



Plan Vivo Validation Report
Document Prepared by Aster Global Environmental Solutions, Inc.

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| Project Name: | Babatana Rainforest Conservation Project (Sirebe) |
| Plan Vivo Project # | PV_2020_027 |
| Aster Global Project Number: | 20085.00 |
| Report Issuance Date: | 09 August 2021 (v1) |

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Project Validation Report

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Date of Review: 08 December 2020 – 09 August 2021

Project Name: Babatana Rainforest Conservation Project (Sirebe)

Project Description: As stated in the Babatana PDD Part A “The Babatana Rainforest conservation Project aims to deliver enduring benefits to participating tribal communities through the provision of payments (compensation) for the Babatana Rainforest Conservation Project loss of income from avoiding industrial logging. The Babatana Rainforest Conservation Project is designed to be a ‘grouped project’ that affords an opportunity for tribal groups within the Babatana Project Area to register and join the project, subject to new entrant criteria. As part of the project, community governance systems have been strengthened in order to effectively manage a community forest carbon project. This project will enable tribal associations to manage carbon revenue in a manner that brings sustainable benefits for communities in the form of community development initiatives and through administering the distribution of member dividends.

The core project aim is to reduce carbon emissions to the atmosphere by changing forest management in the eligible areas from commercial logging to forest protection. The project will also protect watersheds resulting in the maintenance of healthy river systems as a high quality source of drinking water and as habitat for aquatic species. Forest protection will

reduce the vulnerability of local communities to climate related risk through reducing the impact of extreme rainfall events on soil erosion and flooding, and the impacts of drought on water security.”

Over the course of the 30-year crediting period the project is expected to produce emission reductions of 21,779 tCO2e per year for a total of 653,370 tCO2e. The total expected buffer contribution based on a 20% buffer contribution rate is 130,680 tCO2e allocated to the Plan Vivo Buffer.

List of Principal documents reviewed (including list of sites visited and individuals/groups interviewed): Please see Appendix 1 for a list of documents reviewed during the Validation and 1st Verification

Visited sites: Sirebe Tribal Association Project Area

List of individuals interviewed:

| Individual | Affiliation | Role | Date |
|---------------------|--|-------------------------------|-------------------------------------|
| Robbie Henderson | Nakau Programme | CEO | Throughout audit |
| Michael Dyer | Nakau Programme | PES & Tech Officer | Throughout audit |
| Wilko Bosma | Natural Resources Development Foundation | Team Leader | Throughout audit |
| Linford J Pitatamae | Sirebe Tribal Association | Member of Executive Team | 08 February 2021 – 11 February 2021 |
| Elijah Qalolilio | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Washington Rukumana | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Ismael Norokesa | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Clinton Gatavae | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Bendly Qalovaka | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Moses Zoleveke | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Ismael Norokesa | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Junior Venqo | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Fostina Ngengele | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Hansol Pitavoqa | Sirebe Tribal Association | Sirebe Tribe Community Ranger | 08 February 2021 – 11 February 2021 |
| Linford J Pitatamae | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 |

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| Bartholomew P Qalo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Elijah Qalolilio | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Warren Pitatamae | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Washington Rukumana | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Thompson Poloso | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Mathew Pitavato | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Ismael Norokesa | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Goldie Venqo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Hudson Rusa | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Judd Warren | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Gregan Mark | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Elijah Spencer Jnr | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Danston Grey Silepapa | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Clinton Gatavae | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Hansol Pitatamae | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Bendly Qalovaka | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Rocking Mozokana | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Samson Taburi | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Bendly Pitakaji | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Lucy Jajo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Julie Jajo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Karan Qalo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Mary Qilatina | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Ivy Barikolo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |

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|------------------|---------------------------|-------------------------------|-------------------------------------|--|
| Judith Qilalilio | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Madalyn Qilabari | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Margaret Velo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Margret Rhoda | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Alison Lupa | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Alina | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Juliet K | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Diana Qilapani | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| June Kokekurisi | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |
| Gwen Qalo | Sirebe Tribal Association | Sirebe Tribe Community Member | 08 February 2021 – 11 February 2021 | |

Description of field visit: The primary objectives of the site as stated in the Plan Vivo Validation ToR are to “Verify that the project’s physical site description and governance structure is as described in the project design document and technical specification(s)

- Identify objective evidence of conformance with each of the requirements in the Plan Vivo Standard by:
 - Interviewing and interacting with the project coordinator (in-country manager)
 - Interviewing relevant stakeholders such as participating householders, community members and leaders, local government officials, government forestry agencies and extension services and other projects working in the same area
 - Identifying and assessing available supplementary project documentation and tools e.g. planning documentation, databases, templates, legal agreements etc.
 - Cross-checking results from interviews with project documentation to ensure that documentation reflects ground realities and staff awareness of project goals and procedures.
- Fully understand the project context and the views of other local stakeholders and experts regarding the project’s likely impact and benefits”

Aster Global Environmental Solutions Inc. (herein referred to as Aster Global) developed a site visit plan for the Babatana Rainforest Conservation Project (Sirebe) validation /verification guided by the Plan Vivo Validation and Verification ToR. The site visit is a required tool to help the Validation and Verification Body (VVB) reach reasonable assurance. It also allowed the VVB to understand the application of the methodology on-site, confirm

the implementation of Babatana Rainforest Conservation Project (Sirebe) project activities, and to identify possible sources of error to focus desktop validation/verification efforts.

For the field sampling effort, direct measurement re-creation, observation, interviews and review of the carbon losses and community elements in the key areas were determined to be some elements with the largest risk and were prioritized. Survey locations were selected and sampled based on access, safety, and material risk to project implementation. While conducting sampling efforts, the VVB visited examples (wherever possible) of other project activities that have been implemented.

Interviews were performed during the validation/verification site inspection and as part of the overall validation/verification process. The Aster Global verification team met with individuals with various roles in the project. This included a series of interviews with on-site and in-country staff that support the mission of the project and other conservation objectives.

Due to the COVID-19 global pandemic, the core Aster Global audit team was unable to travel to the Solomon Islands. However, the site visit was performed in the conventional manner with interviews and observations performed by Aster Global's in-country subcontractor, Dr. Richard Pauku.

Onsite interviews and informal discussions were conducted with The Nakau Programme (Programme Operator) staff, Natural Resources Development Foundation – NRDF (Project Coordinator) staff, the Sirebe Tribe (Project Owner) members and leaders, rangers (responsible for monitoring activities), and community groups. Additionally, throughout the audit validation and verification process the core Aster Global audit team met virtually with staff from the Nakau Programme and NRDF to confirm different aspects of the project.

In addition to the interviews that were conducted on-site the VVB also conducted various site inspections of the project area. These included visits to potential areas of deforestation that the VVB identified using remotely sensed data and remeasurement of one forest inventory plot to understand process and assess implementation.

During the site visit, the audit team inspected two different potential areas of deforestation located within the project area. These areas were identified using remotely sensed data and marked as areas of potential deforestation to be visited during the site visit.

As part of the validation process, the VVB requested that one inventory plot be remeasured under the inspection of Dr. Pauku. The purpose of this exercise was to ensure that the Standard Operating Procedures (SOPs) for inventory plot installation were correctly followed ensuring high quality data formed the basis for carbon quantification.

Validation Opinion: After completion of a site inspection and review of all project information, procedures, calculations, and supporting documentation, Aster Global Environmental Solutions, Inc., confirms the Project is accurate, consistent, and complies with all Plan Vivo Standard 2013 and the selected methodologies (Nakau Methodology Framework and Technical Specifications Module: (C) IFM-LtPf v1.1: Improved Forest

Management – Logged to Protected Forest V1.0 for the Nakau Programme). Aster Global confirms the *Babatana Rainforest Conservation Project PDD* (Version 1.2, dated 17 June 2021) has been implemented in accordance with Plan Vivo Standard 2013 criteria.

Table 1. Summary of draft report major and minor Corrective Actions¹

| Theme | Major CARs | Minor CARs | Observations |
|-------------|------------|------------|--------------|
| Governance | 4 | 0 | 0 |
| Carbon | 5 | 0 | 0 |
| Ecosystem | 0 | 0 | 0 |
| Livelihoods | 8 | 0 | 0 |

¹*Please note that the number of CARs reported in Table 1 only reflects the CARs relevant for the Plan Vivo Standard, 2013. Additional CARs were requested by the VVB for the Methodology and Technical Specifications. All CARs can be found in Annex 1 of this report.*

Table 2 - Report Conformance

| Theme | Conformance of Draft Report | Conformance of Final Report or Forward Actions Required |
|--------------------|-----------------------------|---|
| Governance | Yes | Yes |
| Carbon | Yes | Yes |
| Ecosystem | Yes | Yes |
| Livelihoods | Yes | Yes |

Table 3– Summary of open Forward Actions (if any)

| Forward Action Requirement (FAR) | Description | Process to Resolve | Time Frame to be Closed By |
|----------------------------------|--|--|--|
| 34. | <p><i>There is a requirement in the Nakau Methodology Framework in Section 4.3.3.1 Calculating the Business Money Target that states “The Project Owner business must retain sufficient cash to enable it to keep performing its roles and responsibilities (defined in the PES agreement) until further income is received.” As the project is currently undergoing joint validation and verification there have been no sales of Plan Vivo Certificates and thus no disbursements to the community. The project indicated that this target would be established once the project was in the “operational” phase.</i></p> | <p><i>During the next verification, the VVB should ensure that these daily transfer limits have been set.</i></p> | <p><i>This should be closed by the end of the next verification.</i></p> |
| 37. | <p><i>There is a requirement in the Nakau Methodology Framework in Section 4.3.7 Financial Controls that states, “Establishment of a daily transfer limit for each account.” As the project is currently undergoing joint validation and verification there have been no sales of Plan Vivo Certificates and thus no disbursements to the community. The project indicated that a daily transfer limit for each account will be set once the practical implications of disbursements and payments has been discussed with the Sirebe Community/</i></p> | <p><i>During the next verification, the VVB should ensure that daily transfer limit for each account has been set.</i></p> | <p><i>This should be closed by the end of the next verification.</i></p> |

| Theme | 1. Effective and Transparent Project Governance |
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| <i>Ensuring that the project meets requirements 3.1-3.16 of the Plan Vivo Standard (2013)</i> | |
| A. Requirement | <p>1.1 Administrative capabilities</p> <p>Is there a legal and organizational framework in place that has the sufficient capacity and a range of skills to implement all the administrative requirements of the project? Aspects of this framework may include:</p> <ul style="list-style-type: none"> 1.1.1 A legal entity (project coordinator) that is able to enter into sale agreements with multiple producers or producer groups for carbon services 1.1.2 Standard sale agreement templates for the provision of carbon services 1.1.3 Systems for maintaining transparent and audited financial accounts able to the secure receipt, holding and disbursement of payments to producers 1.1.4 All necessary legal permissions to carry out the intended project activities 1.1.5 Mechanisms for participants to discuss issues associated with the design and running of the project 1.1.6 Procedures for addressing any conflicts that may arise 1.1.7 Ability to produce reports required by Plan Vivo on a regular basis and communicate regularly with Plan Vivo |
| B. Guidance Notes for Validators | <p>Organizational and administrative capacity may be demonstrated through:</p> <ul style="list-style-type: none"> • A record of managing other projects - especially those involving the receipt, safeguarding and management of funds and disbursement of these to smallholders/community groups • Project staff who can explain the legal status of the organisation and its management and financial structure i.e. how funds will be held and transferred – backed up by evidence of setting up bank accounts and record-keeping systems etc. • The views of others who have worked with the organisation in the past (such as government, other project partners or other NGOs) • A visibly efficient and functioning office with all necessary staff |
| C. Findings (describe) | <p>Aster Global confirms that the project has the administrative capabilities necessary to implement all the administrative requirements of the project.</p> <p>The validation team confirmed that the Programme Operator has the legal authority to enter into PES sale agreements. The project has a PES Agreement in place that describes the structure for sales of the Plan Vivo Certificates, responsibilities of all entities (Programme Operator, Project Coordinator, and Project Owner). This agreement has been signed and agreed to by all parties. Additionally, the Nakau Programme is the Programme Operator for the Drawa Rainforest Project in Fiji and has been successfully validated and verified demonstrating the administrative capacity of the Programme Operator. Through interviews with the Programme Operator and the Project Owner Group it is clear that NRDF has the administrative capabilities to serve as the Project Coordinator on this project and is an efficiently run organization. NRDF has staff located near the project area that are responsible for ensuring the</p> |

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| <p>monitoring of the project is completed as stated in the PDD.</p> <p>The validated methodology used for this project has an established system in place for maintaining transparent and auditable financial accounts and the validation team found no evidence that this system is not being implemented as stated in the PDD.</p> <p>The audit team confirmed that all entities have the legal permissions to carry out the intended project activities. This was confirmed through the review of legal documents related to organization establishment and legal authorization to operate within the Solomon Islands.</p> <p>Aster Global confirms that a robust dispute resolution framework is in place. This dispute resolution framework is described in the validated Nakau Methodology Framework and all parties have agreed to this framework through the signing of the PES Agreement. The validation team reviewed evidence that all parties signed this agreement voluntarily and in line with the free, prior, and informed consent (FPIC) mandate.</p> <p>Aster Global confirms that the project has the ability to produce all reports required by Plan Vivo. During the course of the validation, the VVB reviewed numerous reports produced by the project and found them to be high-quality. Additionally, the audit team is reasonably assured that the necessary record keeping systems are in place and functioning properly. The VVB requested additional project records and the project was able to produce the requested additional documents.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 3.5 - Round 1 Finding: Evidence has been provided that the project coordinator has the legal and administrative capacity to enter into PES agreements with participants and to manage disbursements of payments for ecosystem services. However, the audit team understands that the programme operator is responsible for PES disbursements and not the project coordinator. It is unclear whether the current structure is appropriate given Criteria 3.5 of the Plan Vivo Standard.</p> <p>Criterion 3.5 Round 2 Finding: After discussion with Plan Vivo it is clear that although this criterion is not satisfied the approach taken by the project proponent satisfies the intent of this criteria. No further action is needed.</p> <p>Criterion 3.7 Round 1 Finding: 5 laws/regulations have been identified. However, there is no to little description of "how the project design has taken them into account to ensure compliance with the law".</p> <p>Criterion 3.7 Round 2 Finding: The audit team reviewed the updated PD Part A and confirms the project has taken the relevant laws and regulations into account in the project design and management. This criterion is satisfied.</p> | |
| D. Conformance | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> |

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| E. Corrective Actions (describe) | <p>Criterion 3.5 MCAR: Please clarify how the project satisfies this Plan Vivo requirement.</p> <p>Criterion 3.7 MCAR: Please add additional language to this section to satisfy the 3.7 of the Plan Vivo Standard.</p> |
| F. (Insert Project Coordinator's Name) Response | <p>Criterion 3.5 Project's Round 1 Response: The validated NMF states (section 4.2.4) that if agreed by the Project Coordinator and Project Owner, and approved by the Project Operator, projects in the Nakau Programme may nominate a trusted 3rd party to administer the Project Trust Account on their behalf. The Nakau Programme has been appointed to operate the Project trust Account in this project. This appointment is confirmed in the tri-party PES agreement. Furthermore, we understand now that this is the most practical way to administer funds coming into nakau projects generally, and will make future amendments to the NNMF to confirm this as the preferred option.</p> <p>Criterion 3.7 Project's Round 1 Response: PD Part A Section 2.13.10 has been updated.</p> |
| G. Forward Actions (describe, if applicable) | None |
| H. Status | All Corrective Actions have been closed. |
| A. Requirement | <p>1.2 Technical capabilities</p> <p>Is the project through its staff or partners able to provide timely and good quality technical assistance to producers and/or communities in planning and implementing the productive, sustainable and economically viable forest management, silvicultural and agroforestry actions proposed for the project and for any additional livelihoods activities that are also planned?</p> |
| B. Guidance Notes for Validators | <p>Technical capabilities may be determined through:</p> <ul style="list-style-type: none"> • Discussions with project staff who should be able to define clearly who is responsible for the provision of technical support • Interviews with project staff to demonstrate that they are familiar with the content of project technical specifications e.g. species to be planted, spacing requirements, management systems and any potential issues • Feedback from farmers/communities who have been supported in the past • On-site evidence of project activities (possibly from other projects) that have benefited from technical support |
| C. Findings (describe) | <p>The project is managed by two organizations: the Nakau Programme (Programme Operator) and NRDF (Project Coordinator). During the course of validation, the VVB confirmed, through interviews and evidence provided, that both entities understand their responsibilities and have robust administrative systems in place to manage the project. Additionally, the audit team confirms that both organizations have the technical capabilities to manage the project. Through interviews, review of technical documents developed by the project, and additional evidence provided by the project it is clear that both entities</p> |

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| | <p>clearly understand the project technical specifications. Both organizations demonstrated an intimate understanding of the project area and internal and external forces that could affect the project. Both NRDF and the Nakau Programme were effective in aiding the Sirebe Tribe in securing the certification of the project area as a Protected Area in the Solomon Islands. This was a lengthy process that required substantial technical support from NRDF and the Nakau Programme. Interviews with the Executive Committee of the Sirebe Tribal Association clearly indicated that NRDF and the Nakau Programme were instrumental in obtaining this certifying the project area as a Protected Area.</p> | | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> | |
| E. Corrective Actions (describe) | None | | | |
| F. (Insert Project Coordinator's Name) Response | | | | |
| G. Forward Actions (describe, if applicable) | None | | | |
| H. Status | | | | |
| A. Requirement | <p>1.3 Social capabilities Is the project, through its staff or partners able to demonstrate an understanding of the social conditions of the target groups/communities and likely implications of the project for these? This might include:</p> <ul style="list-style-type: none"> 1.3.1 A demonstrated ability to select appropriate target groups through stakeholder analysis and to understand the implications of the project for specific groups e.g. poor, women, socially disadvantaged etc. 1.3.2 Groups/communities that are well-informed about the Plan Vivo System and the nature of carbon and ecosystem services 1.3.3 Local groups/communities that can demonstrate effective self-governance and decision-making 1.3.4 Well-established and effective participatory relationships between producers and the project coordinator 1.3.5 Demonstrated ability to establish land-tenure rights through engaging with producers/communities and other relevant organisations 1.3.6 Ability to consult with and interact with producers/communities on a sustained basis through participatory 'tools' and methods 1.3.7 Established system for conflict resolution | | | |
| B. Guidance Notes for Validators | <p>Social capabilities may be determined through:</p> <ul style="list-style-type: none"> • Records/minutes/photographs of community meetings and training workshops etc. • Project staff able to explain (in line with PDD) how land tenure is checked by the project • Project staff and communities able to explain how communities/target groups were selected and involved in the development of the project and in the choice of activities | | | |

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| | <ul style="list-style-type: none"> • Project staff able to demonstrate that they are familiar with the communities/target groups and able to interact with them easily through meetings facilitated during the validation • Meetings held with specific target groups e.g. women, socially disadvantaged etc. |
| C. Findings (describe) | <p>Aster Global confirms that the project demonstrated an understanding of the social conditions of the Sirebe Tribe and the implications of the project on this community. The audit team reviewed the stakeholder analysis that was conducted and confirms that a participatory structure was used in which the Sirebe Tribe was able to have substantial input on how the project was developed and will be managed. Additionally, there is a process in place to transfer project management responsibilities to the Sirebe Community as the project progresses. Through interviews with the Sirebe Tribe members, leaders, and socially disadvantaged groups, it is clear that members of the Sirebe Tribe wish to protect their forest from commercial harvesting and understand the nature of the project. The audit team reviewed evidence such as meeting notes, meeting reports, and pictures demonstrating the participatory approach of the project development and future management.</p> <p>The Sirebe Community has already taken numerous steps that show their ability to self-govern as it relates to the project. For example, the Sirebe Community has established the Sirebe Community Company, established committees to manage different aspects of the project, and hired project staff e.g. rangers.</p> <p>Aster Global confirms that a robust dispute resolution framework is in place. This dispute resolution framework is described in the validated Nakau Methodology Framework and all parties have agreed to this framework through the signing of the PES Agreement. The validation team reviewed evidence that all parties signed this agreement voluntarily and in line with the free, prior, and informed consent (FPIC) mandate.</p> <p>The audit team discussed the land tenure process with both the Nakau Programme and NRDF throughout the validation and confirms that both organizations were able to accurately describe the process as described in the PDD.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 3.13 Round 1 Finding: The audit team understands that where possible marginalized groups will be given equal employment opportunities as stated in the PD. However, the PD notes that cultural sensitivity will be applied in respecting customs of the Sirebe tribe. Although the audit team understands the importance of respecting customs of the project owners it is unclear if this is allowable based on criteria 3.13.</p> <p>Criterion 3.13 Round 2 Finding: Based on the project proponent's response to the finding it is clear that significant efforts are being taken to give equal opportunity to marginalized groups. Furthermore, the project proponent has demonstrated that a number of positions have been designated to be filled by</p> |

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| | women. This criterion is satisfied. | | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> | |
| E. Corrective Actions (describe) | Criterion 3.13 MCAR: Please clarify how this criteria is met. Additional evidence such as a gender breakdown of the current employees within the tribe could be useful in showing compliance with this criteria. | | | |
| F. (Insert Project Coordinator's Name) Response | <p>Criterion 3.13 Project's Round 1 Response: Although the project owner has not commenced with the sales of credits yet and no income has been received by the tribe the organizational management structures, linked to expected project employment have been set-up. For the Company only 2 managers are appointed: the Financial Manager (Female) and the Operational Manager (Male). Furthermore the Association of the Tribe, who is the sole shareholder of the company, holds 4 women positions. The project coordinator has observed that women in Choiseul are marginalized due to cultural aspects and restrictions but has taken efforts to include women in the management structures as much as possible. To improve this situation NRDF has recruited its first Women Development Officer who will help to build capacity amongst women and girls to enable them to take part in project management and find employment opportunities in the project itself and beyond. This year training sessions in financial management, computer skills and project administration will be provided for females from project owners within the Babatana project. Besides employment the Project Coordinator helps to set-up and strengthen women saving clubs and has asked the Sirebe Company to set aside a certain percentage of their annual income from credits for exclusive women development projects. Inclusiveness and gender are subject to continues monitoring by the project coordinator and Programme owner.</p> | | | |
| G. Forward Actions (describe, if applicable) | None | | | |
| H. Status | All Corrective Actions have been closed. | | | |
| A. Requirement | <p>1.4 Monitoring and Reporting capabilities Does the project have an effective monitoring and reporting system in place that can regularly monitor progress and provide annual reports to the Plan Vivo Foundation according to the reporting schedule outlined in the PDD?</p> <p>1.4.1 Accurately report progress, achievements and problems experienced 1.4.2 Transparently report sales figures and demonstrate resource allocation in the interest of target groups</p> | | | |
| B. Guidance Notes for Validators | <p>Monitoring and reporting systems and capabilities may be determined through:</p> <ul style="list-style-type: none"> • Staff and participating communities able to explain the monitoring system (how each of the indicators in the PDD will be monitored) • Records of any monitoring already undertaken e.g. baselines or other information • Project staff showing an understanding of the importance of annual | | | |

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| | <p>reporting to Plan Vivo as a requirement for issuance of certificates</p> <ul style="list-style-type: none"> • Demonstrated ability to produce simple reports (e.g. for other projects) |
| C. Findings (describe) | <p>Aster Global confirms that the project has an effective monitoring and reporting structure in place. Through interviews with NRDF and the Sirebe Tribe it is clear that both parties understand the monitoring responsibilities. Through discussions with the Nakau Programme and review of the formal structures in place for transparently reporting sales figures and resource allocation, Aster Global confirms that the project has an effective structure in place for financial reporting related to the project. The project has successfully completed the Plan Vivo reporting requirements and the audit team reviewed these reports to ensure that they are accurate. During the site visit the audit team interviewed community rangers who will be responsible for different aspects of project monitoring. The audit team noted that the rangers were able to successfully reproduce the forest inventory plots and followed the SOPs related to plot establishment.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 3.10 Round 1 Finding: Although there is significant detail in the PD Part A and associated business plan, these items do not appear to have been updated within the last 3-months.</p> <p>Criterion 3.10 Round 2 Finding: After discussion with Plan Vivo it is clear that although this criterion is not satisfied by approach taken by the project proponent it satisfies the intent of this criteria. No further action is needed.</p> |
| D. Conformance | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> |
| E. Corrective Actions (describe) | <p>Criterion 3.10 MCAR: Please update the budget and financial plan to reflect the most recent expenditures of the project to satisfy the requirement 3.10.</p> |
| F. (Insert Project Coordinator's Name) Response | <p>Criterion 3.10 Project's Round 1 Response: The project budget and financial plan is updated after first verification event. The financial plan is reviewed and if needed updated quarterly. The project budget and financial plan was not updated in the first project monitoring report because it follows the Simplified Monitoring Report Template, where only the first budget and financial plan is shown. In future annual reports, the budget and monitoring report will reflect updates and revisions, according to expenditure and PES sales.</p> |
| G. Forward Actions (describe, if applicable) | <p>None</p> |
| H. Status | <p>All Corrective Actions have been closed.</p> |

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| Theme | 2. Carbon Benefits |
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Ensuring that the project meets requirements 5.1-5.20 of the Plan Vivo Standard (2013)

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| A. Requirement | 2.1 Accounting methodology Have the carbon benefits been calculated using recognised carbon accounting methodologies and/or approved approaches and are the estimates of carbon uptake/storage conservative enough to take into account risks of leakage and reversibility? | | |
| B. Guidance Notes for Validators | <p>Check the carbon accounting methodology used including:</p> <ul style="list-style-type: none"> • The level of understanding of the methodology used amongst technical project staff • Whether all references and sources of information are available (include copies with the validation report if possible) • Whether the carbon accounting models are clear and transparent i.e. are the spreadsheets available and readily understandable? Can project staff answer and explain any technical questions about these? • Are local experts able to comment on the accounting methodology and on the sources of information used? | | |
| C. Findings (describe) | <p>After an in-depth review of the PDD Part B (carbon quantification), relevant appendices to the PDD Part B (carbon quantification excel workbooks, remotely sensed data, relevant references), and interviews with the project staff, Aster Global confirms that the project conforms to criteria 5.1-5.20 of the Plan Vivo Standard. The audit team observed analysis methods during calculation walkthrough meetings with the project proponents where features of the Technical Specification were discussed. Through a series of independent data checks performed by the audit team, Aster Global confirms that the carbon quantification correctly followed the Technical Specifications and is correct. The audit team confirmed that assumptions not directly specified in the Technical Specifications Module were appropriately conservative.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.1 Accounting Methodology; however, there were Corrective Actions related to carbon quantification. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |

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| A. Requirement | <p>2.2 Baseline</p> <p>Are the carbon benefits of the project measured against a clear and credible carbon baseline (for each project intervention)?</p> | | | |
| B. Guidance Notes for Validators | <p>Check the baseline scenario in the technical specifications of the PDD:</p> <ul style="list-style-type: none"> • Check that baseline measurements have been carried out and information properly recorded • Check that the information from the baseline matches that in the PDD/Technical specifications and corresponds to the situation on the ground (by discussing with local experts and others) | | | |
| C. Findings (describe) | <p>During the site visit the audit team requested that one of the inventory plots be remeasured by the project staff to ensure that the SOPs related to inventory plot measurement were understood and implemented correctly. Additionally, the audit team performed independent data checks for the quantification of the baseline scenario to ensure accurate and correct quantification. Aster Global confirms that the carbon benefits of the project are measured against a clear and credible carbon baseline. The audit team confirms that the language in the PDD accurately reflects what was done in the quantification workbooks and is accurate.</p> <p>The project applied one methodology deviation related to the baseline which was to allow harvesting in Streaside Management Zones (SMZs) in the baseline scenario as this is common practice within the Solomon Islands. The audit team discussed this methodology deviation with Plan Vivo and both entities agreed that as a result of the significant published literature and news reports on the illegal harvesting that occurs within SMZs, this was allowable in the baseline scenario.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.2 Baseline however, there were Corrective Actions related to Carbon Benefits. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> | |
| E. Corrective Actions (describe) | None | | | |
| F. (Insert Project Coordinator's Name) Response | | | | |
| G. Forward Actions (describe, if applicable) | None | | | |
| H. Status | | | | |
| A. Requirement | <p>2.3 Additionality</p> <p>Are the carbon benefits additional? Would they be generated in the absence of the project? Will activities supported by the project happen</p> | | | |

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| | without the availability of carbon finance? |
| B. Guidance Notes for Validators | <p>Assess whether the project simply owes its existence to legislative decrees or to commercial land-use initiatives that are likely to be economically viable in their own right i.e. without payments for ecosystem services.</p> <p>Also, assess whether without project funding there are social, cultural, technical, ecological or institutional barriers that would prevent project activities from taking place.</p> |
| C. Findings (describe) | <p>Aster Global reviewed the additionality assessment undertaken by the project. The additionality assessment generally follows the VCS Tool for the Demonstration and Assessment of Additionality in IFM Project Activities VT0002 v1.0. The project provided evidence in the form of published literature, news reports, government reports, and expert opinions that clearly demonstrated that commercial harvesting leading to land degradation is widely occurring and common practice throughout the Solomon Islands. Aster Global met with Plan Vivo to discuss a methodology deviation from the VCS Tool for the Demonstration and Assessment of Additionality in IFM Project Activities VT0002 v1.0. Plan Vivo determined that this deviation was justifiable due to a lack of data for the Solomon Islands and did not jeopardize the additionality demonstration. Evidence was presented that the Sirebe Community is under financial pressure to monetize their forest resources to support development in their community. As part of the additionality demonstration a barrier analysis was conducted that showed the project activity (forest protection) faces substantial barriers as the the Sirebe community, in the absence of the carbon project, would not have the financial capital to successfully protect their community forest through the Protected Areas Act of 2010. The establishment of a Protected Area would require significant travel to Honiara, legal support, planning capabilities and submission costs that the community would not have in the absence of the project activity (technological barriers). However, the baseline (conventional harvesting) faces no barriers as the Sirebe community has the legislative right to license its forest for conventional logging. Through evidence provided by the project and interviews with NRDF and the Nakau Programme it was clear that timber companies are willing to provide the upfront capital and expertise to set up a timber license. Aster Global is reasonably assured that the project activity is additional.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.3 Additionality however, there were Corrective Actions related to Carbon Benefits. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> |
| D. Conformance | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> |
| E. Corrective Actions (describe) | None |
| F. (Insert Project Coordinator's | |

| Name) Response | |
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| G. Forward Actions (describe, if applicable) | None |
| H. Status | |
| A. Requirement | <p>2.4 Permanence</p> <p>Are potential risks to the permanence of carbon stocks identified in the project technical specifications and are effective and feasible mitigation measures included in the project design?</p> |
| B. Guidance Notes for Validators | <p>Assess whether members of the community/producers are aware that they will enter into formal sale agreements with the project coordinator and that they therefore need to comply with the monitoring and mitigation requirements of the project.</p> <p>Check whether the risk buffer proposed in the PDD and technical specifications for each intervention (that will be deducted from the saleable carbon of each producer) conforms to the recommended percentages in the Plan Vivo Standard or other Plan Vivo documentation. Check with Plan Vivo if this is unclear.</p> |
| C. Findings (describe) | <p>Through interviews with community members and leaders of the Sirebe Tribe it is clear that it is the desire of the Sirebe tribe to protect its community forests and understands the monitoring requirements as described in the PDD. The project area is protected through the Protected Areas Act of 2010 which precludes commercial logging or mining in the Protected Area. Additionally, the duration of legal protection is indefinite. To protect the rights and traditions of the Sirebe community de minimis non-commercial timber harvesting by the community is allowed and a system of monitoring the de minimis non-commercial timber harvesting is in place.</p> <p>The validated methodology requires the application of a default 20% risk buffer. Through independent data checks the audit team confirms that the 20% risk buffer is appropriately applied. The 20% risk buffer is well above the required minimum in the Plan Vivo Standard, 10%.</p> <p>Although the 20% risk buffer is required by the validated methodology and independent of the risk assessment, the audit team reviewed the Appendix 8 Sirebe Risk Management Framework_27112020 document. The audit team confirms that the mitigation measures proposed are appropriate. There is clear evidence of community input for multiple mitigation measures. For example, through the approval of the project area as Protected Area under the Protected Areas Act of 2010, the community was required to develop a management plan. In the management plan the community is allowed customary use of forests for food collection, harvesting for building resources and fuel. Additionally, the risk assessment will be updated, at a minimum, every five years and there are multiple venues, primarily in the form of annual meetings and workshops, to obtain community input.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.4 Permanence; however, there were Corrective Actions related to Carbon Benefits. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> |

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| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |
| A. Requirement | <p>2.5 Leakage</p> <p>Have potential sources of leakage been identified and are effective and feasible mitigation measures in place for implementation</p> | | |
| B. Guidance Notes for Validators | <p>Check the sources of leakage and the effectiveness of mitigation measures:</p> <ul style="list-style-type: none"> • By discussions with local experts, the project coordinator and others. • Assess whether there is a good understanding of the importance of addressing leakage amongst project participants • Assess whether the mitigation measures proposed are really effective and likely to be implemented. Have they already started? | | |
| C. Findings (describe) | <p>Through multiple discussions with the project and supported by evidence provided, Aster Global is reasonably assured that both market leakage and activity shifting leakage has been appropriately accounted for.</p> <p>The PDD states that all forested and non-forested land owned by the Sirebe tribe will be subject to their Conservation Management Plan and protected under the Protected Areas Act of 2010. The audit team reviewed the Conservation Management Plan and confirmed that it is in place and the community members are aware of the plan. As a result, the audit team is reasonably assured that there is no activity shifting leakage occurring.</p> <p>The audit team reviewed the assessment of Total Market Leakage (Appendix 11 of the PDD Part B). Based on interviews with the Nakau Programme and NRDF and provided evidence in the form of news articles, government reports, and published literature the audit team is reasonably assured that due to the high rate of logging in the Solomon Islands there will be no market leakage as a result of the project activity.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.5 Leakage; however, there were Corrective Actions related to Carbon Benefits. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |

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| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |
| A. Requirement | <p>2.6 Traceability and double-counting</p> <p>Are carbon sales from the project traceable and recorded in a database?</p> <p>Are the project intervention areas covered by any other projects or initiatives (including regional or national initiatives)? Are there formal mechanisms in place to avoid double counting?</p> | | |
| B. Guidance Notes for Validators | <p>Check the possibility of double counting and whether the carbon sales are traceable by:</p> <ul style="list-style-type: none"> • By discussions with local experts, the project coordinator and other projects (including any national or regional level GHG coordination unit) • Understanding the project system for maintaining records of carbon sales and keeping records and determining whether this is sufficiently robust and transparent (through discussions with project staff and local participants) | | |
| C. Findings (describe) | <p>The project will register issued credits in the Markit registry to enable transparent handling of credits. Currently, the Solomon Islands has received funding for the National REDD+ Readiness Roadmap but there is currently no national REDD+ program. Additionally, NRDF and the Nakau Programme work closely with the government entities that are responsible for the development of REDD+ in the Solomon Islands so will continue to be well informed on the development of the national REDD+ Program. The Nakau Programme has experience managing forest carbon projects and the audit team found no evidence that carbon credits are not being accurately tracked to prevent double counting. The audit team found no evidence that the project area is covered by any other forest carbon projects.</p> <p>There were no specific Corrective Actions requested by the audit team related to 2.6 Traceability and double-counting; however, there were Corrective Actions related to Carbon Benefits. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions | None | | |

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| (describe) | |
| F. (Insert Project Coordinator's Name) Response | |
| G. Forward Actions (describe, if applicable) | None |
| H. Status | |
| A. Requirement | <p>2.7 Monitoring</p> <p>Does the project have a monitoring plan in place? Is it being implemented and does it seem to be an effective system for monitoring the continued delivery of the ecosystem services?</p> <p>Does the project coordinator prescribe and record corrective actions where monitoring targets are not met and are these effectively followed up in subsequent monitoring?</p> |
| B. Guidance Notes for Validators | <p>Check whether the monitoring plan is effective and likely to be fully implemented:</p> <ul style="list-style-type: none"> • Assess the level of understanding of project staff and participating communities of the monitoring system and ensure that there are responsibilities for monitoring are matched by sufficient capacity • Are the selected indicators (covering all aspects of monitoring) SMART? I.e. Specific, Measurable, Achievable, Relevant and Time-bound? • Do the selected indicators properly measure impacts of the project or are they only able to measure inputs/activities? • Are communities effectively involved in monitoring and do they understand their role? |
| C. Findings (describe) | <p>The audit team reviewed the Monitoring Plan described in the PDD and confirmed via interviews with the Nakau Programme, NRDF, and the Project Owner group that each entity understands the monitoring requirements and have sufficient capacity to carry out the monitoring plan that is in place. As this project is a Logged to Protected Forest project to most important monitored parameter is the eligible forest area. The eligible forest area is monitored by the community rangers to ensure commercial logging is not occurring within the eligible forest area. Additionally, the eligible forest area will be monitored using remotely sensed data which will identify any areas of deforestation. The audit team confirmed via interviews with the Sirebe community that the monitoring plan is understood, and initial steps have already been taken to ensure that the monitoring occurs as described in the PDD. For example, rangers have already been hired to conduct the annual monitoring. The audit team confirms that the Sirebe Tribe is effectively involved in the monitoring and will be supported by NRDF to ensure that rangers are appropriately trained in all aspects of the monitoring. There is a process described in the PDD that will allow for the Sirebe tribe to take on more project management responsibilities as the project progresses.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> |

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| | <p>Criterion 5.9.1 Round 1 Finding: It is unclear where the specific performance indicators and targets are as required by the Plan Vivo standard.</p> <p>Criterion 5.9.1 Round 2 Finding: The audit team confirms that the performance indicators and targets have been added to the appropriate parts of the PD. This criteria is satisfied.</p> <p>Criterion 5.9.4 Round 1 Finding: The audit team was unable to determine from language in the PD the duration of monitoring.</p> <p>Criterion 5.9.4 Round 2 Finding: The audit team confirms that additional language has been added to the appropriate parts of the PD. This criteria is satisfied.</p> <p>Criterion 5.9.5 Round 1 Finding: It is unclear how this criteria is satisfied.</p> <p>Criterion 5.9.5 Round 2 Finding: The audit team confirms that because the TS Module was validated by Plan Vivo, the audit team is reasonably assured that this criterion is satisfied.</p> <p>Criterion 5.9.6 Round 1 Finding: The audit team was unable to determine from language in the PD the duration of monitoring.</p> <p>Criterion 5.9.6 Round 2 Finding: Table 8.1.7 and Section 8.1.8 of the PD describe the resources and capacity required for monitoring. This criteria is satisfied. As this validation and the methodology allows for the a simplified monitoring using only remote sensing, implementation of the monitoring plan will be confirmed at the next verification.</p> <p>Criterion 5.9.8 Round 1 Finding: The PD Part B states "Community monitoring outputs are recorded in annual Project Management Reports prepared and approved by the Project Owner with the assistance of the Project Coordinator. Project Management Reports are submitted for approval to the Project Coordinator and the Programme Operator on an annual basis. The Project Coordinator collates the content of annual Project Management Reports into Project Monitoring Reports. Project Owners and the Project Coordinator approve each Project Monitoring Report before being submitted to the Programme Operator for approval. Once approved by the Programme Operator the Project Monitoring Report is submitted for a verification audit." However, it is unclear to the audit team from this section how results will be shared with participants.</p> <p>Criterion 5.9.8 Round 2 Finding: Additional text in section 8.1.9.2 has been added and describes how the results of the monitoring will be shared with project participants.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

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| E. Corrective Actions (describe) | <p>Criterion 5.9.1 MCAR: Please clarify how this criteria is satisfied or add additional language to satisfy this criteria.</p> <p>Criterion 5.9.4 MCAR: Please add additional language to the PD to clarify the duration of the monitoring.</p> <p>Criterion 5.9.5 MCAR: Please clarify how this criteria is satisfied.</p> <p>Criterion 5.9.6 MCAR: Please clarify how this criteria is satisfied.</p> <p>Criterion 5.9.8 MCAR: Please include additional language to the PD to clarify how results will be shared with project participants.</p> |
| F. (Insert Project Coordinator' Name) Response | <p>Criterion 5.9.1 Project's Round 1 Response: Performance indicators and targets have been added to the PD Part B, sections: 8.1.1 (Carbon) , 8.2.1 (community) and 8.3.1 (biodiversity). These targets and indicators are consistent with the monitored parameters and monitoring techniques, hence some are qualitative or simple. E.g. Biodiversity monitoring is simply to record presence of significant species, therefore the target is "persistence of significant species..."</p> <p>Criterion 5.9.4 Project's Round 1 Response: Updated the text to describe that the monitoring occurs every 3 to 5 years, at a maximum of 5 year intervals. Described that each parameter is monitored annually, biannually or once during each monitoring period.</p> <p>Criterion 5.9.5 Project's Round 1 Response: The assumptions used in the technical Specifications were tested through the validation audit (3rd party and Plan Vivo TAC) who validated the technical specification applied. Other potential assumptions (e.g. data to be applied to the TS module) are the subject of other specific questions within the findings (these findings) and tested through the audit.</p> <p>Criterion 5.9.6 Project's Round 1 Response: Section 8.1.8 updated to include text on the during and frequency of monitoring, referring to table 8.1.8 which outlines when the monitoring occurs.</p> <p>Criterion 5.9.8 Project's Round 1 Response: Text in Section 8.1.9.2 Sharing the Results of Community Monitoring has been updated. The results of the survey will be shared with the community and project participants through a number of ways. Through quarterly project meetings and through project management meetings annually. It is the responsibility of the project owner and project coordinator to share the results with the community. The project operator supports the project coordinator when required.</p> |
| G. Forward Actions (describe, if applicable) | |
| H. Status | All Corrective Actions have been closed. |
| A. Requirement | <p>2.8 Plan Vivos</p> <p>Are the <i>plan vivos</i> (or land management plans) clear, appropriate and</p> |

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| | consistent with approved technical specifications for the project? Will the implementation of the plans cause producers' overall agricultural production or revenue potential to become unsustainable or unviable? | | |
| B. Guidance Notes for Validators | <p>Where small-holder farmers have prepared individual <i>plan vivos</i>, check a sample of these on the ground (in the company of the farmer) to determine whether they have really been prepared by the farmer and what the farmer expects to be the results of implementation.</p> <p>For community-projects managing a common (forest) resource, check the management plan for the forest area and assess the extent to which target groups within the community have been involved in preparing it (especially women and disadvantaged groups) and the extent to which its future impacts have been discussed and agreed.</p> | | |
| C. Findings (describe) | <p>The audit team reviewed the plan vivo and confirms that it is clear and consistent with the validated Technical Specification for the project. The audit team confirmed through interviews with members of the community that the plan vivo was developed in a participatory manner. The audit team reviewed evidence demonstrating the numerous ways the community was integrated into the planning of the project, specifically the Sirebe Protected Area Management Plan. It is clearly the wish of the community to protect their community forest.</p> <p>There were no specific Corrective Actions requested by audit team related to 2.8 Plan Vivos. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |

| Theme | 3. Ecosystem benefits | | |
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| <i>Ensuring that the project meets requirements 2.1-2.4 of the Plan Vivo Standard (2013)</i> | | | |
| A. Requirement | 3.1 Planting native and naturalised species Are the planting activities of the project restricted to native and naturalised species? If naturalised species are being used are they invasive and what effects will they have on biodiversity? Have the species been selected because they will have clear livelihoods benefits? | | |
| B. Guidance Notes for Validators | Check this using a number of sources: <ul style="list-style-type: none"> Visual observations of local tree-growing practices Discussions with communities and project staff Discussions with local experts (forestry and biodiversity experts) Published information (refer to this in the validation report if used) | | |
| C. Findings (describe) | <p>This project is a logged to protected forest project, as a result there is no tree planting that occurs within the project area. The project activity will maintain the biodiversity that already exists within the forest. The project has undertaken biodiversity surveys within the project area to document and monitor critical species.</p> <p>There were no specific Corrective Actions requested by audit team related to 3.1 Planting native and naturalized species. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | <i>(CLOSED, OUTSTANDING, or CONVERTED TO FORWARD ACTION)</i> | | |
| A. Requirement | 3.2 Ecological impacts Have the wider ecological impacts of the project been identified and considered including impacts on local and regional biodiversity and impacts on watersheds? | | |
| B. Guidance Notes for Validators | Check this using a number of sources: <ul style="list-style-type: none"> Visual observations of the environment in the project area Discussions with communities and project staff Discussions with local experts (environmental experts) Published information (refer to this in the validation report if used) | | |
| C. Findings (describe) | As previously stated, this is a logged to protected forest project and the project activity will maintain the ecosystems and biodiversity within the | | |

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| | <p>project area. The audit team reviewed multiple biodiversity reports from the project area and greater surrounding area. It is clear from the findings in these reports that forest protection is necessary to maintain biodiversity in the project area. During the site visit the audit team found no evidence that biodiversity is being negatively affected by the project activity. Aster Global is reasonably assured that as a result of the project activity there are no expected negative effects on biodiversity.</p> <p>There were no specific Corrective Actions requested by audit team related to 3.2 Ecological Impacts. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |

| Theme | 4. Livelihood Benefits |
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| <i>Ensuring that the project meets requirements 4.1-4.14, 7.1-7.5 and 8.1-8.10 of the Plan Vivo Standard (2013)</i> | |
| A. Requirement | 4.1 Community-led planning Has the project has undergone a producer/community-led planning process aimed at identifying and defining sustainable land-use activities that serve the community's needs and priorities? |
| B. Guidance Notes for Validators | Assess this by discussions with project staff and communities and by looking at any records of the planning process. It may be useful to conduct a time-line exercise with communities to understand the planning process that has taken place. |
| C. Findings (describe) | During the course of validation the audit team interviewed the Nakau Programme, NRDF, and community members and reviewed evidence to determine the if the project used a community led approach project planning. During the early planning phases, efforts were taken to inform the communities about PES projects and how they function. The formation of the |

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| | <p>ownership group and associated communities, establishment of the Protected Area, determination of project management roles, establishment of the PES agreement and associated benefit sharing plan, and development of the management plan were all planning activities in which the community was involved. The audit team reviewed meeting reports and minutes documenting how the community was involved in all the different aspects of planning as described in the PDD Part A. During interviews with community members and leaders, the community indicated that it was supported by the Nakau Programme and NRDF in establishing the project but it was the community that wanted to find a way to protect their community forest. Importantly, garden areas used by the community have been excluded from the eligible forest area and a sufficient buffer has been implemented around these garden areas to allow for expansion without negatively affecting the ability of the project to maintain intact the forest area that drives the PES crediting. This represents one example of many that demonstrates the way the community was integrated into the project planning.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 4.9 – Round 1 Finding: It is unclear to the audit team if this criterion has been satisfied.</p> <p>Criterion 4.9 – Round 2 Finding: The project proponent has clarified that the Babatana and Solomon Islands Pidgin is not readily written by community members. Therefore, it is clear that translating a technical document into these languages is not possible and would not be very useful. However, meetings with the project owner group are often conducted in the local languages. As a result, it is clear that English is an appropriate format for the technical documents as it is widely understood in the project owner's group. This criteria is satisfied.</p> <p>Criterion 8.6 – Round 1 Finding: It is unclear to the audit team how this criteria is satisfied.</p> <p>Criterion 8.6 – Round 2 Finding: Thank you for the clarification. The audit team understands that the project owner groups approached NRDF to go through the Protected Area Process which is a prerequisite for entering into a PES agreement with the project coordinators and the program operator. This criteria is satisfied.</p> | | | | | | | | |
| D. Conformance | <table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Yes</td> <td style="width: 25%; text-align: center;"><input checked="" type="checkbox"/> X</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="width: 25%;">N/A</td> <td style="width: 25%; text-align: center;"><input type="checkbox"/></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table> | Yes | <input checked="" type="checkbox"/> X | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> | | |
| Yes | <input checked="" type="checkbox"/> X | No | <input type="checkbox"/> | | | | | | |
| N/A | <input type="checkbox"/> | | | | | | | | |
| E. Corrective Actions (describe) | <p>Criterion 4.9 MCAR: Please provide verifiable evidence that this criteria has been satisfied.</p> <p>Criterion 8.6 MCAR: Please clarify how the PD satisfies this criteria.</p> | | | | | | | | |
| F. (Insert Project Coordinator's | <p>Criterion 4.9 Project's Round 1 Response: The English language is understood by most (if not all) members of the Sirebe Tribe. Whilst we encourage</p> | | | | | | | | |

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| Name) Response | <p>members to read through the entire management plan, a one page management plan has been developed and must be read and understood as a requirement of the PA Declaration process. This one-page management plan consists of a PA area map, a list of rules & regulations and some brief background information on the PA. It is printed as a poster and displayed on a village notice board and will also be available as a handout. Further explanation added to PD Part A Section 3.1.2.1 p 66/67, and 3.1.4.2 p. 76.</p> <p>Criterion 8.6 Project's Round 1 Response: NRDF as project Coordinator does not select its partners (project owners) but receives applications from tribes that are genuine interested in Forest conservation and object to logging. They also need to fulfill to some criteria so that a partnership is practically possible. A partnership means that NRDF will assist the tribe in going through the Protected Area Process first and reach declaration under the Protected Area ACT. This process is a difficult and time consuming process. Once a Tribe has been declared PA the development of a carbon projects starts and a PES agreement is signed. NRDF has enough capacity to assist in both processes and there is certainly no "competition" between tribes on who is included or not in the project. It is all based on whether or not a tribe reaches their PA status and is ready to develop a carbon project under the Babatana project.</p> |
| G. Forward Actions (describe, if applicable) | None |
| H. Status | All Corrective Actions have been closed. |
| A. Requirement | <p>4.2 Socio-economic impact assessment/monitoring plan</p> <p>Is there a robust socio-economic impact assessment and monitoring plan in place that can measure changes against the baseline scenario?</p> |
| B. Guidance Notes for Validators | <p>Discuss with project staff and communities to understand how the baseline assessment was conducted and how the socio-economic monitoring plan developed out of this. Assess in particular:</p> <ul style="list-style-type: none"> • Whether the livelihoods indicators can effectively monitoring socio-economic changes taking place • The extent to which women, disadvantaged people and other social groups have been involved project processes and whether the selected indicators will enable impacts on them to be determined • Whether any groups in the community are likely to be adversely affected by the project and whether there are any mitigation measures in place to address this |
| C. Findings (describe) | <p>During the course of the validation, the audit team interviewed both the Nakau Programme and NRDF to discuss the socio-economic baseline assessment. Additionally, the audit team reviewed the results of the baseline assessment and confirms that the indicators that will be tracked are relevant for the community and are based on community input. There are four broad indicators that were identified by the community as being important to assess wellbeing: food security, water security, financial security, and resilience of the</p> |

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| | <p>carbon project. These four categories were identified during a Business and Benefits workshop in October of 2017. Through a review of the baseline survey and monitoring requirements the audit team is reasonably assured that the livelihood indicators can be effectively monitored and will capture socio-economic changes that take place.</p> <p>For the initial baseline survey both men and women were interviewed allowing for a broad array of opinions. The audit team is reasonably assured that through the inclusion of women and young people in the baseline survey and future socio-economic monitoring surveys the current indicators are sufficient to indicate the types of socio-economic change that occurs in these groups. Although the audit team found no evidence that there are specific groups within the community that are likely to be negatively affected, the community is concerned that increased discretionary income could lead to a change in diets (more store bought food) and increased drug and alcohol use. However, both these concerns are addressed in the socio-economic survey and will be tracked over time.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 7.5 – Round 1 Finding: The audit team was unable to find any mention of negative impacts on program participants.</p> <p>Criterion 7.5 – Round 2 Finding: In section 5.2.2.4 of the PD Part A there is one potential negative impact described and mitigation steps as well as how this impact will be monitored. This criteria is satisfied.</p> <p>Criterion 8.2.8 – Round 1 Finding: The audit team was unable to confirm where this criteria is satisfied within the PES agreement.</p> <p>Criterion 8.2.8 – Round 2 Finding: Thank you for the clarification. Although the PES agreement does not explicitly state the potential impacts to harvest food, fuel, timber or other products. The PES agreement states that the customary rights to the land are maintained. Furthermore, the PES agreement ensures compliance with the PD which clearly states the potential impacts and mitigation measures taken to protect the rights to harvest food, fuel, timber or other products. This criteria is satisfied.</p> |
| D. Conformance | <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> |
| E. Corrective Actions (describe) | <p>Criterion 7.5 MCAR: Please clarify for the audit team if there are potential negative impacts to project participants. If there are no potential negative impacts to project participants please state this clearly in the PD.</p> <p>Criterion 8.2.8 MCAR: Please clarify for the audit team how this criteria is satisfied or included the necessary language in the PES agreement.</p> |

| F. (Insert Project Coordinator's Name) Response | <p>Criterion 7.5 Project's Round 1 Response: Paragraph 5.2.2.3 and 5.2.2.4 of PD part A describes the expected impacts of the project on the livelihoods of the Sirebe people and for nearby community members (non-owners). The Project has identified only one possible negative impacts on the livelihoods and food security of the people of the Sirebe Tribe, which is not expected to impact neighbouring communities. The likelihood of this impact is answered in section 5.2.2.4 and it will be closely monitored and addressed, as described in section 5.2.3.6. The project answers to the long time wish of the Sirebe people to conserve and manage their forest resources for now and in the future. The project provides them with a way of legal protection against logging, mining and also protects the tribe against any unlawful land claims by other tribes, mitigating the well known negative social and environmental impacts of these alternative land uses. At the same time the project will support the people in their social-economic development aspirations managed and governed by the tribe itself.</p> <p>Criterion 8.2.8 Project's Round 1 Response: The PES agreement Background / Introduction Section (B) states (p3.): "This Agreement does not alter or transfer in any way pre-existing customary rights of ownership, access to or use of resources over the land to which this Agreement relates." This recognises customary rights under Solomon Islands law and safeguards rights to access food, fuel, timber or other products. Further, PES Section 5.2 (a) requires that the project owner implement the project according to the PD. Schedule 2 clause 2 (d) allows the Nakau programme to withhold payment in the case of non-compliance with the NMF or the PD. The PES agreement therefore refers to these documents which provide safeguards for food security and subsistence resource use. E.g. PD A section 4.1.1.8 Impacts of PES Agreement on Rights to Food, Fuel, Timber, it states: The Project will not impact the right of landowners to harvest resources for their needs outside of restrictions noted in the Sirebe Protected Area Management Plans (Appendix 5) and the Technical Specifications Module (C) 1.1 (IFM-LtPF): Improved Forest Management – Logged to Protected Forest V1.0. NB: the TS module allows for di-minimis harvesting (subsistence use) within the eligible area of up to 5% of timber. The Conservation management Plan under the PA Act allows for subsistence use. The land use plan identifies and removes garden areas from the area managed for carbon.</p> | | | | | | |
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| G. Forward Actions (describe, if applicable) | <p><i>(Please, delete table and write "None" if there were no corrective actions were identified or all corrective actions were closed)</i></p> <table border="1" data-bbox="462 1680 1414 1814"> <thead> <tr> <th data-bbox="462 1680 620 1769">Forward Action</th><th data-bbox="620 1680 970 1769">Why Unresolved</th><th data-bbox="970 1680 1414 1769">How to resolve</th></tr> </thead> <tbody> <tr> <td data-bbox="462 1769 620 1814"></td><td data-bbox="620 1769 970 1814"></td><td data-bbox="970 1769 1414 1814"></td></tr> </tbody> </table> | Forward Action | Why Unresolved | How to resolve | | | |
| Forward Action | Why Unresolved | How to resolve | | | | | |
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| H. Status | All Corrective Actions have been closed. | | | | | | |

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| A. Requirement | <p>4.3 Sale agreements and payments</p> <p>Does the project have clear procedures for entering into sale agreements with producers/communities based on saleable carbon from <i>plan vivos</i>? Does the project have an effective and transparent process for the timely administration and recording of payments to producers?</p> |
| B. Guidance Notes for Validators | <p>Check the systems that are being proposed by the project and make an assessment of whether these are fully functional already or whether they can be made functional when required? Are communities/producers aware of the system and do they understand it? Are documents and materials readily available to producers/communities?</p> |
| C. Findings (describe) | <p>The audit team reviewed the PES Agreement which is signed by the Programme Operator, Project Coordinator, and Project Owner. The audit team also reviewed multiple meeting minutes and reports of the workshops held with all entities describing the business side of the carbon project. The audit team confirms that the systems for tracking sales and payments is effective and transparent as it provides an audit trail of all sales and payments. The Sirebe community has a transparent business plan that provides a road map as to how PES income will be distributed. This plan was developed by the Sirebe community with support from the Nakau Programme and NRDF. Additionally, multiple workshops and meetings were held prior to the signing of the PES agreement and development of the project owner business model to provide basic financial literacy training to aid in the development of the project owner business model.</p> <p>Please find below specific findings from the Plan Vivo Standard:</p> <p>Criterion 8.2.1 – Round 1 Finding: The audit team was unable to determine where in the PES agreement the quantity of ecosystem services transacted is listed.</p> <p>Criterion 8.2.1 – Round 2 Finding: After discussion with Plan Vivo it is clear that although this criteria is not satisfied the approach taken by the project proponent satisfies the intent of this criteria. Specifically, as stated by the project proponent prior to the verification of credits it is impossible to state the quantity of credits that will be transacted. No further action is needed.</p> <p>Criterion 8.5.2 – Round 1 Finding: The audit team was unable to locate the "First issuances from Nakau Programme Drawa and Loru project. Additionally, the audit team was unable to locate the established sales and purchase agreements discussed in the PD.</p> <p>Criterion 8.5.2 – Round 2 Finding: The audit team was unable to locate the "First issuances from Nakau Programme Drawa and Loru project. Additionally, the audit team was unable to locate the established sales and purchase</p> |

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| | <p>agreements discussed in the PD.</p> <p>Criterion 8.9 – Round 1 Finding: It is unclear how this criteria is satisfied.</p> <p>Criterion 8.9 – Round 2 Finding: The project proponent has clarified that the Babatana and Solomon Islands Pidgin is not readily written by community members. Therefore, it is clear that translating a technical document into these languages is not possible and would not be very useful. However, meetings with the project owner group are often conducted in the local languages. As a result, it is clear that English is an appropriate format for the technical documents as it is widely understood in the project owner's group. This criteria is satisfied.</p> <p>Criterion 8.10 – Round 1 Finding: A PES agreement is in place and has been approved and signed by the Programme Operator, Project Coordinator, and Project Owner. Additionally, the project owner has developed a business plan and the requisite formal entities to guide how PES funding is distributed to different members of the Project Ownership Group. To date the audit team is not aware if there have been PES funds disbursed in the form of equipment or resources other than money. However, the audit team understands based on conversations with the Programme Operator and Project Coordinator that monitoring equipment has been purchased and the audit team is requesting to better understand how these items were paid for.</p> <p>Criterion 8.10 – Round 2 Finding: Although the program operator has procured equipment through procuring grants to fund the purchase of these items, it is clear that these items were not delivered as in kind PES. Additionally, no PES payments have been made as the project is currently going through validation. This criteria is satisfied.</p> | | | | | | |
| D. Conformance | <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 33%;">Yes</td> <td style="width: 33%;"><input checked="" type="checkbox"/></td> <td style="width: 33%;">No</td> <td style="width: 33%;"><input type="checkbox"/></td> <td style="width: 33%;">N/A</td> <td style="width: 33%;"><input type="checkbox"/></td> </tr> </table> | Yes | <input checked="" type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> |
| Yes | <input checked="" type="checkbox"/> | No | <input type="checkbox"/> | N/A | <input type="checkbox"/> | | |
| E. Corrective Actions (describe) | <p>Criterion 8.2.1 MCAR: Please address in line with the findings.</p> <p>Criterion 8.5.2 MCAR: Please provide verifiable evidence of the items mentioned in the finding.</p> <p>Criterion 8.9 MCAR: Please clarify how this criteria is satisfied.</p> <p>Criterion 8.10 MCAR: Please clarify if there has been a disbursement of PES funds in the form of equipment or resources other than money.</p> | | | | | | |
| F. (Insert Project Coordinator's Name) Response | <p>Criterion 8.2.1 Project's Round 1 Response: An exact quantity of units could not be included within a PES agreement prior to completion of the audit and verification because it is not known until the audit is completed and verification approved. Schedule 2, clause 3 'volume of units' states that Nakau will attempt to sell "every unit that is available," which refers to credits issued. Nakau is happy to commit to improving the PES agreement and including a volume of credits to be transacted, but is unable to do this prior to the</p> | | | | | | |

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| | <p>conclusion of the verification audit.</p> <p>Criterion 8.5.2 Project's Round 1 Response: Nakau has now signed an emissions reduction purchase agreement with MyClimate for vintages 2017 - 2023. Please find agreement added to the PD Part A appendices folder (shared drive) as Appendix 25. Also please refer to the Drawa Annual Report on the Plan Vivo website that includes records of all credits sold (p.17 of the report). This provides previous sales evidence. https://www.planvivo.org/Handlers/Download.ashx?IDMF=5c525545-7ee8-429b-be9f-130b05f1e39c</p> <p>Criterion 8.9 Project's Round 1 Response: There are between sixty and seventy languages spoken in the Solomon Islands. The official language is English however the most commonly used language to communicate is Solomon Island Pijin. Babatana, also spelled Mbambatana, is the principal indigenous language of Choiseul Province and the Babatana project area. Although native to the South Choiseul coastline area between Sepa and the Manggo Bay area, the use of this language has spread across much of Choiseul Island and it is generally understood, much like Solomon Islands Pijin, across the province as a second or third language. Solomon Islands pidgin is very close to english and in many cases referred to as "broken english". To make all documentation clear and readable for all tribe members and stakeholders, the English language is used in all final documents.</p> <p>During all awareness meetings, tribal meetings and technical training Solomon Islands Pidgin was used. If needed, coordinators translated in babatana language. The babatana language is not a written language and not many people are able to read babatana and likewise, for Solomon Islands Pidgin. Most project documents cover many technical terms that are hard to translate in both Babatana and Pidgin. It is for that reason that english was used in all documents to make sure the content of the documentation is understood by all people involved in the project, and also so that it is legally sound.</p> <p>Criterion 8.10 Project's Round 1 Response: In section 8.3.3 of PD part B 'it is outlined that, Financial support for in depth and robust biodiversity assessment, monitoring and inventories will be sought after by the project coordinator and project operator.' The monitoring equipment was procured and paid for by Nakau and provided to NRDF and the Sirebe Tribal Association, through a regional GIZ grant for the project REDD+ - Forest Conservation in Pacific Islands Countries II, under the agreement number 81251422. Nakau Provided two mobile devices with covers, glass and waterproof pouches, to NRDF and a laptop for the data collection and GIS aspects of monitoring. All items procured were agreed to in the GIZ budget and were procured with 81251422 project funds. Each item as a receipt and invoice, from Nakau or NRDF. To-date no PES funds has been distributed among different parties and no PES funds have been disbursed in the form of equipment or resources.</p> | | | |
| G. Forward Actions (describe, if applicable) | <p><i>(Please, delete table and write "None" if there were no Corrective Actions were identified or all Corrective Actions were closed)</i></p> <table border="1"> <tr> <td>Forward</td> <td>Why Unresolved</td> <td>How to resolve</td> </tr> </table> | Forward | Why Unresolved | How to resolve |
| Forward | Why Unresolved | How to resolve | | |

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| H. Status | All Corrective Actions have been closed. | | |
| A. Requirement | <p>4.4 Benefit sharing and equity</p> <p>Will the project have livelihoods benefits for the local community? Are these benefits likely to accrue to all community members and/or are benefits targeted at particular groups within the community? What other actions is the project taking to ensure that disadvantaged groups e.g. women, landless households, poor people will benefit from sales of Plan Vivo certificates?</p> | | |
| B. Guidance Notes for Validators | <p>Whilst there may be livelihoods benefits resulting from the project aspects of benefit sharing are critical to ensure that benefits are equitably shared. This can be assessed by:</p> <ul style="list-style-type: none"> • Checking whether a local stakeholder/well-being analysis has been conducted to identify socio-economic groupings in the communities • Assessing the level of governance of local groups (are issues of equity and benefit sharing discussed during meetings?) • Discuss with a small sample of households from different socio-economic groups to determine their level of understanding of the benefits they are likely to get from the project. | | |
| C. Findings (describe) | <p>Aster Global is reasonably assured that the project will have livelihood benefits for the Sirebe Community. Through the development of the project the Sirebe Community has established the Sirebe Community Company Business Plan which describes how revenue generated by the sale of carbon credits will be shared amongst the community. As the community was at the center of the decision making process in determining how these communal funds would be distributed it is clear that the community has allocated funds in a way that will maximize their livelihood benefits. Revenue from the project will be allocated to families rather than specific persons within the family. 75% of the revenue will go to "Primary right owners", 20% will be allocated to "Secondary right owners", and the remaining 5% has been allocated specifically to women development programs e.g., micro-finance loans and the women's savings club. Each family is required to submit a quarterly spending plan that has to reflect the agreed upon development priorities of the community: infrastructure (solar electricity, water and sanitation, and housing) entrepreneurship, and education. These priorities reflect the needs of the Sirebe community and will have positive livelihood benefits. The Sirebe community understands the need for women development initiatives and will continue to put resources (5% of project revenue) towards this goal.</p> <p>Through interviews with the project ownership group and after a review of the Sirebe Tribal Association Constitution (Appendix 13) and notes that there is no explicit language that precludes women from holding positions on any of the committees, importantly the Executive Committee. The Sirebe Tribal Association operates independently of the other organizations involved in the project development and management and consists only of Sirebe tribe members. The audit team is reasonably assured that there is no explicit</p> | | |

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| | <p>exclusion of marginalized groups. Additionally, the audit team reviewed the Sirebe Community Company Business Plan (Appendix 7). This plan was developed by the Sirebe tribe and provides guidance on how funds from the project will be used. Importantly, 5% of revenue received by the Sirebe tribe will be used towards women's development. During the site visit, no issues were brought to the audit team's attention regarding the exclusion of marginalized groups.</p> <p>There were no specific Corrective Actions requested by audit team related to 4.4 Benefit Sharing and Equity. Annex 1 provides a comprehensive list of all corrective actions requested during the validation.</p> | | |
| D. Conformance | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| E. Corrective Actions (describe) | None | | |
| F. (Insert Project Coordinator's Name) Response | | | |
| G. Forward Actions (describe, if applicable) | None | | |
| H. Status | | | |

The Validator: (Aster Global Environmental Solutions Inc.)

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| Signature: <u></u> | Date: 09 August 2021 |
| Lead Verifier: Shawn McMahon | |

ANNEX 1: Corrective Actions Issued During the Validation and 1st Verification

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| Item Number | 1 |
| Plan Vivo Standard 2013 Section | 3. Project coordination and management |
| Plan Vivo Standard 2013 (Subsection and Description) | 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A section 2.13.4 |
| Findings - Round 1 | Evidence has been provided that the project coordinator has the legal and administrative capacity to enter into PES agreements with participants and to manage disbursements of payments for ecosystem services. However, the audit team understands the programme operator is responsible for PES disbursements and not the project coordinator. It is unclear whether the current structure is appropriate given Criteria 3.5 of the Plan Vivo Standard. |
| Round 1 NCR/CL/OFI | MCAR: Please clarify how the project satisfies this Plan Vivo requirement. |
| Round 1 Response from Project Proponent | The validated NMF states (section 4.2.4) that if agreed by the Project Coordinator and Project Owner, and approved by the Project Operator, projects in the Nakau Programme may nominate a trusted 3rd party to administer the Project Trust Account on their behalf. The Nakau Programme has been appointed to operate the Project trust Account in this project. This appointment is confirmed in the tri-party PES agreement. Furthermore, we understand now that this is the most practical way to administer funds coming into Nakau projects generally, and will make future amendments to the NNMF to confirm this as the preferred option. |
| Findings - Round 2 | After discussion with Plan Vivo it is clear that although this criteria is not satisfied the approach taken by the project proponent is satisfies the intent of this criteria. No further action is needed. |
| Item Number | 2 |
| Plan Vivo Standard 2013 Section | 3. Project coordination and management |
| Plan Vivo Standard 2013 (Subsection and Description) | 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. |
| Applicability to the Project (Y or N/A) | Y |

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| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.13.10 |
| Findings - Round 1 | 5 laws/regulations have been identified. However, there is no to little description of "how the project design has taken them into account to ensure compliance with the law" |
| Round 1 NCR/CL/OFI | MCAR: Please add additional language to this section to satisfy the 3.7 of the Plan Vivo Standard. |
| Round 1 Response from Project Proponent | PD Part A Section 2.13.10 has been updated. |
| Findings - Round 2 | The audit team reviewed the updated PD Part A and confirms the project has taken the relevant laws and regulations into account in the project design and management. This criteria is satisfied. |
| Item Number | 3 |
| Plan Vivo Standard 2013 Section | 3. Project coordination and management |
| Plan Vivo Standard 2013 (Subsection and Description) | 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 4.2 Business Plan |
| Findings - Round 1 | Although there is significant detail in the PD Part A and associated business plan, these items do not appear to have been updated within the last 3-months. |
| Round 1 NCR/CL/OFI | MCAR: Please update the budget and financial plan to reflect the most recent expenditures of the project to satisfy the requirement 3.10. |
| Round 1 Response from Project Proponent | The project budget and financial plan is updated after first verification event. The financial plan is reviewed and if needed updated quarterly. The project budget and financial plan was not updated in the first project monitoring report because it follows the Simplified Monitoring Report Template, where only the first budget and financial plan is show. In future annual reports, the budget and monitoring report will reflect updates and revisions, according to expenditure and PES sales. |
| Findings - Round 2 | After discussion with Plan Vivo it is clear that although this criteria is not satisfied the approach taken by the project proponent is satisfies the intent of this criteria. No further action is needed. |

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| Item Number | 4 |
| Plan Vivo Standard 2013 Section | 3. Project coordination and management |

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| Plan Vivo Standard 2013 (Subsection and Description) | 3.13. Community members, including women and members of marginalized 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.13.16 |
| Findings - Round 1 | The audit team understands that where possible marginalized groups will be given equal employment opportunities as stated in the PD. However, the PD notes that cultural sensitivity will be applied in respecting customs of the Sirebe tribe. Although the audit team understands the importance of respecting customs of the project owners it is unclear if this is allowable based on criteria 3.13. |
| Round 1 NCR/CL/OFI | MCAR: Please clarify how this criteria is met. Additional evidence such a gender breakdown of the current employees within the tribe could be useful in showing compliance with this criteria. |
| Round 1 Response from Project Proponent | Although the project owner has not commenced with the sales of credits yet and no income has been received by the tribe the organizational management structures, linked to expected project employment have been set-up. For the Company only 2 managers are appointed: the Financial Manager (Female) and the Operational Manager (Male). Furthermore the Association of the Tribe, who is the sole shareholder of the company, holds 4 women positions. The project coordinator has observed that women in Choiseul are marginalized due to cultural aspects and restrictions but has taken efforts to include women in the management structures as much as possible. To improve this situation NRDF has recruited its first Women Development Officer who will help to build capacity amongst women and girls to enable them to take part in project management and find employment opportunities in the project itself and beyond. This year training sessions in financial management, computer skills and project administration will be provided for females from project owners within the Babatana project. Besides employment the Project Coordinator helps to set-up and strengthen women saving clubs and has asked the Sirebe Company to set aside a certain percentage of their annual income from credits for exclusive women development projects. Inclusiveness and gender are subject to continues monitoring by the project coordinator and Programme owner. |
| Findings - Round 2 | Based on the project proponent's response to the finding it is clear that significant efforts are being taken to give equal opportunity to marginalized groups. Furthermore, the project proponent has demonstrated that a number of positions have been designated to be filled by women. This will be confirmed at future verifications. This criteria is satisfied. |

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| Item Number | 5 |
| Plan Vivo Standard 2013 Section | 4. Participatory design and development of plan vivos |
| Plan Vivo Standard 2013 (Subsection and | 4.9. Participants must have access to their plan vivo in an appropriate format and language. |

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| Description) | |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD |
| Findings - Round 1 | It is unclear to the audit team if this criteria has been satisfied. |
| Round 1 NCR/CL/OFI | MCAR: Please provide verifiable evidence that this criteria has been satisfied. |
| Round 1 Response from Project Proponent | The English language is understood by most (if not all) members of the Sirebe Tribe. Whilst we encourage members to read through the entire management plan, a one page management plan has been developed and must be read and understood as a requirement of the PA Declaration process. This one-page management plan consists of a PA area map, a list of rules & regulations and some brief background information on the PA. It is printed as a poster and displayed on a village notice board and will also be available as a handout. Further explanation added to PD Part A Section 3.1.2.1 p 66/67, and 3.1.4.2 p. 76. |
| Findings - Round 2 | The project proponent has clarified that the Babatana and Solomon Islands Pidgin is not readily written by community members. Therefore, it is clear that translating a technical document into these languages is not possible and would not be very useful. However, meetings with the project owner group are often conducted in the local languages. As a result, it is clear that English is an appropriate format for the technical documents as it is widely understood in the project owner's group. This criteria is satisfied. |

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| Item Number | 6 |
| Plan Vivo Standard 2013 Section | 5. Quantifying and monitoring ecosystem services |
| Plan Vivo Standard 2013 (Subsection and Description) | 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 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B Section 8 |
| Findings - Round 1 | It is unclear where the specific performance indicators and targets are as required by the Plan Vivo standard. |
| Round 1 NCR/CL/OFI | MCAR: Please clarify how this criteria is satisfied or add additional language to satisfy this criteria. |

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| Round 1 Response from Project Proponent | Performance indicators and targets have been added to the PD Part B, sections: 8.1.1 (Carbon) , 8..2.1 (community) and 8.3.1 (biodiversity). These targets and indicators are consistent with the monitored parameters and monitoring techniques, hence some are qualitative or simple. E.g. Biodiversity monitoring is simply to record presence of significant species, therefore the target is "persistence of significant species..." |
| Findings - Round 2 | The audit team confirms that the performance indicators and targets have been added to the appropriate parts of the PD. This criteria is satisfied. |

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| Item Number | 7 |
| Plan Vivo Standard 2013 Section | 5. Quantifying and monitoring ecosystem services |
| Plan Vivo Standard 2013 (Subsection and Description) | 5.9.4. Duration of monitoring |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B Section 8.1 |
| Findings - Round 1 | The audit team was unable to determine from language in the PD the duration of monitoring. |
| Round 1 NCR/CL/OFI | MCAR: Please add additional language to the PD to clarify the duration of the monitoring. |
| Round 1 Response from Project Proponent | Updated the text to describe that the monitoring occurs every 3 to 5 years, at a maximum of 5 year intervals. Described that each parameter is monitored annually, biannually or once during each monitoring period. |
| Findings - Round 2 | The audit team confirms that additional language has been added to the appropriate parts of the PD. This criteria is satisfied. |

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| Item Number | 8 |
| Plan Vivo Standard 2013 Section | 5. Quantifying and monitoring ecosystem services |
| Plan Vivo Standard 2013 (Subsection and Description) | 5.9.5. How the validity of any assumptions used in technical specifications are to be tested. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | It is unclear how this criteria is satisfied. |
| Round 1 NCR/CL/OFI | MCAR: Please clarify how this criteria is satisfied. |

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| Round 1 Response from Project Proponent | The assumptions used in the technical Specifications were tested through the validation audit (3rd party and Plan Vivo TAC) who validated the technical specification applied. Other potential assumptions (e.g. data to be applied to the TS module) are the subject of other specific questions within the findings (these findings) and tested through the audit. |
| Findings - Round 2 | The audit team confirms that because the TS Module was validated by Plan Vivo, the audit team is reasonably assured that this criteria is satisfied. |

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| Item Number | 9 |
| Plan Vivo Standard 2013 Section | 5. Quantifying and monitoring ecosystem services |
| Plan Vivo Standard 2013 (Subsection and Description) | 5.9.6. Resources and capacity required |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B Section 8.1.8 |
| Findings - Round 1 | The audit team was unable to determine from language in the PD the duration of monitoring. |
| Round 1 NCR/CL/OFI | MCAR Please add additional language to the PD to clarify the duration of the monitoring. |
| Round 1 Response from Project Proponent | Section 8.1.8 updated to include text on the during and frequency of monitoring, referring to table 8.1.8 which outlines when the monitoring occurs. |
| Findings - Round 2 | Table 8.1.7 and Section 8.1.8 of the PD describe the resources and capacity required for monitoring. |

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| Item Number | 10 |
| Plan Vivo Standard 2013 Section | 5. Quantifying and monitoring ecosystem services |
| Plan Vivo Standard 2013 (Subsection and Description) | 5.9.8. How results of monitoring will be shared and discussed with participants |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B Section 8.1.8.2 |

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| Findings - Round 1 | The PD Part B states "Community monitoring outputs are recorded in annual Project Management Reports prepared and approved by the Project Owner with the assistance of the Project Coordinator. Project Management Reports are submitted for approval to the Project Coordinator and the Programme Operator on an annual basis. The Project Coordinator collates the content of annual Project Management Reports into Project Monitoring Reports. Project Owners and the Project Coordinator approve each Project Monitoring Report before being submitted to the Programme Operator for approval. Once approved by the Programme Operator the Project Monitoring Report is submitted for a verification audit." However, it is unclear to the audit team from this section how results will be shared with participants. |
| Round 1 NCR/CL/OFI | MCAR Please include additional language to the PD to clarify how results will be shared with project participants. |
| Round 1 Response from Project Proponent | Text in Section 8.1.9.2 Sharing the Results of Community Monitoring has been updated. The results of the survey will be shared with the community and project participants through a number of ways. Through quarterly project meetings and through project management meetings annually. It is the responsibility of the project owner and project coordinator to share the results with the community. The project operator supports the project coordinator when required. |
| Findings - Round 2 | Additional text in section 8.1.9.2 has been added and describes how the results of the monitoring will be shared with project participants. |

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| Item Number | 11 |
| Plan Vivo Standard 2013 Section | 7. Livelihood impacts |
| Plan Vivo Standard 2013 (Subsection and Description) | 7.5. The project must strive to avoid negative impacts on participants and nonparticipants, 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | The audit team was unable to find any mention of negative impacts on program participants. |
| Round 1 NCR/CL/OFI | MCAR Please clarify for the audit team if there are potential negative impacts to project participants. If there are no potential negative impacts to project participants please state this clearly in the PD. |

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| Round 1 Response from Project Proponent | Paragraph 5.2.2.3 and 5.2.2.4 of PD part A describes the expected impacts of the project on the livelihoods of the Sirebe people and for nearby community members (non-owners). The Project has identified only one possible negative impacts on the livelihoods and food security of the people of the Sirebe Tribe, which is not expected to impact neighboring communities. The likelihood of this impact is answered in section 5.2.2.4 and it will be closely monitored and addressed, as described in section 5.2.3.6. The project answers to the long time wish of the Sirebe people to conserve and manage their forest resources for now and in the future. The project provides them a with a way of legal protection against logging, mining and also protects the tribe against any unlawful land claims by other tribes, mitigating the well known negative social and environmental impacts of these alternative land uses. At the same time the project will support the people in their social-economic development aspirations managed and governed by the tribe itself. |
| Findings - Round 2 | In section 5.2.2.4 of the PD Part A there is one potential negative impact described and mitigation steps as well as how this impact will be monitored. This criteria is satisfied. |

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| Item Number | 12 |
| Plan Vivo Standard 2013 Section | 8. PES Agreements (transacting ecosystem services) and benefit sharing |
| Plan Vivo Standard 2013 (Subsection and Description) | 8.2.1. The quantity and type of ecosystem services transacted |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A and PES agreement. |
| Findings - Round 1 | The audit team was unable to determine where in the PES agreement the quantity of ecosystem services transacted is listed. |
| Round 1 NCR/CL/OFI | MCAR Please address in line with the findings. |
| Round 1 Response from Project Proponent | An exact quantity of units could not be included within a PES agreement prior to completion of the audit and verification because it is not known until the audit is completed and verification approved. Schedule 2, clause 3 'volume of units' states that Nakau will attempt to sell "every unit that is available," which refers to credits issued. Nakau is happy to commit to improving the PES agreement and including a volume of credits to be transacted, but is unable to do this prior to the conclusion of the verification audit. |
| Findings - Round 2 | After discussion with Plan Vivo it is clear that although this criteria is not satisfied the approach taken by the project proponent is satisfies the intent of this criteria. Specifically, as stated by the project proponent prior to the verification of credits it is impossible to state the quantity of credits that will be transacted. No further action is needed. |

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| Item Number | 13 |
| Plan Vivo Standard 2013 | 8. PES Agreements (transacting ecosystem services) and benefit sharing |

| Section | |
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| Plan Vivo Standard 2013 (Subsection and Description) | 8.2.8. Any impacts of the agreement on rights to harvest food, fuel, timber or other products |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A and PES agreement. |
| Findings - Round 1 | The audit team was unable to confirm where this criteria is satisfied within the PES agreement. |
| Round 1 NCR/CL/OFI | MCAR Please clarify for the audit team how this criteria is satisfied or included the necessary language in the PES agreement. |
| Round 1 Response from Project Proponent | The PES agreement Background / Introduction Section (B) states (p3.): "This Agreement does not alter or transfer in any way pre-existing customary rights of ownership, access to or use of resources over the land to which this Agreement relates." This recognizes customary rights under Solomon Islands law and safeguards rights to access food, fuel, timber or other products. Further, PES Section 5.2 (a) requires that the project owner implement the project according to the PD. Schedule 2 clause 2 (d) allows the Nakau program to withhold payment in the case of non-compliance with the NMF or the PD. The PES agreement therefore refers to these documents which provide safeguards for food security and subsistence resource use. E.g. PD A section 4.1.1.8 Impacts of PES Agreement on Rights to Food, Fuel, Timber, it states: The Project will not impact the right of landowners to harvest resources for their needs outside of restrictions noted in the Sirebe Protected Area Management Plans (Appendix 5) and the Technical Specifications Module (C) 1.1 (IFM-LtPF): Improved Forest Management – Logged to Protected Forest V1.0. NB: the TS module allows for di-minimis harvesting (subsistence use) within the eligible area of up to 5% of timber. The Conservation management Plan under the PA Act allows for subsistence use. The land use plan identifies and removes garden areas from the area managed for carbon. |
| Findings - Round 2 | Thank you for the clarification. Although the PES agreement does not explicitly state the potential impacts to harvest food, fuel, timber or other products. The PES agreement states that the customary rights to the land are maintained. Furthermore, the PES agreement ensures compliance with the PD which clearly states the potential impacts and mitigation measures taken to protect the rights to harvest food, fuel, timber or other products. This criteria is satisfied. |

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| Item Number | 14 |
| Plan Vivo Standard 2013 Section | 8. PES Agreements (transacting ecosystem services) and benefit sharing |
| Plan Vivo Standard 2013 (Subsection and Description) | 8.5.2. A proven track record in identifying funders or buyers in ecosystem markets or from other sources |
| Applicability to the Project (Y or N/A) | Y |

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| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | The audit team was unable to locate the "First issuances from Nakau Programme Drawa and Loru project. Additionally, the audit team was unable to locate the established sales and purchase agreements discussed in the PD. |
| Round 1 NCR/CL/OFI | MCAR Please provide verifiable evidence of the items mentioned in the finding. |
| Round 1 Response from Project Proponent | Nakau has now signed an emissions reduction purchase agreement with MyClimate for vintages 2017 - 2023. Please find agreement added to the PD Part A appendices folder (shared drive) as Appendix 25. Also please refer to the Drawa Annual Report on the Plan Vivo website that includes records of all credits sold (p.17 of the report). This provides previous sales evidence. https://www.planvivo.org/Handlers/Download.ashx?IDMF=5c525545-7ee8-429b-be9f-130b05f1e39c |
| Findings - Round 2 | The audit team reviewed the sales that have been conducted by the Nakau program for the Drawa project and the audit team is reasonably assured that this criteria is satisfied. |

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| Item Number | 15 |
| Plan Vivo Standard 2013 Section | 8. PES Agreements (transacting ecosystem services) and benefit sharing |
| Plan Vivo Standard 2013 (Subsection and Description) | 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | It is unclear to the audit team how this criteria is satisfied. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how the PD satisfies this criteria. |
| Round 1 Response from Project Proponent | NRDF as project Coordinator does not select its partners (project owners) but receives applications from tribes that are genuine interested in Forest conservation and object to logging. They also need to fulfill to some criteria so that a partnership is practically possible. A partnership means that NRDF will assist the tribe in going through the Protected Area Process first and reach declaration under the Protected Area ACT. This process is a difficult and time consuming process. Once a Tribe has been declared PA the development of a carbon projects starts and a PES agreement is signed. NRDF has enough capacity to assist in both processes and there is certainly no "competition" between tribes on who is included or not in the project. It is all based on whether or not a tribe reaches their PA status and is ready to develop a carbon project under the Babatana project. |

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| Findings - Round 2 | Thank you for the clarification. The audit team understands that the project owner groups approached NRDF to go through the Protected Area Process which is a prerequisite for entering into a PES agreement with the project coordinators and the program operator. This criteria is satisfied. |
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| Item Number | 16 |
| Plan Vivo Standard 2013 Section | 8. PES Agreements (transacting ecosystem services) and benefit sharing |
| Plan Vivo Standard 2013 (Subsection and Description) | 8.9. Details of the benefit-sharing mechanism must be made available to participants in an appropriate format and language. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | It is unclear how this criteria is satisfied. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |
| Round 1 Response from Project Proponent | <p>There are between sixty and seventy languages spoken in the Solomon Islands. The official language is English however the most commonly used language to communicate is Solomon Island Pijin. Babatana, also spelled Mbambatana, is the principal indigenous language of Choiseul Province and the Babatana project area. Although native to the South Choiseul coastline area between Sepa and the Manggo Bay area, the use of this language has spread across much of Choiseul Island and it is generally understood, much like Solomon Islands Pijin, across the province as a second or third language. Solomon Islands pidgin is very close to English and in many cases referred to as "broken English". To make all documentation clear and readable for all tribe members and stakeholders, the English language is used in all final documents.</p> <p>During all awareness meetings, tribal meetings and technical training Solomon Islands Pidgin was used. If needed, coordinators translated in babatana language. The babatana language is not a written language and not many people are able to read babatana and likewise, for Solomon Islands Pidgin. Most project documents cover many technical terms that are hard to translate in both Babatana and Pidgin. It is for that reason that english was used in all documents to make sure the content of the documentation is understood by all people involved in the project, and also so that it is legally sound.</p> |
| Findings - Round 2 | The project proponent has clarified that the Babatana and Solomon Islands Pidgin is not readily written by community members. Therefore, it is clear that translating a technical document into these languages is not possible and would not be very useful. However, meetings with the project owner group are often conducted in the local languages. As a result, it is clear that English is an appropriate format for the technical documents as it is widely understood in the project owner's group. This criteria is satisfied. |

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| Item Number | 17 |
| Plan Vivo Standard 2013 Section | 8. PES Agreements (transacting ecosystem services) and benefit sharing |
| Plan Vivo Standard 2013 (Subsection and Description) | 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. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | A PES agreement is in place and has been approved and signed by the Programme Operator, Project Coordinator, and Project Owner. Additionally, the project owner has developed a business plan and the requisite formal entities to guide how PES funding is distributed to different members of the Project Ownership Group. To date the audit team is not aware if there have been PES funds disbursed in the form of equipment or resources other than money. However, the audit team understands based on conversations with the Programme Operator and Project Coordinator that monitoring equipment has been purchased and the audit team is requesting to better understand how these items were paid for. |
| Round 1 NCR/CL/OFI | MCAR Please clarify if there has been a disbursement of PES funds in the form of equipment or resources other than money. |
| Round 1 Response from Project Proponent | In section 8.3.3 of PD part B 'it is outlined that, Financial support for in depth and robust biodiversity assessment, monitoring and inventories will be sought after by the project coordinator and project operator.' The monitoring equipment was procured and paid for by Nakau and provided to NRDF and the Sirebe Tribal Association, through a regional GIZ grant for the project REDD+ - Forest Conservation in Pacific Islands Countries II, under the agreement number 81251422. Nakau Provided two mobile devices with covers, glass and waterproof pouches, to NRDF and a laptop for the data collection and GIS aspects of monitoring. All items procured were agreed to in the GIZ budget and were procured with 81251422 project funds. Each item as a receipt and invoice, from Nakau or NRDF. To-date no PES funds has been distributed among different parties and no PES funds have been disbursed in the form of equipment or resources. |
| Findings - Round 2 | Although the program operator has procured equipment through procuring grants to fund the purchase of these items, it is clear that these items were not delivered as in kind PES. Additionally, no PES payments have been made as the project is currently going through validation. This criteria is satisfied. |

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| Item Number | 18 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.3.2 Geology and Soils |

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| Plan Vivo Standard 2013 (Subsection and Description) | All projects shall describe (with reputable references) the geology and soils of the Project Area and surrounding environs. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.3.1 |
| Findings - Round 1 | This criteria is satisfied. However, the audit team notes this information is erroneously included in section 2.3.1. |
| Round 1 NCR/CL/OFI | MCAR Please update the numbering in the PD to reflect sections and subsections that are in a proper order. |
| Round 1 Response from Project Proponent | Section 2.3.1 has been updated now reflects that the content is in the appropriate sections |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 19 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.4.1 Project Area (PA) |
| Plan Vivo Standard 2013 (Subsection and Description) | All projects shall define the Project Area (PA). The Project Area may be composed of more than one land parcel that are aggregated to form a single project. Each Project Area land parcel shall be depicted in a map image with land tenure boundaries. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.4.1.1 and 2.4.1.2, Spatial files, See Project Boundaries Data Check |
| Findings - Round 1 | <p>The audit team reviewed the project area boundaries, garden boundaries, and eligible forest area. The audit team found discrepancies between the reported area in the PD and area that is referenced in the spatial files. The audit team found that the total project area is 853.31 ha, the gardens area is 22.13 ha, and the eligible forest area is 831.18.</p> <p>Additionally, the audit team notes that the total project area boundary includes non-forest area as the boundary is placed in the middle of the river on the eastern side of the project area.</p> |
| Round 1 NCR/CL/OFI | <p>MCAR Please ensure that the eligible forest area includes only forested areas.</p> <p>MCAR Please update the area calculations for the project area, eligible forest area, and garden areas.</p> |

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| Round 1 Response from Project Proponent | Nakau and NRDF believe the error in the in the eligible forest area likely comes down to differences in the use of projections and datums and the basic systems in which the land boundaries are mapped in the land registry in the Solomon Islands. The project boundary that being the Sirebe boundary, meets in the middle of rivers and other features. NRDF and Nakau have sought to systematically resolve the issue as accurately as possible, as to only include forest areas. First, we reviewed the where the GPS points to map the boundary had been collected and in what coordinate reference system. We made sure the boundary and data was in the correct coordinate reference system, UTM Zone 57s. We then overlaid the boundary over spatial imagery, used for monitoring. We digitized the boundary using the vertex editor tool in QGIS, and added vertexes and changed their positions to only include forest areas, moving the boundary away from the center of the river and riverside vegetation. We particularly focused on the north-east and east sections of the Sirebe border, where the boundary was overlapping with the river and riverine zone. Now the boundary of the eligible area has changed, only to include forest areas. We then recalculated the area of both the eligible area and the gardens and subtracted gardens from the total. We ensured the area was calculated in the coordinate reference system, WGS/UTM ZONE 57s and datum WGS 1984 using the area function in QGIS, in the field calculator. The resulting area was 806.19 hectares. The updated shapefiles, for boundary, gardens and areas of interested have been sent with the responses to these findings. |
| Findings - Round 2 | The audit team reviewed the updated project area using the new shapefiles and confirms that the eligible forest area as described in Appendix 4 is correct, 806.19 hectares. The audit team noted that multiple values in both parts of the PD and MR need to be updated. |
| Round 2 NCR/CL/OFI | MCAR: Please ensure that all values in the PDD and MR are updated to reflect changes to the eligible forest area, carbon credits, etc., |
| | MD |
| Round 2 Response from Project Proponent | The Protect Area and Project Area has remained at 856 but the area generating carbon credits is 806.19. We have updated the PDDs and the MR with the eligible area figure of 806.19 hectares. We have then updated the carbon accounting to include this figure. |
| Findings - Round 3 | The audit team reviewed the updated PDD and MR and confirmed that the correct eligible project area is stated. |

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| Item Number | 20 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.5 PROJECT ECOSYSTEM SERVICE STRATEGY |
| Plan Vivo Standard 2013 (Subsection and Description) | 2.5 PROJECT ECOSYSTEM SERVICE STRATEGY |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |

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| Evidence Used to Assess | PD Part A Section 2.5 |
| Findings - Round 1 | This section does not appear to have project related details. |
| Round 1 NCR/CL/OFI | MCAR Please ensure all required sections by the NMF are filled out. |
| Round 1 Response from Project Proponent | Amended in PD |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 21 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.11 PROJECT TIMESCALES |
| Plan Vivo Standard 2013 (Subsection and Description) | <p>All projects shall describe the following project temporal boundaries:</p> <ul style="list-style-type: none"> • Project Period (including Project Start Date and Project End Date) • Project Crediting Period (if different from the Project Period) • Project Monitoring Period • Project Management Period |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.11 |
| Findings - Round 1 | The audit team notes that the project period end date is listed as 2045; however, it appears the end date should be 2044. |
| Round 1 NCR/CL/OFI | MCAR Please update in line with the findings. |
| Round 1 Response from Project Proponent | Amended in PD |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 22 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.11 PROJECT TIMESCALES |
| Plan Vivo Standard 2013 (Subsection and Description) | Project Management Period: The Project Management Period comprises each annual project management cycle, starting on the Project Start Date. |
| Applicability to the Project (Y or N/A) | Y |

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| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.11 |
| Findings - Round 1 | There is no project management period specified. |
| Round 1 NCR/CL/OFI | MCAR Please update in line with the findings. |
| Round 1 Response from Project Proponent | Amended in PD. Management period added. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 23 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.13.6 Transfer of Skills and Responsibilities |
| Plan Vivo Standard 2013 (Subsection and Description) | The roles and responsibilities of the Project Coordinator and Project Owner must be examined annually at each Project Management Workshop (see 3.1.6) and at the conclusion of each monitoring period at the Project Monitoring Workshop (see 3.1.7). Agreed changes to any services provided by the Project Coordinator that can be transferred to the Project Owner should be adopted through a variation to the PES Agreement. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | The audit team was unable to find verifiable evidence that annual Project Management Workshops have taken place. |
| Round 1 NCR/CL/OFI | MCAR Please provide verifiable evidence that this criteria has been satisfied. |
| Round 1 Response from Project Proponent | Section 3.1.7 states 'These reports will be completed and presented through a project management workshop to landowner participants annually, commencing one year after validation and first verification of each sub-project within the Babatana Grouped Project'. Section 3.1.8 has been updated. The Project Management Workshops have not occurred and are anticipated to occur, one year after the verification event, which is now reflected in the text. |
| Findings - Round 2 | The audit team understands that the because the project has not been validated and gone through the first verification. As a result, the Project Management workshops will start once the project has been successfully validated and verified. |

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| Item Number | 24 |
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| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.13.6 Transfer of Skills and Responsibilities |
| Plan Vivo Standard 2013 (Subsection and Description) | Table 2.13.6 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | MR |
| Findings - Round 1 | The audit team was unable to find where updates on capacity building were reported in the MR. |
| Round 1 NCR/CL/OFI | MCAR Please add this section to the MR. |
| Round 1 Response from Project Proponent | See notes above on section 3.17 and 3.1.8, were updates on the roles and responsibilities will be discussed and determined annually, after the first verification event. Currently, NRDF has had some increases in capacity through AVENZA and field monitoring training, which as also been shared with the project owners. The AVENZA training and capacity strengthening will continue and roles will discussed at project management meetings. |
| Findings - Round 2 | The audit team understand that because the initial verification occurs at the time of validation the project applies the Simplified Monitoring as allowed by the methodology and this criteria will be addressed the subsequent verification events. |

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| Item Number | 25 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.13.7.5 Instrument of Protection |
| Plan Vivo Standard 2013 (Subsection and Description) | Each project is required to include an Instrument of Protection to safeguard the integrity of the project activity and prevent baseline activities. The Instrument of Protection will vary depending on the project type and the legal or customary circumstances in the host country. The Instrument of Protection must be finalized prior to first verification, however it is sufficient to provide a draft or description of the instrument that will be applied at PD validation stage. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A and Associated Appendices |

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| Findings - Round 1 | The audit team confirmed that the Sirebe Tribe has registered the project area under the Protected Areas Act 2010. |
| Round 1 NCR/CL/OFI | MCAR Is there currently a publicly available data set of registered participants or spatial files showing which areas have been protected under the Protected Areas Act? |
| Round 1 Response from Project Proponent | <p>Yes, there are datasets held in regional and global level for reporting against UNCBD targets (Aichi/NBSAP) by state members. NRDF submits the protected area boundary to the Solomon Islands Government and it is their mandate to submit to publicly available databases.</p> <p>In the region, PA data are often shared (either by ECD or other partners) to SPREP. Currently we are revising the 92 datasets to update it as some sites no longer are active or not yet consented to be shared with the public audience (point and polygons).</p> <p>This data is often audited with the World Database on Protected Areas (WDPA) platform.</p> <p>You can access the PA datasets at both sites:</p> <ol style="list-style-type: none"> 1. Pacific Islands Protected Areas Portal : https://pipap.sprep.org/country/sb 2. WDPA: https://www.protectedplanet.net/country/SLB <p>The Protected areas data national is stored in ECD and also will be accessible on https://solomonislands-data.sprep.org/search?query=protected%20areas</p> |
| Findings - Round 2 | Thank you for providing the requested information. The audit team reviewed the publicly facing websites and confirms this criteria is satisfied. |

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| Item Number | 26 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 2.13.16 Inclusiveness |
| Plan Vivo Standard 2013 (Subsection and Description) | All projects must demonstrate compliance with Section 3.13 of the Plan Vivo Standard (2013). This requirement is cross-referenced to the inclusiveness arrangements presented in Section 3.4.2, 3.4.3, and 3.4.4 of this document (i.e. detailed information to be provided in Sections 3.4.2, 3.4.3, and 3.4.4 of the PD to cover this requirement, but noted as a cross reference in this section for transparency and ease of auditing). |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A Section 2.13.16 |
| Findings - Round 1 | The audit team was unable to find sections 3.4.2-3.4.4 in the PD, should these be included? |
| Round 1 NCR/CL/OFI | MCAR Please address in line with the finding. |

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| Round 1 Response from Project Proponent | The reference was incorrect, it has now been amended in the PD to refer to section 3.1.2.2. The section "scope and reach" provides information on inclusion of women, youth and marginalized groups (i. e. those who rely on the site but lack customary user rights). |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 27 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 3.1.5.1 Capacity Benchmarks For Informed Participation |
| Plan Vivo Standard 2013 (Subsection and Description) | Table 3.1.5.1 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | |
| Findings - Round 1 | This table is not found in the PD. |
| Round 1 NCR/CL/OFI | MCAR It is unclear to the audit team why this table demonstrating evidence to support the statements made in the above sections is not included in the PD. |
| Round 1 Response from Project Proponent | The information found in the table is discussed in sections 3.1.5 to 3.1.5.4 and satisfies the benchmarks for the FPIC process. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 28 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 3.1.7 Project Management Workshops |
| Plan Vivo Standard 2013 (Subsection and Description) | Key outputs of Project Management Workshops are approval of Project Management Reports and Project Business Reports. The authors of the Project Management Report and Project Business Report (e.g. Project Coordinator and individuals within the Project Owner community) shall send these reports to the Project Owner committee no less than 8 working days prior to the Project Management Workshop. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to | PD Part A |

| Assess | |
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| Findings - Round 1 | It is unclear to the audit team whether these annual meetings have taken place since the start date. |
| Round 1 NCR/CL/OFI | MCAR Please clarify if these meetings have taken place annually since the start date and provide verifiable evidence to support. |
| Round 1 Response from Project Proponent | Section 3.1.7 states 'These reports will be completed and presented through a project management workshop to landowner participants annually, commencing one year after validation and first verification of each sub-project within the Babatana Grouped Project'. Section 3.1.8 has been updated. The Project Management Workshops have not occurred and are anticipated to occur, one year after the verification event, which is now reflected in the text. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 29 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.2.3 PES Unit Sales |
| Plan Vivo Standard 2013 (Subsection and Description) | Sales \geq USD\$50,000 shall be administered through an escrow arrangement. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD, PES Agreement |
| Findings - Round 1 | The audit team was unable to verify if this criteria is satisfied through the current PES Agreement. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |
| Round 1 Response from Project Proponent | The requirement is not included. When the NMF was developed the Plan Vivo Foundation offered an ESCROW service but no longer do so. We have also found that ESCROW is not needed in practice as the transfer of credits under Markit provides appropriate protections for the seller and buyer. Nakau requests our omission of ESCROW be allowed as a 'methodology deviation' with confirmation from Plan Vivo. We intend to remove this requirement in the next version of the NMF (currently under review) |
| Findings - Round 2 | The audit team understands that Plan Vivo no longer offers an ESCROW service and it is not feasible to set up an ESCROW account. The audit team is reasonably assured that buyer and seller protections are maintained under the Markit account. The audit team notes that this is a methodology deviation and needs to be described in the appropriate section of the monitoring report. |
| Round 2 NCR/CL/OFI | MCAR: Please add this methodology deviation to the appropriate section of the MR and PDD. Additionally, provide detail as necessary to describe why this methodology deviation is appropriate. |

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| Round 2 Response from Project Proponent | We have updated the PPD section 4.2.1 in PD A and Section 2.2.2 of the MR. Highlighting that the project has adopted this methodology deviation but it does not effect the project outcomes because the Markit registry has sufficient safeguards for buyers and sellers. |
| Findings - Round 3 | The audit team reviewed the PDD and MR and confirms that the Methodology Deviation is included and justified appropriately. This criteria is satisfied. |

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| Item Number | 30 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.2.10 Financial Discipline and Transparency |
| Plan Vivo Standard 2013 (Subsection and Description) | The Programme Operator must produce the following reports every quarter based upon Project Trust Account activity: a. Cash Flow b. Profit & Loss c. Balance Sheet |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD, PES Agreement |
| Findings - Round 1 | The audit team was unable to locate where this language is written into the PES Agreement. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |
| Round 1 Response from Project Proponent | The PES agreement schedule 2, clause (c) states " <i>the quarterly disbursement of sales income (if any) to the Project Owner (the Sirebe Community Company) shall include full disclosure of resale pricing data and the project sales register by the Nakau Programme. However this is limited to the sale of credits by the Nakau Programme and will not include sales data of any subsequent trading by other parties.</i> " In practice this includes all cash flow, profit & loss and balance sheet data from the Project Trust Account. it includes the bank statement and records of all payments and balances. Note that the account is not used for any other purpose, so the account statement includes all required information. Data has not been provided to Sirebe as yet because sales have not been transacted. The language will be amended in future versions of the NMF, however we believe the PES agreement already complies. |
| Findings - Round 2 | The audit team confirms that the program operator will distribute account statements that will provide on the information contained the reports required by the criteria. This requirement is satisfied. |

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| Item Number | 31 |
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| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.2.10 Financial Discipline and Transparency |
| Plan Vivo Standard 2013 (Subsection and Description) | The Programme Operator shall also document any further operational costs of the project that are financed separately from the Project Trust Account. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD, PES Agreement |
| Findings - Round 1 | The audit team was unable to locate verifiable evidence that this criteria is satisfied. For example, documentation related to how the current validation/verification is paid for. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |
| Round 1 Response from Project Proponent | The wording of this requirement is possibly unclear and has been mis-interpreted. The intended meaning is that any additional (i.e. 'further') spending from the <i>project trust account</i> that is separate to that budget or agreed will be reported. It is not referring to 'separate' spending from other accounts or sources of income. Therefore the spending on the verification audit from a separate source does not need to be reported. There is no spending from the Project trust Account to date as it does not receive income until first credit sales are transacted. |
| Findings - Round 2 | Thank you for the clarification. The audit team understands that we originally misinterpreted the requirement. This criteria is satisfied. |

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| Item Number | 32 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.2.10 Financial Discipline and Transparency |
| Plan Vivo Standard 2013 (Subsection and Description) | Table 4.2.10 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD, PES Agreement |
| Findings - Round 1 | The audit team was unable to locate verifiable evidence that this criteria is satisfied. For example, documentation related to how the current validation/verification is paid for. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |

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| Round 1 Response from Project Proponent | As above; the audits and all project development costs to date are paid from accounts that are separate to the project trust account and local project accounts. I.e. these form part of a 'project development' exercise by Nakau and NRDF as supporting organizations. The costs of project development and initial verification are financed separately from the actual PES project that will become operational once verification /validation is complete. Therefor there is nothing to report until the project transacts credit sales. |
| Findings - Round 2 | The audit team understands that the project development costs are financed by NRDF and the Nakau Programme and there have been no project costs because PES payments have yet to occur as this is the initial validation and first verification. This criteria is satisfied. |

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| Item Number | 33 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.3.1 Project Owner Business Plan (Overview) |
| Plan Vivo Standard 2013 (Subsection and Description) | The Project Owner Business Plan must form a condition (appendices) of the PES Agreement signed between the Project Coordinator and Project Owner. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | It is unclear to the audit team how this is criteria is satisfied. |
| Round 1 NCR/CL/OFI | MCAR Please clarify for the audit team how this criteria is satisfied. |
| Round 1 Response from Project Proponent | The PES agreement clause 5.2 (a) states that the Sirebe company <i>is responsible for covering the costs of meeting the Sirebe Community Company's obligations under this Agreement, including but not limited to expenses listed within the Sirebe Business Plan budget (updated from time to time)</i> . Further under 5.2 (h) Sirebe company agrees to <i>Develop a Project Owner Business Plan in accordance with the Project Owner Business Model as specified in the Nakau Methodology Framework and the PD</i> . The actual business plan was not included as an appendices because (as mentioned above) it is "updated from time to time." We believe this achieves the methodology intent, however, we will commit to clarifying the requirement in the NMF review. The current requirement is not practical because the business plan is a living document that is regularly updated. |
| Findings - Round 2 | The audit team understands that the business plan will be updated continuously as a "living" document and this it is impractical to include the most recent version in the PES agreement and have it signed every time it changes. The audit team confirms that there is clear language in the PES agreement referencing the Sirebe Business Plan and Budget. However, given the explicit nature of this requirement the audit team believes that a methodology deviation is necessary. |

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| Round 2 NCR/CL/OFI | mCAR: Please add this methodology deviation to the appropriate section of the MR and PDD. Additionally, provide detail as necessary to describe why this methodology deviation is appropriate. |
| | RH |
| Round 2 Response from Project Proponent | We have updated section 4.3.1 of PD A and section 2.2.2 in the MR, to reflect the methodology deviation and describe its justification. It is not practical to sign the PES agreement every time the business plan is updated, as the business plan is a living document. The project meets the intention of the methodology through the safeguards described in the PES agreement, such as period project management meetings. Each party is aware of their obligations under the project, including those in the business model. |
| Findings - Round 3 | The audit team reviewed the PDD and MR and confirms that the Methodology Deviation is included and justified appropriately. This criteria is satisfied. |

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| Item Number | 34 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.3.3.1 Calculating the Business Money target: |
| Plan Vivo Standard 2013 (Subsection and Description) | The Project Owner business must retain sufficient cash to enable it to keep performing its roles and responsibilities (defined in the PES agreement) until further income is received. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | It is unclear to the audit team if this is a necessary prior the issuance of the first set of funds from the sale of carbon credits. |
| Round 1 NCR/CL/OFI | MCAR Please clarify for the audit team how this criteria is satisfied. |
| Round 1 Response from Project Proponent | Can be formulated in the operational phase when money is to be received. |
| Findings - Round 2 | This item will be issued as a forward action request for the next verification. This criteria is satisfied. |

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| Item Number | 35 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.3.3.1 Calculating the Business Money target: |

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| Plan Vivo Standard 2013 (Subsection and Description) | If the Project Owner was to sell greater than one year's volume of units within a 12-month period, provision must be made to increase the business money target to ensure that the business can remain viable until the following monitoring period and unit issuance. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | The audit team was unable to confirm that this criteria was satisfied. |
| Round 1 NCR/CL/OFI | MCAR Please clarify where in the PES Agreement or the Project Owner Business Plan this criteria is satisfied. |
| Round 1 Response from Project Proponent | The PES agreement refers to the PD and NMF - hence needs to be compliant with the benefit sharing approach. Please refer to finding 13 (above) that identified the relevant PES agreement clauses that reference the PD / NMF. This commits the project owners to following the money story approach articulated in the PD (including the safety money requirement). |
| Findings - Round 2 | Thank you for the clarification. Although the PES agreement does not explicitly state the potential impacts to harvest food, fuel, timber or other products. The PES agreement states that the customary rights to the land are maintained. Furthermore, the PES agreement ensures compliance with the PD which clearly states the potential impacts and mitigation measures taken to protect the rights to harvest food, fuel, timber or other products. This criteria is satisfied. |

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| Item Number | 36 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.3.6 Dividend Account |
| Plan Vivo Standard 2013 (Subsection and Description) | Dividends can be paid to individuals and/or families according to the Community Benefit Sharing Plan. The disbursement of dividends is optional for Project Owners, but shall not normally exceed 30% of the amount available for Community Benefits unless the project can justify a variation to this rule depending on local circumstances. Dividends include cash distributed at the level of individuals, families, or clans. The Project Owner group may determine how the dividends are allocated. For example, dividends may be allocated on a one member one share basis (cooperative model), or may be distributed according to relative contribution to the project (e.g. land size or owned by each family or clan). |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |

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| Findings - Round 1 | <p>The PD states that dividends are not utilized in this project; however, dividends are a part of the Project Owner Business Plan.</p> <p>Additionally, the audit team was unable to find the mention of a Dividend account.</p> |
| Round 1 NCR/CL/OFI | <p>MCAR Please update this section of the PD to reflect what is taking place in the project.</p> <p>MCAR Please provide evidence that a Dividend account will be set up as directed in the Methodology.</p> |
| Round 1 Response from Project Proponent | <p>Table 4.3 (a) p 108 of the PD reads: The Dividend Account contains an allocation of the profit that can be used to pay individual owners (or families) in cash dividends. NB: it is also acceptable to combine the group benefit account and dividend account into one account managed for the dual purpose. The Sirebe Tribal Association (as per Businessplan par 5.2.4) has decided to use money from their Project Benefit Account to pay cash benefits (dividends) to members and thus apply dual purposes. The amount of cash benefits will be determined by the association and is subject to availability of funds</p> |
| Findings - Round 2 | <p>The audit reviewed the referenced sections of the Methodology and confirms that dividend payments are allowed and a combined account is also allowed. This criteria is satisfied.</p> |

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| Item Number | 37 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 4.3.7 Financial Controls |
| Plan Vivo Standard 2013 (Subsection and Description) | d. Establishment of a daily transfer limit for each account. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part A, PES Agreement, Project Owner Business Plan |
| Findings - Round 1 | The audit team was unable to find a daily transfer limit set out in the Project Owner Business Plan. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |

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| Round 1 Response from Project Proponent | In the Project area the only formal banking service available is a Bank Agent of the Bank of South Pacific. Agents have limited access to cash so cash withdrawals depend on cash available and is therefore restricted to daily withdrawal limits. Because of this the Sirebe management has not yet decided on a transfer limit, and needs to find out what the most practical ways are to do transfer and withdrawals in the project location. The project operates cheque accounts (no internet/phone banking) using physical cheques that need 3 authorized signatures to do any transfer or transaction |
| Findings - Round 2 | This item will be issued as a forward action request for the next verification. This criteria is satisfied. |

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| Item Number | 38 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 5.2.2 Description of Community Baseline |
| Plan Vivo Standard 2013 (Subsection and Description) | 5.2.2.2 Evidence of project owner consultation on determination of project indicators |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | N |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | <p>Based on a review of the meeting minutes and outcomes that are described in PD Part A Appendices, the audit team is reasonably assured that the project owner had input on these indicators.</p> <p>The audit team notes that "trials" is misspelled in the last sentence in section 5.2.2.2 of the PD Part A.</p> |
| Round 1 NCR/CL/OFI | MCAR Please fix the spelling error. |
| Round 1 Response from Project Proponent | Fixed |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 39 |
| Nakau Programme: Nakau Methodology Framework: D2.1 v1.0, 20140428 (Section) | 5.2.2 Description of Community Baseline |
| Plan Vivo Standard 2013 (Subsection and | 5.2.2.2 Community baseline scenario |

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| Description) | |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | N |
| Evidence Used to Assess | PD Part A |
| Findings - Round 1 | A community baseline scenario is established using a sample of the "primary" households within Sirebe Tribe. The audit team notes that it is stated in this section that 13 households were consulted from the 3 families lines that have primary rights over the Sirebe land; however, elsewhere the PD states that there are 5 primary family lines. |
| Round 1 NCR/CL/OFI | <p>MCAR Please clarify the discrepancy noted in the finding.</p> <p>MCAR The audit team would also like to better understand how the 13 households were selected to ensure that this sample provides an accurate picture of baseline scenario.</p> |
| Round 1 Response from Project Proponent | <p>Indeed page 127 in the PD speaks of 3 primary family lines which is an error and has been revised. The right number is stated on page 120 para 5.2.1.1 and is 4 primary family lines with 27 households. Those numbers are also used in the Company business plan. The total number of households under this primary group is 27 and thus the survey covered around half (48%) of the households within this group. In the future the community baseline may be expanded to include participants from other lines.</p> <p>The selection of the 13 households was limited by availability of householders and location and were randomly selected from the pool. All selected household members are residing in Sasamungga, in the sub-settlements of Tabusaru and Tanabo.</p> |
| Findings - Round 2 | <p>The audit team reviewed the updated PD and confirms that this criteria is satisfied.</p> <p>The audit team now better understands how the families in the baseline were selected. The audit team is reasonably assured that this sample accurately reflects the community at large. This criteria is satisfied.</p> |

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| Item Number | 40 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 1.1.1 General Eligibility |
| Plan Vivo Standard 2013 (Subsection and Description) | <p>d. Eligible forests are not subject to carbon credit or other carbon or PES unit claims by any other entity (including governments) as part of any other programme at the national, jurisdictional or project level at any time during the Project Period.</p> |

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| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD |
| Findings - Round 1 | The audit team found no evidence of PES claims by another entity on the project area. However, the audit team would like to better understand what mitigation measures are in place to ensure the project area is not counted in the National REDD+ framework as Choiseul has been selected as a region for a pilot study. |
| Round 1 NCR/CL/OFI | MCAR Please provide detail on how this will be handled or if there are structures in place to prevent the double counting. |
| Round 1 Response from Project Proponent | Pilot activities were identified in the Solomon Islands REDD+ Roadmap, but to date most pilot activities have not eventuated. Padezaka was identified in Choiseul and is part of the proposed Babatana grouped project, but no pilot activities have taken place or are planned for Padezaka. The scope of proposed pilot activities in the Solomon Islands REDD+ roadmap was (i) Piloting of approaches to FPIC (ii) Piloting of approaches to safeguards (iii) Piloting of approaches to benefit sharing (iv) Piloting of approaches to F-REL development , and (v) Piloting of approaches to MRV. The only activities that took place were piloting of forest inventory methods that could contribute to developing a National Forest Monitoring System or FREL. However in reality the Government is a very long way from establishing a National Forest Inventory or FREL and has not engaged in activities at any scale to date that would lead to reportable ERRs. The National REDD+ unit has developed a selection criteria for potential voluntary carbon market pilot activities, and has engaged with Nakau in this process. We think this shift to look at VCM projects provides some recognition from Government about how far away they are from a national program. To date no pilot sites have been confirmed. Dr Richard Pauku (local expert auditor) was engaged by the REDD+ Unit to develop pilot site criteria and can confirm its status. The Ministry of Forestry has not selected Sirebe as a Pilot site for their REDD + programme. Nakau and NRDF has a strong and positive relationship with the REDD + team and has regular communications with their staff. The team has verbally committed to supporting our activities, including offering technical support to conduct training and complete plots in other participating project areas under the Babatana project. The strategy for mitigating risk of double counting is to continue to engage with the SIG on issues such as double counting and nesting (noting that nesting is still a long way away from being an issue). The Nakau team has resources through MCC and MFAT funding to engage with Government of policy related issues. |
| Findings - Round 2 | The audit team better understands how double counting will be prevented. The audit team is reasonably assured that currently there is no double counting occurring and there are mitigation measures in place to ensure that is prevented in the future. This criteria is satisfied. |

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| Item Number | 41 |
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| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 1.1.2 Eligible Baseline Activities |
| Plan Vivo Standard 2013 (Subsection and Description) | Table 1.1.2 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | N |
| Evidence Used to Assess | PD Part B, Associated Appendices |
| Findings - Round 1 | The audit team was unable to locate evidence referenced in the methodology to support the statements made in this section. |
| Round 1 NCR/CL/OFI | MCAR Please include the evidence required by the methodology or point the audit team to where this evidence is located within the folder structure. |
| Round 1 Response from Project Proponent | The eligible baseline activity is conventional logging. The area would be logged if the project activities were absent. The harvest rate justification report (appendix 5), the Additionality assessment (appendix 3), both indicate that conventional logging would likely occur if the project intervention was to not occur. |
| Findings - Round 2 | The audit team understands the baseline and reviewed the harvest rate justification report and associated literature cited in the report. This criteria is satisfied. |

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| Item Number | 42 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 1.1.5 Specific Conditions |
| Plan Vivo Standard 2013 (Subsection and Description) | c. Project Owner owns the carbon rights and management rights over the forest lands in the project area. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Pending |
| Evidence Used to Assess | PD Part B |

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| Findings - Round 1 | <p>The audit team consulted Plan Vivo on this criteria. Their response is below and this criteria is satisfied.</p> <p>"I have since consulted one of our Technical Advisory Committee (TAC) members on the issue of carbon rights in the Solomon Islands, and reviewed the project's response when this issue was raised in our internal review of the project documentation. The TAC member raised the following points:</p> <p>According to the Solomon Islands REDD+ Programme website, Solomon Islands does not have a statutory framework for forest carbon rights or any reference to carbon 'ownership' in legislation. In the absence of legislation however, it is relatively clear that as the indigenous people of Solomon Islands own the land and forests under customary law, by implication they must also own the carbon rights in their forests (s. 239, Land and Titles Act). An analysis commissioned by SPC/GIZ identified that the Customary Land Records Act [Cap. 132], now called the Tribal Land Records Act, could be used to record 'ownership' of carbon rights where customary forest land is concerned. However, the Act is not currently functioning due to a lack of supporting regulations and administrative bodies.</p> <p>Solomon Islands NDC currently only considers the energy sector, although additional sectors may be included in the future. While a Forest Reference Emission Level (FREL) was submitted in 2018 or 2019, there is currently no identification of forest activities for national level mitigation. Solomon Islands seems more focused on adaptation than mitigation at present.</p> <p>As such, I believe that the information the project has provided is sufficient to evidence the carbon rights of the participants, and thus to comply with the Plan Vivo Standard."</p> <p>This criteria is satisfied.</p> |
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| Item Number | 43 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 3.1.2 Justification of Selected Baseline |
| Plan Vivo Standard 2013 (Subsection and Description) | b. Legal sanction of baseline activity scale, and |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B Section 3.1.1, Appendix 3 |
| Findings - Round 1 | Conventional logging at this scale is legal. However, it is clear that the baseline asserted in this methodology is not legal due to harvesting within SMZs. |
| Round 1 NCR/CL/OFI | MCAR Please ensure that the baseline activity scale is legal. |

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| Round 1 Response from Project Proponent | Conventional logging the project area is legal and complies with the logging code of practice and the Forests Act 1999. Sections 23 to 27 of the Act outline describe how a community or group of customary owners can obtain the appropriate licenses to harvest timber. As a project intervention to ensure permanence, the Sirebe lands have been legally determined as a Protected Area under the Protect Areas Act 2010. Prior to the area being protected, no other form of conservation covenant was placed over the project area. The project area is under 400 meters in elevation and logging can be conducted throughout the entirety of the project area. We have updated this section to include the legislation and regulations that outline that logging is compliant in the project area. |
| Findings - Round 2 | It is unclear to the audit team how harvesting within the SMZs which is clearly illegal but included in the baseline is in line with the methodology. |
| Round 2 NCR/CL/OFI | MCAR: Please clarify in line with the finding. |
| | MD/WB |
| Round 2 Response from Project Proponent | We have updated the PDD and Additionality Assessment attached to the PDD to reflect the conflict with criterion 3.1.2 and highlight how due to the context of the project, a slight deviation to the methodology applied is required. In section 3.1.2, we highlight that it is not possible to prove that illegal harvesting in the SMZ/river buffer area is sanctioned as common practice at a level of 30% of the minimum administrative area, as required in the methodology. As a deviation, we have provided supporting evidence and materials, both peer reviewed literature and quotes from leading experts, outline that harvesting to the rivers edge is commonplace and occurs within logging practices, and that compliance with regulation and enforcement is minimal. We have updated the MR section 2.2.2 Project description to include these deviations. |
| Findings - Round 3 | The audit understands that the data necessary for the GreenCollar methodology is not attainable for the Solomon islands. Additionally, the audit team reviewed the evidence provided by the project proponents and confirms that in view of the additional evidence this criteria. No further action is needed. |

| Item Number | 44 |
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| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 3.1.2.1 Commercially Viable Baseline |
| Plan Vivo Standard 2013 (Subsection and Description) | 3.1.2.1 Commercially Viable Baseline |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |

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| Evidence Used to Assess | PD Part B Section 3.1.1, Appendix 3 |
| Findings - Round 1 | There is no text in this section of the PD Part B. |
| Round 1 NCR/CL/OFI | MCAR Please provide the evidence and text required in this section. |
| Round 1 Response from Project Proponent | The text has been updated to reflect the needs of the project description. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 45 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 3.1.4 Stratification |
| Plan Vivo Standard 2013 (Subsection and Description) | a. Forest composition stratification. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B 3.1.4 |
| Findings - Round 1 | There appear to be multiple forest types within the project area; however, no stratification based on forest composition has taken place. |
| Round 1 NCR/CL/OFI | MCAR Please clarify why forest composition stratification has not taken place. |

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| Round 1 Response from Project Proponent | <p>The project team asserts that there is only one forest stratum in the project area. The following additional supporting evidence is provided: According to the forest type map (Land resources study 18, Land Resources of the Solomon Islands Volume 1, 1977) and described in PD-A 2.4.7, the entire forest type found in the Sirebe eligible area is Hill forest, characterized by: "Medium-height, medium crowned, closed canopy hill forest with large-crowned trees, occurring along some valleys." The map was compiled from air photo interpretation. Although the report is old, the forest in the project site is undisturbed and has not changed. The map shows the project area (including Sirebe and Vuri) as a single forest type strata. The Land resources study map has been added to the PD part B evidence requirements folder as "Choiseul forest type map."</p> <p>Further, leading Botanist Myknee Sirikolo (Director of Solomon Islands National Herbarium) identified two types of forest within the Sirebe and Vuri area: Hill and Lowland Rainforest, based on a newer classification that was used in 1995 in the Solomon Islands National Forest Inventory. However he noted that "both forest types surrounding the gentle and steep ridges overlap so often that their variations species compositions, canopy structure and even their general appearance cannot be distinguished" (Appendix 6b page 7). Because of the homogenous character of the forest types in the Sirebe eligible project area and taking into account the small size of the area, it was considered unnecessary to do a further forest stratification in the area. Secondly, it was justified to pre-harvest inventory plots in from the Vuri project area, as the forest composition and stratification is the similar according to the historical data and the leading expert advice.</p> |
| Findings - Round 2 | <p>The audit team reviewed the additional materials provided by the project proponents and is reasonably assured that no stratification is necessary as the entire forest area falls within the same forest type. This criteria is satisfied.</p> |

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| Item Number | 46 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 3.1.4 Stratification |
| Plan Vivo Standard 2013 (Subsection and Description) | b. Forest management stratification. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B 3.1.4 |

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| Findings - Round 1 | This has been identified previously, but it is unclear to the audit team why the previous village sites have not been assigned to a different strata as it appears the forest surrounding these old village sites are younger than forest outside the old village site. |
| Round 1 NCR/CL/OFI | MCAR Please clarify why this stratification has not taken place. |
| Round 1 Response from Project Proponent | Historically the forest of the Solomons have been strongly influenced by human habitation and many places nowadays uninhabited bear signs of former disturbance, and some of the valuable timber species grow densest on old garden sites. (Guide of the Forests of British SI, TC Whitmore 1966). Over time old gardens sites are hard to separate from primary forests with only some species observed that indicate past disturbances e.g. nut trees. The small "old village sites" located in the Sirebe area were occupied by very small numbers of people causing very limited forest disturbance more than 100 years ago (verbal source of Sirebe spokesman Linford Jahjo Pitatamae). Because of the small scale, and limited difference in forest structure and composition with primary forest no further stratification was done in these small patches. |
| Findings - Round 2 | The audit team reviewed the additional materials provided by the project proponents and is reasonably assured that no stratification is necessary as the entire forest area, including the old village sites are of similar ages. This criteria is satisfied. |

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| Item Number | 47 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 3.1.6 Baseline Revision |
| Plan Vivo Standard 2013 (Subsection and Description) | All projects are required to undertake a baseline revision every 5 years. This baseline revision will include revision of the technical data used to create the Baseline and Project Scenarios from an ecosystem service accounting perspective. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | It is unclear to the audit team if this criteria should apply as the Project start date was more than 5 years ago. |
| Round 1 NCR/CL/OFI | MCAR Please clarify if the baseline revision is necessary. |

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| Round 1 Response from Project Proponent | The baseline has not been revised since the forest inventory because this is the first verification event and care has been taken to ensure that the baseline description was up-to-date at submission of the monitoring report. The pressures on the forest have remained the same and have not changed since project development commenced. Conventional logging operations have continually threatened the Sirebe area and the Babatana group more broadly. Secondly, the forest remains intact and the 2020 Monitoring Report / forest change assessment indicates that there have been no loss events in the project area, hence there has been no baseline revision between project start date and the verification event. Once the project baseline has been verified the baseline will be revised at least every five years and updated at future verification events. |
| Findings - Round 2 | The audit team agrees with the project proponents that no material changes have occurred since the original baseline was written at the start date and the current validation process. This criteria is satisfied. |

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| Item Number | 48 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4. Quantifying Baseline GHG Emissions and Removals |
| Plan Vivo Standard 2013 (Subsection and Description) | Table 4.1 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 4 |
| Findings - Round 1 | The audit team is confused as to what equation is used to determine values in column D on the PHI Summary Tab. |
| Round 1 NCR/CL/OFI | MCAR Please clarify the equation specified in the finding. |
| Round 1 Response from Project Proponent | Column D in the PHI summary tab is the sum of the volume per species divided by area measured (in this case 2.3 hectares). The cells now link to where the calculations and equations were used in the Volume + dbh sheet. |
| Findings - Round 2 | Thank for the clarification. This criteria is satisfied. However, the audit team would like to clarify that it is generally accepted best practice to apply plot expansion factors at the tree level rather than the species level. We are including this as an OFI. |
| Round 2 NCR/CL/OFI | OFI: For the future is generally considered good practice to expansion factors at the tree level rather than the species level. |

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| Item Number | 49 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.2 Step 2- Total Wood Harvested (TWH) |
| Plan Vivo Standard 2013 (Subsection and Description) | Equation 4.1.2 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.2, Appendix 4 |
| Findings - Round 1 | <p>It is unclear to the audit team what the basis of the volume equation applied is.</p> <p>There appear to be multiple trees greater than 50 inches in the PHI Inventory data tab that were not included in the Volume +50dbh tab.</p> <p>TWH for Rotation 1 is calculated correctly; however, the audit team does not understand the basis for .25 for the determination of TWH for Rotation 2.</p> <p>There is a note in cell F4 in the Carbon Credits tab that says "Average Annual" however cell D4 in the Carbon Credits tab pulls from cell H35 in the PHI Summary tab, the total rotation row.</p> |
| Round 1 NCR/CL/OFI | <p>MCAR Please provide verifiable evidence for the basis of the volume equation and provide an explanation for parameter used in the volume equation.</p> <p>MCAR Please include all trees that are greater than 50 inches in quantification or clarify why these trees were not included.</p> <p>MCAR Please address in line with the finding.</p> <p>MCAR It appears that the cell D4 is pulling values from the incorrect cell in the PHI Summary tab. Please update the value or clarify why this approach is correct.</p> |

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| Round 1 Response from Project Proponent | <p>Re volume equation: A new evidence document "Justification for tree volume formula" has been added to PD Part B Evidence Requirements. We have also included a reference to support the justification: <i>Tennent, R. B. (1992) Volume Tables for Indigenous Trees of the Solomon Islands: Solomon Islands National Forest Resources Inventory Project. ACIL Australia PTY LTD, International Forest Research & Management PTY LTD & ERIS Australia.</i> The reference document is also in the PD Part B Evidence Requirements folder "SI Indigenous Tree Volume Study." We have now included all trees above 50 cms in DBH in the carbon accounting. The few trees that were missed were an error. We reviewed the technical specifications and confirm that D4 in the Carbon calculations was pulling values for the entirety of rotation 1 and not the annual harvest rate. The value was converted to an annual value in D11 on the carbon calculation sheet. We have corrected the cell in D4 to be pulling the value from the annual value for the rotation H36 in the PHI Summary. We have then removed the division in cell D11. The cells D4 to D22 now follow the technical specifications and the units for each value.</p> |
| Findings - Round 2 | <p>The audit team reviewed the additional evidence provided supporting the use of the volume equation. However, it is still unclear to the audit team how this equation was derived. For example, it is from a published literature? Was a regression analysis conducted?</p> <p>The audit team reviewed the updated Carbon Inventory worksheet and noted that multiple values in the Volume +50dbh tab were rounded. Many of them appear to be rounded up ultimately overestimating the amount of carbon in the inventory. Additionally, the audit team noted that rounded values were carried through to the PHI Summary tab. The audit team does not understand the basis for rounding these values as it is not conservative. The discrepancies are very small but it is good practice to carry values through with all decimal places included. We are including this as an OFI.</p> <p>Please ensure that all new estimates from the quantification workbooks are updated in both the PDDs and Monitoring Report.</p> |
| Round 2 NCR/CL/OFI | <p>MCAR: Please clarify what the basis for the volume equation is.</p> <p>MCAR: Please ensure all values in the PDD and MR are updated to reflect the changed values in the quantification workbooks and eligible forest area.</p> <p>OFI: For the future it is best practice to not truncate or round values rather carry all decimal places through the calculations.</p> |
| Round 2 Response from Project Proponent | <p>We have now clarified the basis for the volume calculation, which is provided in a separate document "Basis for volume calculation" saved in the PD Part B evidence requirements folder. PDDs and MR has been updated / checked for consistency with the carbon accounting. However no changes have been made to the volume equation. OFI noted for future reference.</p> |
| Findings - Round 3 | <p>The audit team reviewed literature for the volume equation and notes that this is the most conservative of the options considered and is backed by literature relevant to the project area. This criteria is satisfied. No further action is needed.</p> |

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| Item Number | 50 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.3 Step 3- Collateral Damage (CD) |
| Plan Vivo Standard 2013 (Subsection and Description) | Equation 4.1.3 |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.3, Appendix 4 |
| Findings - Round 1 | CD for Rotation 1 is calculated correctly; however, the audit team does not understand the basis for .25 for the determination of TWH for Rotation 2. |
| Round 1 NCR/CL/OFI | MCAR Please address in line with the finding. |

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| Round 1 Response from Project Proponent | <p>Volume of timber harvested in the second rotation is commonly expressed as a percentage of first rotation (e.g. see Keller, M et al, 2007) https://esajournals.onlinelibrary.wiley.com/doi/full/10.1890/1540-9295(2007)5[2 13:TPISLT]2.0.CO;2. We have applied 0.25 (25%) of first rotation harvest for the second rotation based on anecdotal consultation with the SI Ministry of Forestry & Research (MoFR). We note that actual data is not available publicly for the Solomon Islands situation. This rate of second harvest was considered realistic in the Solomon Islands and is within the range of second harvest rates observed elsewhere in tropical forest as reported in literature. In 2012, Sinclair Knight Mers published, the Solomon Islands National Forest Resources Assessment and states, in the business as usual logging scenario 'current exploitative pattern of timber production in the Solomon Islands. It anticipates that re-entry to secondary forests will occur on a roughly ten year cyclone and there will be continued logging of marginal forests. The scenario anticipates that the yield declines by 75% in successive harvest cycles...This scenario represents a situation in which the forest estate in all but Choiseul Province is Logged to the point where productive capacity is virtually eliminated'. Further, Global literature outlines. Rozendaal, M. Soliz-Gamboa, C. &, Zuidema, P. (2010), found (through modelling) that second rotation harvest rates after 20 years varied from 18 to 33% of first rotation (assuming harvestable size is 50 cm DBH (equivalent to our baseline assumption)). Therefore we ascertain, that our TWH harvest rate of 0.25% is a conservative and realistic value for the second rotation and rapid tree growth is expected to occur due to increased growth of juvenile trees due to increased light conditions. See reference: https://www.researchgate.net/publication/49945226_Timber_yield_projections_for_tropical_tree_species_The_influence_of_fast_juvenile_growth_on_timber_volume_recovery/link/5e523759299bf1cdb94016cc/download</p> |
| Findings - Round 2 | <p>Thank you for the clarification. As this value is specified in the methodology this finding is closed.</p> |

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| Item Number | 51 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.7 Step 7- Gross Total Emissions in tCO2e (GTCO2) |
| Plan Vivo Standard 2013 (Subsection and Description) | Equation 4.1.7a |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.7, Appendix 4 |

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| Findings - Round 1 | <p>The equation is applied correctly.</p> <p>The audit team was unable to locate the source for the Wood density data base used.</p> |
| Round 1 NCR/CL/OFI | MCAR Please provide the wood density database used. |
| Round 1 Response from Project Proponent | <p>The wood density values in the Wood Density Database sheet have been sourced from the Global Wood Density database. Details can be found in the wood density worksheet. Where data for a species was unavailable, data from other species in the genus or failing that the family, were used. Preference was given to values from Australia/Papua New Guinea (tropical), followed by SE Asia (tropical). Where we were unable to determine the botanical name of the tree, the average value of the wood type (hardwood/softwood) was used. The reference for the database, is Zanne, A.E., Lopez-Gonzalez, G.*, Coomes, D.A., Ilic, J., Jansen, S., Lewis, S.L., Miller, R.B., Swenson, N.G., Wiemann, M.C., and Chave, J. 2009. Global wood density database. Dryad. Identifier: http://hdl.handle.net/10255/dryad.235. The excel file for the database is available at, https://datadryad.org/stash/dataset/doi:10.5061/dryad.234</p> |
| Findings - Round 2 | The audit team reviewed the Wood Density Database and confirmed that the correct wood density values are used. This criteria is satisfied. |

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| Item Number | 52 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.7 Step 9 – Sequestration into Long Term Wood Products for Rotation 1 (ltWPR1) |
| Plan Vivo Standard 2013 (Subsection and Description) | i. Calculating the recoverable sawlog volume extracted in a commercial logging baseline for a time period (HR = Harvest Rate) (see 4.1.1 Step 1 above) |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.1, Appendix 4 |
| Findings - Round 1 | The audit team reviewed the calculation and notes that the total harvested volume from the project over the first rotation is used and not the annual harvest rate. |
| Round 1 NCR/CL/OFI | MCAR Please use the appropriate harvest rate (an annual measure) per the methodology. |

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| Round 1 Response from Project Proponent | In the carbon sheet provided, the Harvest rate was using the total harvested volume for the first rotation (H35 PHI sheet). The value in cell D11 (Carbon calcs sheet), was divided by 15 to represent an annual value. We have now fixed the carbon sheet, as to use the annual harvest rate (cell H36 in the PHI Summary) and have made sure subsequent equations are now correct and not carrying any errors. Cells D3 to D11 are now reflective of the units and equation calculations in the methodology. |
| Findings - Round 2 | The audit reviewed the updated Appendix 4 quantification workbook and confirms that this criteria is satisfied. |

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| Item Number | 53 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.7 Step 9 – Sequestration into Long Term Wood Products for Rotation 1 (ltWPR1) |
| Plan Vivo Standard 2013 (Subsection and Description) | Step B: Identify the wood product class(es) (ty ; defined here as sawnwood (s), wood9based panels (w), other industrial roundwood (oir), paper and paper board (p), and other (o)) that are the anticipated end use of the extracted carbon calculated in Step A. For each wood product type, assign a fraction representing the different proportions of biomass volume attributed to each wood product type ($\%Wp_{ty}$) (dimensionless). |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.9, Appendix 4 |
| Findings - Round 1 | It is unclear what the basis for $\%Wp_{ty}$ is. |
| Round 1 NCR/CL/OFI | MCAR: Please provide verifiable evidence that supports the usage of the values for $\%Wp_{ty}$. |
| Round 1 Response from Project Proponent | The $\%Wp_{ty}$ value has been reviewed and updated. Reference is now made to <i>Flanders Investment & Trade (2019) The Wood Market China, FIT Guangzhou</i> (see PD Part B evidence requirements). China is the largest importer of Solomon Islands logs, and processing in Solomon Islands is negligible. Flanders (2019) contains estimates of China's wood consumption by product type (p. 3). The categories in Flanders (2019) were attributed to the categories used in the carbon accounting spreadsheet as follows: Paper (paper & paperboard); Artificial board and solid wood floor (wood based panels); Infrastructure, decoration and farmers building (sawnwood); solid wood furniture (other). There was no equivalent category for 'other industrial roundwood.' |

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| Findings - Round 2 | <ol style="list-style-type: none"> 1. The audit team reviewed the report provided and noted that the values in the Carbon Credits tab of Appendix 4 do not match the values from the Flanders Investment & Trade (2019) The Wood Market China, FIT Guangzhou report. 2. The audit team noted that the OF fraction used was .84 for all wood product categories. It is unclear why the values in the Long-term wood product sheet are not used. 3. The audit team noted that in the wood products calculations, cell M17 is not calculated correctly. 4. It is unclear what the basis for the SLF of the "Other" category is. |
| Round 2 NCR/CL/OFI | <p>MCAR: Please address in line with the findings and update all downstream calculations.</p> |
| Round 2 Response from Project Proponent | <p>The values from Flanders (2019) were in different categories (timber use classes) than the categories presented in the carbon accounting, which refers to <i>Winjum, J.K., Brown, S. and Schlamadinger, B. 1998. Forest harvests and wood products: sources and sinks of atmospheric carbon dioxide. Forest Science 44: 272-284.</i> Winjum (1998) refers to the FAO definition for timber categories. We have gone back to the FAO source document for definitions so that we can justify the allocation of timber use from Flanders (2019) into the categories that we use. As a result of reviewing this we have allocated from Flanders to the following FAO categories; Paper to 'paper & paperboard'; Artificial board and solid wood floor to 'wood based panels'; Infrastructure, decoration and farmers building to 'sawnwood,' and solid wood furniture to 'wood based panels.' In the previous iteration of the carbon accounting solid wood furniture was allocated to 'other,' however upon review of the FAO definitions we assert that it belongs in wood based panels, meaning that we no longer have an 'other' category. There is no equivalent category in Fladers to the "other industrial roundwood," hence this remains as zero. <i>The FAO reference is FAO Yearbook 1995 Forest Products (from p 414).</i> We have corrected some calculation errors - the OF fraction now links to the correct cells in the long term wood product sheet; the error in cell M17 is corrected. The 'other' category is no longer used and the accounting spreadsheet has been updated.</p> |
| Findings - Round 3 | <p>The audit team reviewed the allocations of wood products between the two different sources and they are reasonable and in line with industry standards. This item is closed, no further action is needed.</p> <p>The audit team reviewed the updated Appendix 4 and noted that cell D10 appears to have changed since the last round of findings and it appears to now have an incorrect value.</p> <p>Additionally, the Equation 4.1.9 is not applied correctly. Please check the formulas in cells O14 through O17. If more clarification is needed, please don't hesitate to reach out to the audit team with questions.</p> |

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| Round 3 NCR/CL/OFI | <p>MCAR: Please review the change to cell D10 in the PHI Summary Tab and clarify why this change is appropriate. If determined that this change is not correct please update all downstream calculations, the PDD, and MR.</p> <p>MCAR: Please update the calculation of carbon stored in long-term wood Products Pool and all downstream calculations. Additionally, please update all downstream calculations and updated all values that would will have changed in the PDDs and MR.</p> |
| Round 3 Response from Project Proponent | <p>In an email on 6/22 the project proponent submitted updated documentation.</p> |
| Findings - Round 4 | <p>The audit team reviewed the updated Appendix 4 (Carbon Quantification) confirms that the quantification is correct in line with the methodology. Specifically, the NCC is reported correctly and is the average over Rotation 1 and Rotation 2.</p> <p>However, the audit team noted that a value reported in Section 4.1.1.1 of the PD Part A appears to be incorrect.</p> <p>Additionally, the audit team noted that multiple values in the MR appear to be incorrect.</p> |
| Round 4 NCR/CL/OFI | <p>MCAR: Please update all values to reflect the most recent changes in the Carbon Quantification workbook or if the project team believes the current values are correct please provide an explanation as to why they are correct as currently stated.</p> |
| Round 4 Response from Project Proponent | <p>Response from project proponent occurred in a call held on 06-24-2021.</p> |
| Findings - Round 5 | <p>The audit team reviewed the updated PDD and MR and confirmed that the incorrectly stated values in the previous version were properly updated and are now correct.</p> |

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| Item Number | 54 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 4.1.7 Step 9 – Sequestration into Long Term Wood Products for Rotation 1 (ltWPR1) |
| Plan Vivo Standard 2013 (Subsection and Description) | Step D: Convert each proportional wood product type biomass volume (AGBE%WPty) to tCO ₂ using Equations 4.1.7(a9d) to derive C _{XB,ty,I} (tCO ₂ e ha ⁻¹). |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Section 4.1.9, Appendix 4 |

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| Findings - Round 1 | It is unclear to the audit team what the basis for using 0.45 in this equation is. |
| Round 1 NCR/CL/OFI | MCAR Please clarify why 0.45 is used in this calculation. |
| Round 1 Response from Project Proponent | The 0.45 was an incorrect number, the technical specifications verified states that the value used should of been the mean density of wood, which is in the PHI sheet and in this is 0.5. The carbon accounting has been updated accordingly and crossed checked with the technical specifications, as validated by Plan Vivo. |
| Findings - Round 2 | The audit reviewed the updated Appendix 4 quantification workbook and confirms that this criteria is satisfied. |

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| Item Number | 55 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 5.2.2 Step 14 - Total Market Leakage (TML) |
| Plan Vivo Standard 2013 (Subsection and Description) | This Technical Specifications Module follows the GreenCollar IFM LtPF v1.0 VCS approved Methodology VM0010 (2011) for calculating Total Market Leakage (TML). |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | <p>The VM0010 leakage factor calculation states "LFME = 0 if it can be demonstrated that no market-effects leakage will occur within national boundaries, that is if no new concessions are being assigned AND annual extracted volumes cannot be increased within existing national concessions AND illegal logging is absent (or de minimis) in the host country."</p> <p>The audit team found no demonstration that satisfies this criteria.</p> |
| Round 1 NCR/CL/OFI | MCAR Please provide a demonstration that meets the requirements in the referenced tool in order to claim market leakage is 0. If a demonstration is not possible please apply the tool as specified to determine the appropriate market leakage discount factor. |
| Round 1 Response from Project Proponent | The Project Proponents request that Plan Vivo consider a methodology deviation for calculating TML that does not follow the GreenCollar approved methodology VM0010. The rationale for total market leakage is provided as a new document in the PD Part B Evidence Requirements "Rationale for TML." The approach we propose applies the same principle as VM0010 "considering where in the country logging will be increased as a result of the decreased supply of the timber caused by the project." The proponents maintain that TML should remain as zero (0). |

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| Findings - Round 2 | The audit team understands the rationale for TML= 0. However it is clear that this methodology deviation needs to be included in the PDD and all subsequent MRs. |
| Round 2 NCR/CL/OFI | MCAR: Please add this methodology deviation to the appropriate section of the MR and PDD. Additionally, provide detail as necessary to describe why this methodology deviation is appropriate. |
| Round 2 Response from Project Proponent | We have updated the text in PD Part B, Section 5.2.2 Total Market Leakage, to reflect the methodology deviation with a description of the supporting evidence. Section 2.2.2 of the MR has also been updated to reflect the deviation. Here we have actioned a methodology deviation, not following the GreenCollar IFM LtPF v10 VCS VM0010, as from the Technical Specifications because the data is not available in the Solomon Islands. The approach undertaken follows the same principle of as the approved methodology VM0010 and we have ascertained that TML is 0 e yr-1. Our rationale for TML = 0, is provided in Appendix 11 – Rationale for TML. |
| Findings - Round 3 | The audit team understands that the data necessary is not available to comply with the GreenVollar Methodology. Additionally, the audit team confirms that this has been added as a Methodology Deviation. Furthermore, the audit team reviewed the evidence provided by the project proponents and confirms that TML=0 is appropriate. |

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| Item Number | 56 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 5.6 Managing Loss Events |
| Plan Vivo Standard 2013 (Subsection and Description) | This methodology uses the most recent version of the VCS 'AFOLU Guidance: Example for GHG Credit Accounting Following a Loss Event' for addressing loss events during the Project Period. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | MR |
| Findings - Round 1 | Although it does not appear that there have been any loss events, it would be useful to state this in the MR. Additionally it would be helpful to make the statement that no loss events have occurred from the start date to the point of validation. |
| Round 1 NCR/CL/OFI | MCAR Please add the requested additional language to the MR and PD. |
| Round 1 Response from Project Proponent | Section 5.6 Management Loss events has been updated to reflect the request, with reference to the Sirebe Monitoring Report and the accompanying Appendix 2. No loss events have occurred to date. |
| Findings - Round 2 | The audit team reviewed the updated PD and associated documents. This criteria is satisfied. |

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| Item Number | 57 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 7. Assessment of Uncertainty |
| Plan Vivo Standard 2013 (Subsection and Description) | 7.1 Uncertainty in Baseline GHG Emissions And Removals |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | It appears that some of the sections in this section do not correlate with sections in the TS module. |
| Round 1 NCR/CL/OFI | MCAR Please update the sections to correlate with the TS Module or clarify why this not appropriate. |
| Round 1 Response from Project Proponent | Section 7.1 of the PD has been updated to correlate with the TS. |
| Findings - Round 2 | The audit team reviewed the updated PD and associated documents. This criteria is satisfied. |

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| Item Number | 58 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 7.1.1 Harvest Rate (HR) |
| Plan Vivo Standard 2013 (Subsection and Description) | The core of the avoided emissions component of the baseline calculation is based on a conservative estimate of the timber volume to be logged in the baseline activity. This estimate is calculated conservatively on the basis of commercial timber volumes harvested in the baseline at 80% of the harvestable wood volume available. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |

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| Findings - Round 1 | <p>Although the TS module states that the uncertainty assessment is guided by the VCS tool VT0003 v1.0, the audit team found no evidence that an uncertainty analysis for the inventory was conducted. Additionally, the audit team is concerned that the plots only represent 2.3 ha whereas the eligible forest area is ~836 ha.</p> <p>Additionally, the audit team found no evidence that supports the usage of the Vuri plots in the project area.</p> |
| Round 1 NCR/CL/OFI | <p>MCAR Please apply the VCS tool as specified in the methodology.</p> <p>MCAR Please provide verifiable evidence that it is appropriate to use the VURI plots (that are outside the project area) to quantify stocking inside the project area.</p> |
| Round 1 Response from Project Proponent | <p>Re uncertainty assessment: We have applied the approach noted in the TS module that "<i>Conservative estimates can be used instead of uncertainties, provided that they are based on verifiable literature sources or expert judgement. In this case the uncertainty is assumed to be zero.</i>" We elected to use conservative estimates including: 80% harvest rate (when 100% is common practice), Total Wood Harvested was addressed by applying a conservative default factor of 0.5 for the conversion of above ground biomass to sawlog; Size of trees to be harvested was set at DBH 50cm, when common practice harvesting includes all trees above DBH 30 cm and in many cases below. Further rationale for conservative default values is provided in the TS model section 7.1.1 - 7.1.5 and is applied in the carbon accounting. Re Vuri Plots: The Vuri site is also part of the Babatana Project 'project area,' that is considered to have the same baseline. In 2014, when the Pre-harvesting inventory was carried out, the Vuri and Sirebe areas were considered as one project site within the Project Area. This was because the areas are adjacent (< 2km) to each other and have the same forest composition and structural characteristics (i.e a single forest stratum). The sites were later separated based on the ethnographic characteristics of the people and tribal organisation rather than forest type. Further evidence is provided from the forest type map produced by the Directorate of Overseas Surveys (1977), compiled from air photo interpretation, and accompanying the Land Resources Study "Land Resources of the Solomon Islands, Volume 5, Choiseul and the Shortland Islands." The Land resources study map has been added to the PD part B evidence requirements folder as "Choiseul forest type map." Although the report is old, the forest in the Sirebe and Vuri site is undisturbed and has not changed. The map shows the entire project area (including Sirebe and Vuri) and shows Sirebe and Vuri are have the same forest structure and composition. Further, the leading botanical expertise (Director of the Solomon Islands National Herbarium) described of the Sirebe and Vuri area (Appendix 6b page 8) as "both similar in forest characteristic and composition" and can be described as "the same". Based on these information sources combined, it was considered appropriate to use Vuri preharvest inventory plots as a reference for the Sirebe project area, which increased the number of sample plots to 23. If the number of plots does not suffice, we request that project be verified for the first monitoring period, and as a future corrective action, we be required to increase the number of plots in Sirebe. If there is a difference in the carbon values at 2nd monitoring period, we could adjust accordingly to account for any changes.</p> |

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| Findings - Round 2 | <p>Thank you for the clarification. The audit team understands that conservative estimates can be used instead of estimating uncertainty. The audit team is reasonably assured that all estimates were conservative and thus uncertainty does not need to be estimated.</p> <p>The audit team reviewed the additional evidence that supports the use of the Vuri plots in Babatana Project Area. Because the forest types are essentially the same and the audit team is reasonably assured that the inclusion of the Vuri plots is appropriate.</p> |
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| Item Number | 59 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 7.1.5 Gross Total Emissions in tCO2 |
| Plan Vivo Standard 2013 (Subsection and Description) | b. Using the mean wood density for the species mix contained in the Harvest Rate data. Where local (country-specific) wood density data are unavailable, this methodology uses the most recent IPCC GHG Inventory Guidelines for default values for applicable genera and families. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 4 |
| Findings - Round 1 | The audit team is unclear why a mean of wood densities is used as this approach has the most uncertainty associated considering the wood densities of all species are known. |
| Round 1 NCR/CL/OFI | MCAR Please clarify why this approach was taken and how it is consistent with 5.11 of the Plan Vivo standard. |
| Round 1 Response from Project Proponent | The request is out of scope for this verification event. The technical specifications outline that IFM-LtPF, section 4.1.7 Step 9 Gross total emissions, indicates that the mean wood density (WDP) for the species present is required for the conversion of wet to dry wood. As such the mean value was used, rather than the specific values. Section 7.1.7, outlines how the value is used to address uncertainty. This technical specification has been approved by Plan Vivo and as such this clarification should suffice. |
| Findings - Round 2 | The audit team confirms that this outside of scope. No further action is needed. |

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| Item Number | 60 |
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| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 8.1 Project Monitoring Plan |
| Plan Vivo Standard 2013 (Subsection and Description) | Project Monitoring reports will be produced using the latest VCS Monitoring Report Template at a maximum of 5-yearly intervals covering each Project Monitoring Period. The Project Monitoring Report will be produced in the year following the final year of the Project Monitoring Period. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | MR |
| Findings - Round 1 | The VCS monitoring template does not appear to be used. |
| Round 1 NCR/CL/OFI | MCAR Please use the VCS MR template as specified in the methodology. |
| Round 1 Response from Project Proponent | Plan Vivo have a monitoring report template that they like us to use. We request that adoption of the Plan Vivo monitoring template be allowed as a minor methodology deviation. |
| Findings - Round 2 | The audit team sees no reason that a Plan Vivo monitoring report template is unreasonable or not appropriate. This should be included as a methodology deviation in the PDD. Additionally, the audit team was unable to locate the Plan Vivo Monitoring Report for this verification event. |
| Round 2 NCR/CL/OFI | MCAR: Please include the MR deviation as a methodology deviation in the PDD. |
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| Round 2 Response from Project Proponent | We have updated PD Part B Section 8.1 to reflect that the most up-to-date monitoring template from Plan Vivo will be used at future verification events. For the first verification event a simplified monitoring template has been used. All future Monitoring Reports will use the most relevant Plan Vivo Template, which we consider appropriate, given that the standard is in the process of being updated, at the time of submission of this project description. The MR has been updated to reflect these changes. |
| Findings - Round 3 | The audit team reviewed the PDD and confirms this deviation has been appropriately included. This criteria is satisfied. |

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| Item Number | 61 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest | 8.1.9 Community Monitoring |

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| V1.0 for The Nakau Programme (Section) | |
| Plan Vivo Standard 2013 (Subsection and Description) | <ul style="list-style-type: none"> o Monitoring supervision and training provided to the Project Coordinator and the Project Owner by a suitably qualified forest carbon inventory expert for the first project monitoring exercise |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | It is unclear what training is necessary and scheduled to train the project owner in all aspects of monitoring. |
| Round 1 NCR/CL/OFI | MCAR Please add additional language to the PD or clarify where this criteria is addressed. |
| Round 1 Response from Project Proponent | The text in the PD (section 8.1.9 page 61), has been updated to reflect the what training is necessary and when it will occur. There has been specific mentions to completing transects, boundary inspections and mobile data collection. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 62 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | 8.1.9 Community Monitoring |
| Plan Vivo Standard 2013 (Subsection and Description) | <ul style="list-style-type: none"> o On-going monitoring supervision and training provided to the Project Owner by the Project Coordinator once the latter has demonstrated its competence in forest carbon inventory |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B |
| Findings - Round 1 | It is unclear what training is necessary and scheduled to train the project owner in all aspects of monitoring. |
| Round 1 NCR/CL/OFI | MCAR Please add additional language to the PD or clarify where this criteria is addressed. |

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| Round 1 Response from Project Proponent | The text in the PD (section 8.1.9, page 60), has been updated to reflect the what training is necessary and when it will occur. There has been specific mentions to completing transects, boundary inspections and mobile data collection. |
| Findings - Round 2 | The audit team reviewed the updated PD and confirms that this criteria is satisfied. |

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| Item Number | 63 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | Sub-step 1a. Identify credible alternative land use scenarios to the proposed IFM project activity |
| Plan Vivo Standard 2013 (Subsection and Description) | · Projected forest degradation as estimated using the applicable baseline methodology; |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 3 |
| Findings - Round 1 | Appendix 3 states "The projected forest degradation is provided in Appendix 1 using the applicable baseline methodology"; however, the audit team was unable to find this analysis. |
| Round 1 NCR/CL/OFI | MCAR Please clarify where this analysis is located. |
| Round 1 Response from Project Proponent | The statement was incorrect and has been updated to reflect the land use scenario based on VCS Additionality tool. The baseline is conventional logging and does not include piece-meal forest degradation or clearance of degraded forest for cash cropping. An analysis and supporting justification for conventional logging and the harvest rates discussed in the VCS additional tool, is available in appendix 5. |
| Findings - Round 2 | The audit team reviewed the updated Additionality Assessment and confirms that this criteria is satisfied. |

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| Item Number | 64 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | Sub-step 1a. Identify credible alternative land use scenarios to the proposed IFM project activity |

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| Plan Vivo Standard 2013 (Subsection and Description) | 10. For identifying the realistic and credible land-use scenarios, land use records, field surveys, data and feedback from stakeholders, and information from other appropriate sources, including Participatory rural appraisal (PRA) ¹ may be used as appropriate. |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 3 |
| Findings - Round 1 | It is unclear to the audit team where evidence is provided that supports piece-meal forest degradation following conventional logging through local harvests of timber for domestic uses and clear of degraded forest for cash cropping are provided. |
| Round 1 NCR/CL/OFI | MCAR Please clarify how this criteria is satisfied. |
| Round 1 Response from Project Proponent | Note that piece meal forest degradation following logging is not included in baseline carbon calculations, and hence is conservatively neglected. However evidence for probable piece meal forest degradation was gathered from participants (landowners) using a participatory rural appraisal approach in the RAP report, see PD Part A Appendix 20. Further anecdotal evidence is based on extensive local knowledge of project proponents. |
| Findings - Round 2 | The audit team reviewed the updated Additionality Assessment and confirms that this criteria is satisfied. |

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| Item Number | 65 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | Sub-step 1b. Consistency of credible land use scenarios with enforced mandatory applicable laws and regulations |
| Plan Vivo Standard 2013 (Subsection and Description) | <ul style="list-style-type: none"> If an alternative does not comply with all mandatory applicable legislation and regulations, then show that, based on an examination of current practice in the region in which the mandatory law or regulation applies, those applicable mandatory legal or regulatory requirements are systematically not enforced and that non-compliance with those requirements is widespread, i.e. prevalent on at least 30% of the area of the smallest administrative unit that encompasses the project area; |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 3 |
| Findings - Round 1 | The audit team was unable to locate an analysis that satisfies this criteria. |
| Round 1 NCR/CL/OFI | MCAR Please provide a demonstration that satisfies this criteria. |

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| Round 1 Response from Project Proponent | <p>Appendix 3 Additionality Assessment Sub-step 1 B has been updated to (i) provide a more rigorous analysis to outline how conventional logging complies with legislation, and (ii) to provide evidence that non compliance with legislation is also common practice throughout the Solomon Islands. The key issue for non-compliance for the project site is that companies are not legally allowed to log a 50m buffer along a river corridor. To date the Project Area has not been logged and as such, we are unable to demonstrate that the Forest Regulations are not enforced at the actual site and that non-compliance is common, on at least 30 % of the small administrative unit (i.e. this would apply to the river buffer). However Appendix 3 demonstrates that illegal logging would likely occur on 100% the 50 meter river buffer either side of the Kolombagara River, as this non-compliance with legislation is common practice elsewhere. (E.g. in the Honiara catchment (the capital city) illegal logging of river buffers seriously impacts public water supply. However despite being high profile and close to regulators, the practice has not been addressed. By comparison Choisuel is extremely remote and logging companies have even less incentive to abide by regulations).</p> |
| Findings - Round 2 | <p>Based on the narrative provided in the updated Additionality Assessment and an independent review of literature and news stories related to illegal logging in the Solomon Islands the audit team is reasonably assured that this criteria is satisfied.</p> |

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| Item Number | 66 |
| Technical Specifications Module (C) 1.1 (IFM9LtPF): Improved Forest Management – Logged to Protected Forest V1.0 for The Nakau Programme (Section) | Sub-step 3a. Identify barriers that would prevent the implementation of the type of proposed project activity |
| Plan Vivo Standard 2013 (Subsection and Description) | 30. Provide transparent and documented evidence, and offer conservative interpretations of this documented evidence, as to how it demonstrates the existence and significance of the identified barriers. Anecdotal evidence can be included, but alone is not sufficient proof of barriers. The type of evidence to be provided may include: |
| Applicability to the Project (Y or N/A) | Y |
| Requirement Met (Y, N, Pending) | Y |
| Evidence Used to Assess | PD Part B, Appendix 3 |
| Findings - Round 1 | Numerous publications and reports were provided as evidence. Importantly community support for logging was demonstrated as the community felt there was no other way to reach their economic development goals. However, the audit team could not find the Live and Learn report. |
| Round 1 NCR/CL/OFI | MCAR Please provide the Live and Learn report or provide the location in the project document structure. |

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| Round 1 Response from Project Proponent | The reference in Appendix 3 has been corrected to: Live & Learn Report: Rapid Assessment of Perceptions – Forest, climate change and REDD in Choiseul Province, Solomon Islands – community motivations for logging/lack of choice – barrier for social conditions (refer to PD Part A Appendix 20, SI REDD RAP report). |
| Findings - Round 2 | The audit team reviewed the Live and Learn Report, this criteria is satisfied. |