
- Payments for Biodiversity Conservation or Enhancement
- Payments for other ecosystem services including for preservation of scenic beauty or other cultural services, e.g. as part of an ecotourism scheme
- Payments for 'Bundled Services': if multiple services are being quantified and monitored, or if quantification of one service, e.g. carbon sequestration is used as a proxy to transact and monitor delivery of other ecosystem services

Projects are encouraged to adopt or develop metrics to fit their circumstances, within the boundaries set by the standard, building on existing methods and approaches where appropriate.

NB The protection of, or provision of, biodiversity is often characterised as one of a variety of ecosystem services. Maintenance of biodiversity is arguably better understood as an overarching requirement for all ecosystem services in that biodiversity is a prerequisite for healthy ecosystems which provide a range of ecosystem services. Because of this, regardless of the focus of the PES scheme, Plan Vivo project interventions must be designed in a way that maintains or enhances biodiversity. Despite this important distinction, some Plan Vivo PES schemes may wish to organise the project and PES transactions, and the corresponding access to funding that is primarily aligned to delivering biodiversity conservation – meaning it is best described as a biodiversity services project.

### Funding PES: market and non-market approaches

Projects can use the Plan Vivo Standard to access markets for ecosystem services, including the voluntary carbon market by selling Plan Vivo Certificates, or markets for 'non-carbon' ecosystem services such as watershed or biodiversity services.

Quantifying and monitoring carbon or 'climate services', in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e), enables projects to generate **Plan Vivo Certificates**, representing Verifiable Emissions Reductions (VERs), which are issued into an online registry. Plan Vivo Certificates can be purchased by buyers as part of their action to address climate change, and to compensate for their environmental footprint. However, this should in no way discourage buyers from important simultaneous efforts to reduce their footprint.

Plan Vivo projects may also seek to access funding through sources such as donor programmes, Corporate Social Responsibility funding or supply chain security programmes.

**In all cases, Plan Vivo certification demonstrates good project design, good governance, improvement of rural livelihoods, and delivery of ecosystem services on an ongoing basis.**

Projects generating Plan Vivo Certificates for climate services must meet additional requirements. Projects not generating Plan Vivo Certificates can opt not to apply these requirements. The core standard requirements ensure a robust measure of the ecosystem service benefits of the project. All projects are subjected to periodic monitoring by the Plan Vivo Foundation. Additional requirements are applied where the project wishes to generate Plan Vivo Certificates for climate services, which are designed to ensure their usability as VERs. For example the requirement to hold a *risk buffer*, designed to provide additional assurances to VER buyers in case of unexpected losses of carbon stocks in a project. Projects may choose to apply the additional requirements in a non-market context, when required by a donor for example, but the assurances provided through these requirements are designed with the voluntary carbon market in mind.

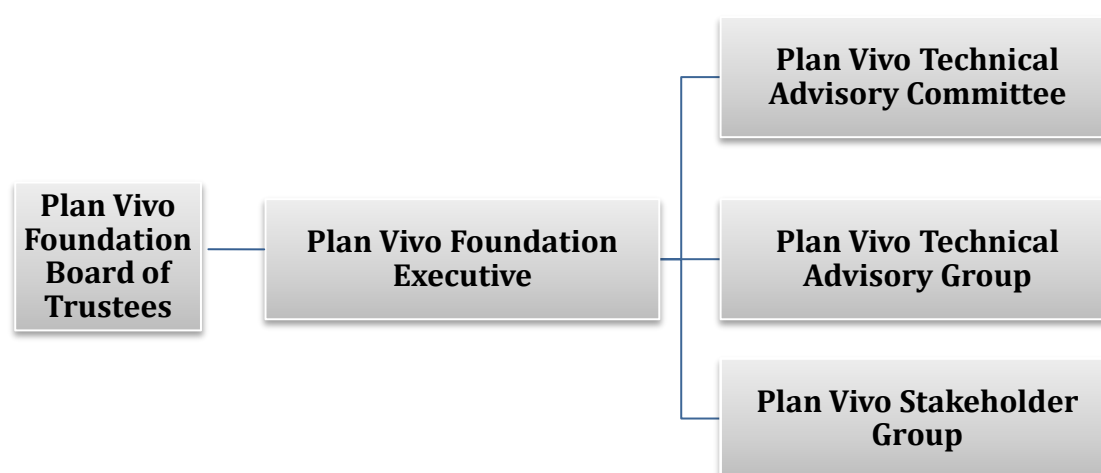
## Plan Vivo Principles

Development of the Plan Vivo Standard is guided by the following principles:

1. **Projects directly engage and benefit smallholders and community groups**
2. **Projects generate ecosystem service benefits and maintain or enhance biodiversity**
3. **Projects are managed with transparency and accountability, engagement of relevant stakeholders, and in compliance with the law**
4. **Projects demonstrate community ownership - communities participate meaningfully through the design and implementation of *plan vivos* (land management plans) that address local needs and priorities**
5. **Projects generate real and additional ecosystem service benefits that are demonstrated with credible quantification and monitoring**
6. **Projects manage risks effectively throughout their design and implementation**
7. **Projects demonstrate positive livelihood and socioeconomic impacts**
8. **Projects share benefits equitably and transact ecosystem service benefits through clear PES agreements with performance-based incentives**

## Governance of the standard

The governance structure of the Plan Vivo Standard involves the following bodies and groups:



### Plan Vivo Foundation

The Plan Vivo Foundation is the governing body for the Plan Vivo Standard. It is a company limited by guarantee and registered as a charity in Scotland (SC040151). It is governed by a Board of Trustees, with day-to-day functions delegated to the Executive including:

- Developing the Plan Vivo Standard in consultation with stakeholders
- Issuing Plan Vivo Certificates in respect of climate services generated
- Certification and registration of projects as meeting requirements of the Plan Vivo Standard

- Periodic monitoring of certified Plan Vivo projects
- Coordinating the review of technical specifications and approaches
- Approving objective third party reviewers for independent validation and verification
- Disseminating information about the Plan Vivo Standard and projects
- Supporting development of new Plan Vivo projects

### **Board of Trustees**

All amendments to the Plan Vivo Standard are approved by the Board of Trustees. The Board is constituted to include expertise in community land use and livelihood development, business administration, climate change, ecosystem services, and commodities. The Board meets a minimum of four times per year.

### **Plan Vivo Technical Advisory Committee**

The Plan Vivo Technical Advisory Committee (TAC) supports the Plan Vivo Foundation on technical issues and considering views of the broader Technical Advisory Group. The Committee meets no less than twice per year.

### **Plan Vivo Technical Advisory Group**

The Plan Vivo Technical Advisory Group is composed of a wide group of experts in community forestry, quantification of carbon and other ecosystem services, and development of rural conservation and livelihood programmes. The Group provides a pool of peer reviewers for technical specifications, and a forum of discussion and input into technical aspects of the Plan Vivo Standard.

### **Plan Vivo Stakeholder Group**

Stakeholder input is crucial to the continued development of the Plan Vivo Standard. Project coordinators, purchasers of Plan Vivo Certificates and other interested parties form the 'Stakeholder Group' (not a legally constituted group). The Group feeds into the consultation process to ensure that the Plan Vivo Standard continues to meet the needs of those who use or have a stake in it.

## **Guidance on using the standard**

The Plan Vivo Standard is supplemented by the following core documents:

- **Plan Vivo Guidance Manual:** practical guidance for projects
- **Plan Vivo Procedures Manual:** procedures for the registration and oversight of projects, approval of methodologies and issuance of Plan Vivo Certificates

These documents can be accessed on the Plan Vivo website ([www.planvivo.org](http://www.planvivo.org)), or by contacting the Plan Vivo Foundation.

The Plan Vivo Standard includes multiple requirements for projects to set out information and document project processes and progress. Unless otherwise specified, it should be assumed that this information must be included in the Project Design Document (PDD), the primary document setting out the project plans. The PDD is used to assess a project's compliance with the Plan Vivo Standard in combination with at least one field visit. It is recognised that project information will be set out in multiple places including as contracts and other legal documents, monitoring plans and other technical documents. Where it is not practical to reproduce information in the PDD it should be made clear, through

referencing or Annexes, from where the information can be accessed. A PDD template is provided by the Plan Vivo Foundation.

## **Transition to new version**

The Plan Vivo Standard 2013 supersedes all earlier versions of the Plan Vivo Standard. Projects may still be validated under the 2008 version of the Plan Vivo Standard where they have an existing Project Idea Note (PIN) submitted or alternatively submit a PIN within 2 months of release of the standard. Projects validated against the 2008 version can continue to be verified against it, or may opt to be verified against the 2013 version. Projects seeking guidance on migrating to the 2013 version should contact the Plan Vivo Foundation.

# Requirements

## 1. Eligible project intervention areas and participants

### Principle: Projects directly engage and benefit smallholders and community groups

- 1.1. *Project interventions* must take place on land where *smallholders* and/or *community groups* (collectively known as '*participants*') have clear, stable *land tenure*, either via ownership, or *user rights* that enable them to commit to project interventions for the duration of the PES Agreement.
- 1.2. Land that is not owned by or subject to user rights of smallholders or communities may be included in the project area if it meets all of the requirements below:
  - 1.2.1. It represents less than a third of the project area at all times
  - 1.2.2. No part of the area was acquired by a third party from smallholders or community groups for the purpose of inclusion in the project
  - 1.2.3. Its inclusion will have clear benefits to the project by creating landscape level ecosystem benefits such as biodiversity corridors, by making the project more economically viable, or by enabling surrounding communities to benefit
  - 1.2.4. There is an executed agreement between the owners/managers of such land and participants regarding the management of the area consistent with these requirements

## 2. Eligible project activities

**Principle: Projects generate ecosystem service benefits and maintain or enhance biodiversity**

2.1. Projects must generate ecosystem service benefits through one or more of the following project intervention types:

### 2.1.1. *Ecosystem restoration*

**Ecosystem restoration:** The process of assisting or allowing the recovery of an ecosystem which has been degraded, damaged or destroyed by re-establishing the structure, productivity and species diversity originally present in the area.

**For example:** restoring a degraded forest by planting or/and seeding, or through assisted natural regeneration processes to recreate the natural ecosystem and species composition.

### 2.1.2. *Ecosystem rehabilitation*

**Ecosystem rehabilitation:** The process of assisting the recovery of an ecosystem that has been degraded, damaged or destroyed through the reparation of ecosystem processes, productivity and services, but without re-establishing the pre-existing species composition and structure.

**For example:** inter-planting *naturalised tree species* on degraded agricultural land to restore soil functions.

### 2.1.3. *Prevention of ecosystem conversion or ecosystem degradation*

**Prevention of ecosystem conversion:** Preventing the conversion of an ecosystem to another use.

**For example:** prevention of conversion of a forest ecosystem to farmland through Reducing Emissions from Deforestation and Forest Degradation (REDD+) activities.

**Prevention of ecosystem degradation:** Preventing the gradual or persistent process of loss of capacity of an ecosystem to provide ecosystem services.

**For example:** prevention of degradation of grasslands through changing grazing practices or management activities.

### 2.1.4. *Improved land use management*

**Improved land use management:** Improving land use and land use management activities to increase the provision of ecosystem services, e.g. reduce greenhouse gas (GHG) emissions and/or increase carbon stocks.

**For example:** improved agricultural land management practices such as non-burning of in-field residues or no/minimum till agriculture.

- 2.2. *Project interventions* must be designed to maintain or enhance *biodiversity* and any threats to biodiversity caused by the project intervention must be identified and mitigated.
- 2.3. Project interventions must not lead to any negative environmental impacts, e.g. soil erosion or reduction of water quality.
- 2.4. Any trees planted to generate *ecosystem services* must be *native* or *naturalised* species, and must not be *invasive*. *Naturalised species* must only be planted if:
  - 2.4.1. There are *livelihood* benefits that make the use of the species preferable to any alternative *native species*; AND
  - 2.4.2. Use of the species will not have a negative impact on biodiversity or the provision of key ecosystem services in the project and surrounding areas.

### 3. Project coordination and management

**Principle: Projects are managed with transparency and accountability, engagement of relevant stakeholders, and in compliance with the law**

**Background:** The role of the *project coordinator* in a Plan Vivo project is critical to its success. PES schemes, particularly where they involve multiple buyers/funders and multiple land-users, require a strong intermediary institution with a clear organisational structure, ability for sound, transparent record keeping and long-term community support functions.

**Coordinating functions that need to be fulfilled in a typical Plan Vivo project include:**

**Administrative, financial, legal/contractual**

- Keeping records of *plan vivos*, PES agreements, monitoring results
- Managing project finance and administering payments (PES)
- Managing Plan Vivo Certificates in the Plan Vivo registry
- Reporting to the Plan Vivo Foundation and coordinating *validation* and *verification*
- Securing donor funds and/or income from sale of ecosystem services to make PES payments

**Technical**

- Designing land use activities with communities and developing technical specifications including quantification of climate services
- Assisting development of and evaluating *plan vivos* by participants
- Monitoring participants' progress and providing ongoing technical support

**Social**

- Advising on the engagement of target communities, e.g. assessing local capacity, identifying local conflicts or issues
- Assisting participants in providing evidence of or establishing land tenure
- Conducting workshops with groups, discussing and communicating project requirements and payment mechanisms, addressing disputes or tensions

#### Requirements

- 3.1. There must be an established legal entity acting as project coordinator that takes overall responsibility for the project, and meeting the requirements of the Plan Vivo Standard for its duration.
- 3.2. If coordinating functions are delegated or shared between the project coordinator and another body or bodies, the responsibilities of each body must be clearly defined and formalised in a written agreement, e.g. Memorandum of Understanding, which must be kept up-to-date as the project progresses.
- 3.3. Where certification is of *ex-ante* nature, the project coordinator and/or the organization(s) with shared responsibility must undertake the responsibility of conducting long term monitoring to ensure that ecosystem service benefits are delivered.

- 3.4. The project coordinator must have the capacity to support participants in the design of project interventions, select appropriate participants for inclusion in the project, and develop effective participatory relationships including providing ongoing support as required to sustain the project.
- 3.5. The project coordinator must have the legal and administrative capacity to enter into *PES agreements* with participants and to manage the disbursement of payments for ecosystem services.
- 3.6. The project coordinator must undertake a stakeholder analysis to identify key communities, organisations, and local and national authorities that are likely to be affected by or have a stake in the project. This project coordinator must take appropriate steps to inform them about the project and seek their views, and secure approval where necessary.
- 3.7. Relevant local, national or international laws and regulations that impact on the project design and management must be identified by the project coordinator and documented including, how the project design has taken them into account to ensure compliance with the law.
- 3.8. The project coordinator must assist participants to identify and secure any legal or regulatory permissions required to carry out project interventions, e.g. authorisation or a license for a community forest management plan from the local authority).
- 3.9. A transparent mechanism and procedures for the receipt, holding and disbursement of PES funds must be defined and applied, with funds intended for PES earmarked and managed through an account established for this sole purpose, separate to the project coordinator's general operational finances.
- 3.10. A project budget and financial plan must be developed by the project coordinator and updated at least every three months, including documentation of operational costs and PES disbursed, and funding received, demonstrating how adequate funds to sustain the project have been or will be secured.
- 3.11. The project coordinator must keep records of all *plan vivos* submitted by participants, PES agreements, monitoring results and all PES disbursed to participants.
- 3.12. Project records kept under requirements 3.10 and 3.11 must be backed up regularly (at least every 3 months unless there has been no activity) and held in an independent location from the primary source, to protect against data loss.
- 3.13. Community members, including women and members of *marginalised groups*, must be given an equal opportunity to fill *employment* positions in the project where job requirements are met or for roles where they can be cost-effectively trained.

- 3.14. Where participants or other community members are given employment opportunities through the project, the project coordinator must identify relevant laws and regulations covering workers' rights in the host country and ensure the employment arrangements meet or exceed those requirements.
- 3.15. Persons employed as part of the project must not be below the age of 15.
- 3.16. If coordinating functions are to be transferred at any time, it requires the approval of the Plan Vivo Foundation. For this, in addition to the new project coordinator meeting all requirements set out in this document, a plan for execution of transfer needs to be submitted, which sets out how the transfer will be managed, including by providing necessary capacity building for new organization(s) and by gaining support of stakeholders including participating communities.

## 4. Participatory design and development of *plan vivos*

**Principle: Projects demonstrate community ownership - communities participate meaningfully through the design and implementation of *plan vivos* (land management plans) that address local needs and priorities**

### Definitions:

**Plan vivo** - An electronic or handwritten spatial land management plan, voluntarily produced and owned by a community, community sub-group or individual smallholder, which can form the basis of an agreement to provide payments or other forms of assistance for ecosystem services. A *plan vivo* shows what project interventions are to be undertaken including scale, timing, and location, and records land uses and significant features, e.g. roads, water bodies, crops, in immediate proximity to the *project intervention areas*.

### Requirements:

- 4.1. A voluntary and *participatory planning* process must take place to identify project interventions that address local needs and priorities and inform the development of technical specifications, taking into consideration:
  - 4.1.1. Local livelihood needs and opportunities to improve existing or diversify livelihoods and incomes
  - 4.1.2. Local customs
  - 4.1.3. Land availability
  - 4.1.4. *Food security*
  - 4.1.5. Land tenure
  - 4.1.6. Practical and resource implications for participation of different groups including marginalised groups
  - 4.1.7. Opportunities to enhance biodiversity including through the use of native species
- 4.2. Smallholders or community groups must not be excluded from participation in the project on the basis of gender, age, income or social status, ethnicity or religion, or any other discriminatory basis.
- 4.3. Barriers to participation in the project must be identified and reasonable measures taken to encourage participation of those who experience barriers.
- 4.4. Community groups participating in the project must have a governance structure in place whereby they have the capacity to develop a *plan vivo* collectively and make a decision to participate in the project and enter into a PES Agreement as a group, e.g. participate via an established community structure and nominate representatives to sign the PES Agreement on behalf of the group.
- 4.5. The project coordinator must assist each participant to develop a *plan vivo* which is clear, appropriate to their land and livelihoods, and comprehensible to the

participant, his/her family members, and the project coordinator.

- 4.6. *Plan vivos* approved by the project coordinator must show which project interventions are to be adopted, aligned and consistent with the project's technical specifications, and include any specific information that is not common to all plans under the relevant technical specification, e.g. specific species-mix selected for planting where the technical specification provides a range of options, or selection of a specific *baseline scenario* where there are multiple scenarios set out in the technical specification.
- 4.7. The project coordinator must not approve *plan vivos* where implementation would undermine the livelihood needs and priorities or reduce the food security of participants.
- 4.8. There must be a system for accurately recording and verifying the location, boundary and size of each *plan vivo* using GPS, where boundary coordinates are recorded for all *plan vivos* above 5 hectares, and at least a central point coordinate recorded for *plan vivos* under 5 hectares.
- 4.9. Participants must have access to their *plan vivo* in an appropriate format and language.
- 4.10. Evidence must be provided demonstrating the participatory methods used to assist the participants to develop their *plan vivo*, e.g. photographs or videos of group planning activities, hand-drawn maps or other outputs of community discussions.
- 4.11. In the case where the area covered by a *plan vivo* is greater than 50 hectares, a GIS version of the *plan vivo*, showing its boundaries and the boundaries delineating any different internal activities, must be created and recorded.
- 4.12. Participants must be provided with a forum, or facilitated to use existing forums, to periodically discuss the design and running of the project with other participants in their community, and raise any issues or grievances with the project coordinator over the *PES period*.
- 4.13. Where smallholders or community members may be affected by the project, even though they are not participating, the project coordinator must ensure there is a mechanism for any concerns or issues to be raised with the project coordinator, e.g. through local meetings or via an appointed local representative.
- 4.14. A robust grievance redressal system should be part of project design, and should ensure that participants are able to raise grievances with the project coordinator at any given point within the project cycle, and that these grievances are dealt with in a transparent, fair, and timely manner. A summary of grievances received, the manner in which these are dealt with, and details of outstanding grievances must be reported to the Plan Vivo Foundation through the periodic reporting process.

## 5. Quantifying and monitoring ecosystem services

**Principle: Projects generate real and additional ecosystem service benefits that are demonstrated with credible quantification and monitoring**

### Core requirements for all project interventions:

- 5.1. The project must develop *technical specifications* for each of the project interventions, describing:
  - 5.1.1. The *applicability conditions*, i.e. under what baseline conditions the technical specification may be used
  - 5.1.2. The activities and required inputs
  - 5.1.3. What ecosystem service benefits will be generated and how they will be quantified. (NB Technical specification templates can be provided by the Plan Vivo Foundation)
- 5.2. Sources of data used to quantify ecosystem services, including all assumptions and default factors, must be specified and as up-to-date as possible, with a justification for why they are appropriate.
- 5.3. Technical specifications must be updated at least every 5 years where they are still being used to sign new PES Agreements, by reviewing both available data from project monitoring results, e.g. species growth data, and new available data from outside the project.
- 5.4. Ecosystem services forming the basis of Plan Vivo projects must be *additional* i.e. would not have been generated in the absence of the project, which involves as a minimum demonstrating that:
  - 5.4.1. Project interventions are not required by existing laws or regulations, unless it can be shown that those laws are not enforced or commonly met in practice and the support of the project is therefore justified;
  - 5.4.2. There are financial, social, cultural, technical, scientific or institutional barriers preventing project interventions from taking place.
- 5.5. Ecosystem services must be accounted for over a specified *quantification period* that is of sufficient length to provide a clear picture of the long-term impact of the activity.
- 5.6. The quantification period must not exceed the period over which participants can make a meaningful commitment to the project intervention, and must be justified in relation to the duration of payment and monitoring obligations.
- 5.7. An *approved approach* must be used to quantify ecosystem services generated by each project intervention compared to the baseline scenario.
- 5.8. Project intervention areas must not be negatively altered, e.g. deforested or cleared of other vegetation, prior to the start of project activities for the purpose of

increasing the payments for ecosystem services that participants can claim.

- 5.9. A monitoring plan must be developed for each project intervention which specifies:
  - 5.9.1. Performance indicators and targets to be used and how they demonstrate if ecosystem services are being delivered. *Performance targets* may be directly or indirectly linked to the delivery of ecosystem services, e.g. based on successful implementation of management activities or other improvements but must serve to motivate participants to sustain the project intervention
  - 5.9.2. Monitoring approaches (methods)
  - 5.9.3. Frequency of monitoring
  - 5.9.4. Duration of monitoring
  - 5.9.5. How the validity of any assumptions used in *technical specifications* are to be tested
  - 5.9.6. Resources and capacity required
  - 5.9.7. How communities will participate in monitoring, e.g. by training community members and gradually delegating monitoring activities over the duration of the project
  - 5.9.8. How results of monitoring will be shared and discussed with participants
- 5.10. Where participants are involved in monitoring, a system for checking the robustness of monitoring results must be in place, e.g. checking a random sample of monitoring results by the project coordinator.
- 5.11. Projects must identify and describe where uncertainty exists in quantifications of ecosystem services and estimate the approximate level or range of uncertainty. The level of uncertainty must be factored into the level of conservativeness applied in the accounting method for quantifying ecosystem services.
- 5.12. A baseline scenario must be provided for each project intervention, describing current land uses and habitat types and existing major ecosystem services provided in the area, and how these are most likely to change over the quantification period in the absence of project interventions.
- 5.13. The technical specifications must describe the habitat types and main species present in project intervention areas including any areas of *High Conservation Value* or *IUCN red list species* present (or more locally defined important areas of biodiversity or lists of vulnerable species if applicable), with a description of how they are likely to be affected by project interventions, and how these effects will be monitored.
- 5.14. To avoid 'double counting' of ecosystem services, project intervention areas must not be in use for any other projects or initiatives, including a national or regional level mandatory GHG emissions accounting programme, that will claim credits or funding in respect of the same ecosystem services, unless a formal agreement is in place with the other project or initiative that avoids double-counting or other conflicting claims, e.g. a formal *nesting agreement* with a national PES scheme.

## Additional requirements for project interventions generating Plan Vivo Certificates:

- 5.15. All *carbon pools* and *emissions sources* used to quantify *climate services* must be specified with justification for their inclusion. Carbon pools expected to decrease, and emissions sources expected to increase as a result of the project intervention must be included, unless decreases or emissions are likely to be insignificant, i.e. less than 5% of total climate benefits.
- 5.16. Any alteration of project intervention areas during the project, or before the project starts but attributable to the project, that results in a loss of ecosystem services, e.g. clearing of vegetation or other site preparation prior to *afforestation*, must be accounted for in the technical specification.
- 5.17. Where climate services are affected by cyclical management activity, e.g. harvesting or naturally occurring cycles, the quantification period must be representative of the services provided throughout the full cycle of events.
- 5.18. An approved approach must be used to quantify initial carbon stocks and emissions sources, and estimate how they are most likely to change over the project period, as part of the baseline scenario.
- 5.19. All potential sources of *leakage* and the location of areas where leakage could occur must be identified and any appropriate mitigation measures described.
- 5.20. Where leakage is likely to be significant, i.e. likely to reduce climate services by more than 5%, an approved approach must be used to monitor leakage and subtract actual leakage from climate services claimed, or as a minimum, make a conservative estimation of likely leakage and deduct this from the climate services claimed.

## 6. Risk management

**Principle: Projects manage risks effectively throughout their design and implementation**

### **Core requirements for all project interventions:**

- 6.1. Risks to the delivery of ecosystem services and sustainability of project interventions must be identified and appropriate mitigation measures described.
- 6.2. Projects must review their risk assessment at least every 5 years and resubmit to the Plan Vivo Foundation.

### **Additional requirements for projects generating Plan Vivo Certificates**

- 6.3. A proportion of expected climate services must be held in a *risk buffer* to protect the project from unexpected reductions in carbon stocks or increases in emissions, unless there is no risk of reversal associated with the project intervention.
- 6.4. The level of risk buffer must be determined using an approved approach and be a minimum of 10% of climate services expected.

## 7. Livelihood impacts

### **Principle: Projects demonstrate positive livelihood and socioeconomic impacts**

- 7.1. The project must demonstrate clear plans to benefit the livelihoods of participants. The definition of what constitutes a benefit will be defined by local participants.
- 7.2. A project socioeconomic baseline scenario must be defined, including information on the socioeconomic context in participating communities at the start of the project, and describing how these conditions are likely to continue or change in the absence of the project. Basic information must be included on:
  - 7.2.1. Demographics and population groups
  - 7.2.2. Access to and main uses of land and natural resources
  - 7.2.3. Access to and use of energy sources for light and heat
  - 7.2.4. Typical assets and income levels
  - 7.2.5. Main livelihood activities
  - 7.2.6. Local governance structures and decision-making mechanisms
  - 7.2.7. Cultural, religious and ethnic groups present
  - 7.2.8. Gender and age equity
- 7.3. The expected socioeconomic impacts of the project must be described in comparison with the socioeconomic baseline scenario, including consideration of expected impacts on participants, and consideration of any likely 'knock-on effects' on non-participating communities living in surrounding areas.
- 7.4. A socioeconomic impact assessment/monitoring plan must be developed in a participatory manner to measure advances against the baseline scenario, within one year of the project *validation*, that:
  - 7.4.1. Is based on locally relevant and cost effective indicators
  - 7.4.2. Takes into consideration the potential for differentiated impacts on different groups of participants
- 7.5. The project must strive to avoid negative impacts on participants and non-participants, especially those most vulnerable. Where negative socioeconomic impacts are identified, these must be reported to the Plan Vivo Foundation and a participatory review of project activities undertaken with the participants/communities to identify steps to mitigate those impacts.

## 8. PES Agreements (transacting ecosystem services) and benefit-sharing

**Principle: Projects share benefits equitably and transact ecosystem service benefits through clear PES Agreements with performance-based incentives**

### Background and definitions:

**PES Agreement:** *A contract made between a project coordinator with a smallholder or community group, providing the basis for the transaction of climate and other ecosystem services, and specifying rights and responsibilities of the parties over a specified duration.*

Rewarding land-managers and groups for the generation of ecosystems services means there must be an agreement between the entity making payments for the services (the project coordinator) and the individual or group undertaking activities to generate or protect those services. This can be described as a 'service agreement' or 'PES agreement'.

In Plan Vivo projects, the project coordinator signs PES agreements (or 'sale agreements', 'contracts for ecosystem services' etc) with individual smallholders and/or with community groups, depending on the level at which land is managed. In an *agroforestry* project with multiple smallholders for example there may be both individual PES Agreements with each smallholder, and also a community-level agreement for communal land.

**Templates and example PES Agreements can be provided by the Plan Vivo Foundation.**

### Requirements:

- 8.1. Transaction of ecosystem services between the project coordinator and participants must be formalized in written PES Agreements, where participants agree to follow their *plan vivo* in return for staged, performance-related payments or benefits.
- 8.2. Procedures for entering into PES agreements with participants must be defined and followed, where PES agreements specify:
  - 8.2.1. The quantity and type of ecosystem services transacted
  - 8.2.2. The project interventions to be implemented
  - 8.2.3. The *plan vivo* the PES Agreement relates to and its date of approval and implementation
  - 8.2.4. Performance targets that must be met to trigger the disbursement of payments or other benefits, with reference to monitoring methods, frequency and duration
  - 8.2.5. The amount of payment or benefit to be received (or what the process is for determining this)
  - 8.2.6. Consequences if performance targets are not met, e.g. withholding of some or all payments and how *corrective actions* will be agreed

- 8.2.7. The PES period (period over which monitoring and payments will take place) and overall duration of commitment to the *plan vivo*
  - 8.2.8. Any impacts of the agreement on rights to harvest food, fuel, timber or other products
  - 8.2.9. Deduction of a risk buffer where applicable
  - 8.2.10. Agreed upon mechanism to resolve or arbitrate any conflict arising from the implementation of the project, following established community practices or legal rules in the country
- 8.3. Participants must enter into PES agreements voluntarily according to the principle of *free, prior and informed consent*, where sufficient information, in an appropriate format and language, is available to potential participants to enable them to make informed decisions about whether or not to enter into a PES Agreement.
  - 8.4. PES agreements must not remove, diminish or threaten participants' land tenure.
  - 8.5. Project coordinators must have the capacity to meet the payment obligations in PES Agreements entered into with communities, by one or more of the following:
    - 8.5.1. Secured upfront funding or purchase commitments sufficient to guarantee an agreed minimum payment to participants
    - 8.5.2. A proven track record in identifying funders or buyers in ecosystem markets or from other sources
    - 8.5.3. Demonstrable capacity to meet PES obligations from their own funds should a buyer or funder not become available<sup>1</sup>
  - 8.6. Where a greater number of smallholders or community groups wish to enter PES agreements than the project coordinator is able to engage, e.g. because of lack of resources, a fair process for selecting participants must be defined. The process should take into consideration the potential for tensions or disputes being created within or between communities.
  - 8.7. Where the project coordinator enters into PES Agreements in advance of securing the necessary buyers or resources to fund payments, any risk of non-payment must be communicated to, and agreed by, participants.
  - 8.8. A fair and equitable *benefit-sharing mechanism* must be applied that has been agreed with the participation of communities involved, identifying how PES funding will be distributed among participants and other stakeholders, including the project coordinator. This should include consideration of how benefit-sharing might change over time as the project progresses.
  - 8.9. Details of the benefit-sharing mechanism must be made available to participants in an appropriate format and language.
  - 8.10. The project coordinator must provide justification for any payments for ecosystem services delivered in kind or in the form of equipment or resources other than money.

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<sup>1</sup> NB/ There are limitations on the volume of Plan Vivo Certificates that may be issued at one time in the absence of secured funding or buyers, details of which are contained in the Procedures Manual.

- 8.11. The benefit-sharing mechanism must be equitable, i.e. represent a fair and locally appropriate distribution of benefits, taking into consideration the rights, resources, risks and responsibilities of different stakeholders over the PES period.
- 8.12. Projects selling Plan Vivo Certificates should aim to deliver at least 60% of the proceeds of sales on average to communities as PES, meaning project coordinators should not draw on more than 40% of sales income for ongoing coordination, administration and monitoring costs. Where less than 60% is delivered projects must justify why this is not possible, why the benefits delivered to communities are fair and that they are able to effectively incentivise activities.
- 8.13. The process by which the benefit-sharing mechanism is decided must be recorded including a record of any concerns or objections raised.

# Glossary

## **Additionality**

*Ecosystem services* are *additional* if they would not occur without the intervention of the project. *Additionality* is required in *PES* schemes so that resources are applied in an efficient way to create benefits over and above what would have happened in the absence of the project (the baseline).

## **Afforestation**

The direct human-induced conversion of land that has not been forest for a period of at least 50 years to forest through planting, seeding and/or human-induced promotion of natural seed sources.

## **Agroforestry**

Agriculture incorporating the planting or conservation of trees.

## **Applicable conditions**

The *baseline* conditions under which a *technical specification* or *approved approach* can be used.

## **Approved approach**

A protocol, methodology or tool that has been approved by the Plan Vivo Foundation to assess or quantify elements of Plan Vivo projects, e.g. an approved risk assessment tool. An approved approach may be developed by a project, or under another scheme, e.g. the CDM and the Plan Vivo Foundation has deemed it appropriate for use in Plan Vivo projects.

## **Baseline scenario**

The conditions that are expected to occur in the absence of any *project intervention*.

## **Benefit-sharing mechanism**

The principles, model and processes applied to distribute benefits, both direct and indirect, of project activities, including project funding, between and amongst participants and stakeholders.

## **Biodiversity**

The variability among living organisms – animals, plants, their habitats and their genes, and the ecological complexes of which they are part. This includes diversity within species, between species, and of ecosystems. Biodiversity is a ‘supporting service’ that underpins healthy ecosystems and thus the provision of a range of ecosystem services.

## **Carbon pool**

A system that can store and/or accumulate carbon, including above-ground biomass, litter, dead wood and soil.

## **Carbon sequestration**

Direct removal of carbon dioxide from the atmosphere and storage in a *carbon pool* such as above ground biomass in forests or in soils (biological sequestration only).

**Certification**

An umbrella term encompassing the validation, registration and verification of projects against the Plan Vivo Standard.

**Climate services**

Reduction or avoidance of greenhouse gas emissions, or removal of greenhouse gases from the atmosphere through carbon sequestration, measured in metric tonnes of CO<sub>2</sub> equivalent (but incorporating the full range of GHGs).

**Community group**

An organised group of individuals or households from the whole or part of a community that has come together in a shared interest with an agreed upon *modus operandi*.

**Corrective action**

A remedial action to redress a shortfall in achievement or performance.

**Ecosystem**

A community of plants, animals and smaller organisms that live, feed, reproduce and interact in the same area or environment. Ecosystems have no fixed boundaries; a single lake, a watershed, or an entire region could be considered an ecosystem.

**Ecosystem conversion**

The process of converting an *ecosystem* to another use, for example, conversion of a forest ecosystem to farmland through deforestation.

**Ecosystem degradation**

A gradual or persistent process of loss of capacity of an ecosystem to provide ecosystem services.

**Ecosystem rehabilitation**

The process of assisting the recovery of an ecosystem that has been degraded, damaged or destroyed through the reparation of ecosystem processes, productivity and services, but without re-establishing the pre-existing species composition and structure. For example inter-planting trees on cropland using naturalised species to improve soil quality.

**Ecosystem restoration**

The process of assisting or allowing the recovery of an ecosystem that has been degraded, damaged or destroyed by re-establishing the structure, productivity and species diversity originally present in the area.

**Ecosystem services**

The benefits people obtain from the environment. Ecosystem services are the transformation of natural assets including soil, plants and animals, air and water, into things that we value. They can be viewed as provisioning such as food and water; regulating, for example, flood and disease control; cultural such as spiritual, recreational, and cultural benefits; or supporting, like nutrient cycling, that maintain the conditions for life on Earth.

**Emissions source**

A source of greenhouse gas emissions.

## **Employment**

A community member is considered as employed by the project where they are contracted to work directly on project activities in return for compensation, financial or otherwise.

## **Ex-ante and ex-post**

'Ex-ante' and 'ex-post' are used to refer to two different kinds of Plan Vivo Certificates. A Plan Vivo Certificate is issued 'ex-ante' where activities have been implemented but the carbon services will be delivered in future, e.g. issuing Plan Vivo Certificates for tree planting activities after planting, where carbon will be sequestered afterwards as the trees grow. A Plan Vivo Certificate is issued 'ex post' where the carbon services have already been delivered and monitored.

## **Food security**

Having access to sufficient, safe, nutritious food to maintain a healthy and active life.

## **Forest**

There are many different definitions of *forest*. Most definitions apply thresholds for area of tree cover, tree height and percentage crown cover. Under the Kyoto Protocol, the parameter is selected by the host country using the following ranges: minimum 0.05 – 1.0 hectares area, minimum tree crown cover of 10% – 30%, where trees reach minimum 2–5 m at maturity. The Plan Vivo Foundation will accept different *forest* definitions, as long as the definition is justified in relation to recognised local, national or institutional parameters, and approved as part of the validation process.

## **Free, prior and informed consent**

The principle that a smallholder or community has the right to give or withhold their consent to proposed projects that may affect the land they own, occupy or otherwise use, once they have a full and accurate understanding of the implications of the project.

## **GIS or Geographic Information Systems**

Systems for storing and manipulating geographical information on computer.

## **GHGs or Greenhouse gases**

Gases in the earth's atmosphere which contribute to the greenhouse effect. The Kyoto-Protocol of the UNFCCC includes the following GHGs: carbon dioxide, methane, nitrous oxide, HFCs, PFCs, SF6.

## **GPS or Global Positioning System**

A satellite navigation system that provides location and time information.

## **High Conservation Value Area**

A natural habitat with conservation values considered to be of outstanding significance or critical importance, requiring appropriate management to maintain. Information can be accessed at <http://www.hcvnetwork.org/about-hcvf>.

## **Improved land use management**

Changing land use and land use management activities to increase the provision of ecosystem services, e.g. reduce greenhouse gas (GHG) emissions and/or increase carbon stocks.

**Invasive species**

A species introduced by man into places out of their natural range of distribution, where they become established and disperse, generating a negative impact on ecosystems.

**IUCN red list species**

A species that has been categorised as under threat from global extinction. The list and different categories of threat can be found at <http://www.iucnredlist.org/>.

**Land tenure**

The relationship, whether legally or customarily defined, through which people, as individuals or groups, own or hold rights to use land.

**Leakage**

The unintended increase in GHG emissions or decrease in carbon stocks outside project intervention areas, which is attributable to the project and results in a lower provision of climate services being attributable to the project. For example, leakage exists if improving forest protection within project areas has a knock-on effect of increasing deforestation elsewhere.

**Livelihood**

A means of making a living. It encompasses people's capabilities, assets, income and activities required to secure the necessities of life and improve wellbeing.

**Marginalized/vulnerable groups**

People who are excluded from social, economic and other activities by virtue of their gender, poverty level, social or ethnic group or geographical location.

**Nesting agreement**

An agreement between two or more projects or initiatives involving the accounting for, management of, or payment for the same services or impacts at different levels, to ensure the initiatives are compatible and do not double-count or claim impacts or benefits.

**Native species**

A species that has arrived and inhabited an area naturally, without deliberate assistance by man, or would occur had it not been removed through past intervention by man.

**Naturalised species**

A non-native species that reproduces consistently and sustains populations over more than one life cycle without direct intervention by humans.

**Participant**

A smallholder or community group that is participating in the project by developing and implementing a *plan vivo* and entering into a PES Agreement. Also see definitions for 'smallholder' and 'community group'.

**Participatory planning**

A process where communities are facilitated and empowered to make decisions and contribute to the selection and design of activities, not passive recipients of information or pre-made decisions.

## **PES or Payments for Ecosystem Services**

A model for compensating or incentivising individuals or groups for management activities that generate ecosystem services, by providing staged, performance-related cash or in-kind payments or rewards.

### **PES Agreement**

A contract made between a *project coordinator* with a smallholder or community group, providing the basis for the transaction of climate and other ecosystem services, and specifying rights and responsibilities of the parties over a specified duration.

### **PES period**

The time period over which participants receive payments or other benefits and are monitored against performance targets under their PES agreements.

### **Performance target**

The level which an indicator must reach, or an outcome or activity that must be completed by participants to trigger payment or other benefits being provided.

### **Plan Vivo Certificate**

Climate service certificates generated by Plan Vivo projects, independently issued by the Plan Vivo Foundation. Each Plan Vivo Certificate represents the reduction or avoidance of one tonne of carbon dioxide emissions equivalent, plus associated livelihood and ecosystem benefits.

### ***Plan vivo***

An electronic or handwritten spatial land management plan, voluntarily produced and owned by a community, community sub-group or individual smallholder, which can form the basis of an agreement to provide payments or other forms of assistance for ecosystem services.

### **Potential project area**

Areas which fall under the *applicable conditions* under which project interventions can take place i.e. land which could be put under a *plan vivo* as part of the project. This need not be a specific area or boundary, and may be a very large area across a country or region, or many separate areas in different locations where similar conditions apply.

### **Poverty**

Having insufficient resources to live at the economic level identified in national or international statistics or as determined by local participatory assessment of well-being.

### **Project**

A set of interventions and activities being undertaken by communities, supported by a project coordinator under a single governance structure, with consistently applied administrative, technical and social processes.

### **Project coordinator**

An organisation that takes overall responsibility for the management, coordinating and reporting functions in a Plan Vivo project.

**PDD or Project Design Document**

The key project document containing information on the project's objectives, participants and governance, activities, processes and anticipated impacts.

**PIN or Project Idea Note**

A project concept proposal describing the proposed location, communities, activities and organisations involved, which is assessed for basic eligibility to use the Plan Vivo Standard.

**Project intervention**

A specific land use system implemented as part of the project that is expected to provide climate benefits, such as reforestation, or avoided deforestation.

**Project intervention area**

The area of land where specified project interventions are carried out, i.e. the total area of land under *plan vivos*.

**Quantification period**

The time period over which ecosystem service benefits from a project intervention are quantified.

**REDD+**

Reducing Emissions from Deforestation and Forest Degradation, and the role of Conservation, Sustainable Forest Management and Enhancement of Carbon Stocks.

**Reforestation**

The direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was previously forested but that has been converted to non-forested land.

**Risk buffer**

A reserve of climate services generated by Plan Vivo projects but not eligible to be sold as Plan Vivo Certificates, to protect against unexpected losses of carbon stocks or increases of emissions.

**Smallholder**

A land holder that is not structurally dependent on permanent hired labour, and manages their land mainly with their own and their family's labour force, and whose primary income comes from their land management activities.

**Stakeholder**

An individual, group or body that has a legitimate stake or interest in the project and is either participating in or likely to be affected or influenced by the project.

**Technical specification**

A section of the PDD that describes technical aspects of each specific project intervention to take place in a Plan Vivo project, including the methodology used to quantify climate services, assessment of risks, leakage and additionality, the management and monitoring system to be adopted, and description of likely ecosystem impacts.

**User rights**

The legal and customary rights and arrangements for smallholders or communities to manage and use land.

**Validation**

The initial assessment of a project's design and governance against the Plan Vivo Standard.

**Verification**

The periodic evaluation of a registered Plan Vivo project against the Plan Vivo Standard, to assess its continued conformance to the Standard and delivery or progress towards delivery of climate services and other anticipated impacts.

**Voluntary carbon credits**

Or Verified Emission Reductions (VERs) represent one tonne of CO<sub>2</sub>e emissions reduction or avoidance by projects verified outside of the Kyoto Protocol.

**Voluntary carbon market**

A market for voluntary carbon credits that have been certified through voluntary certification processes.



[www.planvivo.org](http://www.planvivo.org)

