

VERIFICATION OF

“Emiti Nibwo Bulora”



Project Title	Emiti Nibwo Bulora
Report Title	Verification of “Emiti Nibwo Bulora”
Version	01
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Work Carried Out By	Mr A Prabu das (Lead Auditor) Dr D Siddaramu (Team Member)

Objectives

The broad objective of the verification was to conduct an evaluation of a registered and functioning Plan Vivo project (*Emiti Nibwo Bulora - Tanzania*) against the Plan Vivo Standard to ensure that the project continues to conform to the Standard and that it continues to deliver carbon emission reductions and other expected benefits, to local ecosystems and livelihoods.

The key questions the verifier was expected to address are:

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

Name of Verifier(s)	Date of Review
VVB Name and Address	EPIC Sustainability Services Private Limited, Bangalore, India
Lead Auditor	A Prabu das
Audit Team Member(s)	Dr D Siddaramu
Internal Verification Code	NA
Standard Version	Plan Vivo Standard 2013
Plan Vivo Certificates (PVC) issued (ex-ante)	89,547 PVC ex-ante
• Of which have been converted to ex-post	56,992* issued (from 01 st May 2010 to 30 th April 2015) *of the total issued there exist a deficit of 14,294 tCO2 (i.e 56,992 – 42,698) due to drop-out of 158 farmers from the total 778 farmers
Buffer Certificates	14,248

Project Description

The Emiti Nibwo Burola project involves small scale farmers for mitigation of greenhouse gas (GHG) emissions and climate change in Kagera region in western Tanzania. The project is being undertaken by Vi Agroforestry. The project supports small scale farmers to learn about and engage in tree planting and other agroforestry activities which contribute to increased soil carbon storage, carbon sequestration in biomass, and deliver other economic and social benefits.

The project is managed and coordinated by Vi Skogen, an international Non-Governmental Organization (NGO) based in Sweden with NGO offices that are registered in Kenya, Tanzania, Uganda and Rwanda. The international arm provides oversight and fundraising support for these field offices. The Kagera project is being managed and implemented by the Tanzania Country office of Vi Agroforestry located in Mwanza, Tanzania

During the monitoring period covering 01st May 2010 to 30th April 2015 (five year period), the project involved the participation of smallholder households as well as community groups. The project activity is spread out in the Bugene, Kaisho and Nyaishozi Zones. The agroforestry systems used are boundary planting, dispersed interplanting, fruit orchards and woodlots. The participants also grow seasonal crops in the plan vivo sites, which get benefited from the trees farms. The project started with 582.7 ha area under management + 93,193 metres of boundary planting and at the end of the five year monitoring (30th April 2015) the area under management are 302 ha + 74,200 metres. The reasons for the fall out in area is combination of severe prolonged drought during the monitoring period, non-follow of *sustainable land management practices* as proposed by the project. This has caused some of the farmers to disqualify according to the monitoring standards and thus withdrew from the project. As a mitigation measure, farmers are encouraged to plant drought resistant trees and adapt to *sustainable land management practices* as proposed by the project.

Introduction

1. Objective: The purpose of this report is to document the conformance of the Emiti Nibwo Bulora project with the requirements of the Plan Vivo Standard. The project was developed by Vi Agroforestry - Kagera, hereafter referred to as "Project Coordinator". The report presents the findings of qualified EPIC auditors who have evaluated the Project Coordinator's systems and performance against the applicable Standard.
2. Scope: The scope of the audit is to assess the conformance of the Emiti Nibwo Bulora project in Tanzania against the Plan Vivo Standard. The objectives of this audit included an assessment of the project's conformance with the standard criteria. In addition, the audit assessed the project with respect to the baseline scenarios presented in the project design document.
3. Methodology: Standard auditing methodology.
4. Level of Assurance: The assessment was conducted to provide a reasonable level of assurance of conformance against the defined audit criteria and materiality thresholds within the audit scope. Based on the audit findings, a positive evaluation statement reasonably assures that the project GHG assertion is materially correct and is a fair representation of the GHG data and information.

List and description of documents reviewed

1. Maps of project area with GPS location of plots under management
2. Plan Vivo Maps
3. Proof of Land Tenure Ownership
4. Organization registration
5. Technical specifications and SALM Manual
6. Forest inventory data collection sheet, Monitoring forms
7. Payment Of Ecosystem Services (PES) Agreement
8. Records of PES Payments – Payment sheet, Minutes of meeting, bank records
9. Minutes of Bugene, Kaisho and Nyaishozi zones
10. Carbon modelling calculation sheet
11. Project financial records, Plan Vivo payment signed documents
12. Socio-economic report 2017
13. Participants application letter for getting into PV project
14. Annual reports (01st May 2010 to 30th April 2015 – Five reports in total)
15. Collaboration agreement between INSAMLINGSSTIFTELSEN VI PLANTERAR TRAD and SOCREM
16. Collaboration agreement between INSAMLINGSSTIFTELSEN VI PLANTERAR TRAD and CCAFS, CGIAR Research program on climate change, agriculture and food security
17. Pre-verification report (internal report)
18. Field visit report
19. Biomass study report
20. M&E verification sheet on the 1st and 5th monitoring cycle and payment

Itinerary of field visit (including list of sites visited and individuals/groups interviewed)

The on-site field inspection for the Verification assignment was carried out from 06 Nov 2017 to 10 Nov 2017, it included meetings and interviewing 35+ people from the Bugene, Kaisho and Nyaishozi Zones. The meeting was in the form of field visits to the individual farms, local village government officials and also the group leaders involved in the project activities.

Itinerary

Days	Activity performed
Day 1 to 4	<p>Audit team opening meeting with Vi Agroforestry project team:</p> <ul style="list-style-type: none">• Project area site visit and data collection – related to Agroforestry related activity, agroforestry systems used viz boundary planting, dispersed interplanting, fruit orchards and woodlots, diverse tree species, monitoring aspects as per TS and monitoring manual;• Project implementation and operation as per validated PDD;• Interaction with the individual farm owners/group leaders, community members and carbon payment beneficiaries, and local government official etc.• Review of PES payment distribution system;• Grievance redressal mechanisms.
Day 5	<p>Document Review and Project Staff Interviews:</p> <ul style="list-style-type: none">• Baseline activities, maps;• Ownership/tenure, landowner MOU documents (e.g. contracts etc);• Legality and compliance;• Project activities and its implementation as per the validated PDD• Accounting staff – interview and document review related to financial sustainability and payments to beneficiaries;• Meet technical staff regarding forest management plan, inventory and analysis, carbon calculations, biodiversity monitoring;• Review of monitoring related documents and interview eg maps, monitoring data sheets and internal audit, etc.• Review record keeping, database management. <p>Closing meeting with the Vi Agroforestry project team:</p> <p>Discussion of preliminary audit related findings</p>

List of Vi Agroforestry Personnel interviewed:

1. Mr. Kent Larson, Country Manager, Vi Agroforestry
2. Mr. Amos Wekesa, Environment and Climate Change Advisor, Vi Agroforestry
3. Ms. Grace Eustace, Head of Field Implementation, Vi Agroforestry
4. Mr. Charles Mbekenga, Support staff, Vi Agroforestry
5. Mr. Zacharia Makonda, Support staff, Vi Agroforestry

Based on the document reviewed viz validated PDD, annual reports for the five-year period and the supporting evidence that forms the basis of the annual reports, field visit to the agriculture farms and the interaction with the project participants and the project coordinator, the verification team confirms that the project continues to comply with the Plan Vivo standard.

Audit Overview: CAR/FAR/OBS

(Please copy and paste box below for each non-conformity found)

NC: Numbered CAR	Reference: Section of PV Standard	Category : Major/Minor
Date found:	Deadline for correction:	
Description of indicator (Requirement in the Plan Vivo Standard):		
Description of non-conformity:		
Evidence received, and analysis of corrections and corrective actions provided for NC closure:		
Documents reviewed		
Status: OPEN/CLOSED		

Table 1. Summary of major and minor Corrective Actions (Insert Numbers)

Theme	Major CARs	Minor CARs	Observations	Status
Project's Eligibility	-	-	-	In compliance
Ecosystem Benefits	-	-	-	In compliance
Project Coordination and Management	CAR 01	-	-	In compliance
Participatory design	CAR 02	-	-	CAR 02 closed and FAR 01 Minor opened
Quantifying and Monitoring Ecosystem Services	CAR 03	-	-	CAR 03 closed and FAR 02 Major closed - In compliance
Risk Management	CAR 04	-	-	In compliance
Livelihoods Impacts	-	-	-	In compliance
PES Agreement	CAR 05	-	-	In compliance

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

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

Livelihoods impacts	Yes/No	Yes/No
PES Agreement	Yes/No	Yes/No

Detailed Verification Report

PROJECT'S ELIGIBILITY

Requirement: Project directly engage and benefit community groups

Verification Question: 1 and 2

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

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

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

A. Findings (describe)	<p>The Emiti Nibwo Bulora project involves small scale farmers for mitigation of greenhouse gas (GHG) emissions and climate change in the Kagera region in western Tanzania. The project is spread out in Bugene, Kaisho and Nyaishozi Zones. The verification team has visited the individual farms and community groups as part of the on-site visit. It is observed that traditionally, there are no title deeds in village land unless a farmer initiates it. The method used locally to prove land ownership consisted of asking the neighbours of a specific project participant and their corresponding village chairperson to both sign a form to confirm ownership of that land. Proof of land ownership for <i>plan vivos</i> was conducted for all participants for the purpose of confirming the plots where they intended to plant trees as stipulated under the Plan Vivo agreements. Interaction with the farmers and the local government staff confirmed the ground situation in the project activity.</p> <p>It is confirmed that “there is no land included in the project that is not owned or subject to rights of smallholders that are not under an agreement with the heads of each community groups/villages/individuals to participate in the project”.</p> <p>The project exhibits compliance with the PV standard requirement.</p>		
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B. Conformance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
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C. Corrective Actions (describe)	<i>None</i>		
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D. (Insert Project Coordinator's Name) Response	<i>Not applicable</i>		
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E. Status	<i>CLOSED</i>		
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ECOSYSTEM BENEFITS

Requirement: Project generates ecosystem service benefits and maintains or enhances biodiversity.

Verification Questions: 1, 3 and 5

- 2.1 Project interventions are maintaining or enhancing biodiversity (2.2)
- 2.2 Project interventions have not led to any negative environmental impacts (2.3)
- 2.3 Any trees being planted to generate ecosystem services are native or naturalised species and are not invasive (2.4)

A. Findings (describe)	<p>The Emiti Nibwo Bulora project involves agroforestry activities on agricultural/abandoned/degraded land, and this is ensured through tree plantations and by effective <i>sustainable land management practices</i>. Agroforestry activities demonstrate positive biodiversity results. Water management, fertile top soil conservation, micro climate improvement are some of the positive environment results reported by the project participants, and this was also observed during the field visit. During the monitoring period, the verification team witnessed that due to severe drought many farmers were either removed or withdrew from the project activity. Conditions of drought are reported as a threat to the project activities, which are mitigated through effective <i>sustainable land management practices</i> (water and soil conservation), and choosing tree species that are more drought resistant.</p> <p>Project interventions focus on Agroforestry and ensure water and soil conservation through sustainable land management practices. Agroforestry trees promoted in the project are all indigenous species, such as Markhamia lutea, Maesopsis eminii, Ficus spp, Acacia and exotic trees like Acrocarpus, Cedrela, Tonna, Melia and Albizia. No invasive species are included as part of the project activity. Although it is recommended in some annual reports to use more drought-tolerant tree species than the indigenous Maesopsis eminii, it is confirmed by project participants that no invasive species have been planted.</p> <p>Villager members and local govt staff interviewed during the audit did not report any negative environmental impacts attributable to project interventions. In general, the audit team also did not observe any negative environmental impacts due to project activities.</p>		
B. Conformance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
C. Corrective Actions (describe)	<i>None</i>		
D. (Insert Project Coordinator's	<i>Not applicable</i>		

Name) Response	
E. Status	CLOSED

PROJECT COORDINATION AND MANAGEMENT

Requirement: Project is managed with transparency and accountability, engagement of relevant stakeholders and in compliance with the law of the Host Country.

Verification Questions: 1, 2 and 6

- 3.1 The project coordinator still has the capacity to support participants in the design of the project interventions, select appropriate participants for inclusion in the project, and develop effective participatory relationships including providing on-going support to sustain the project (3.4)
- 3.2 The project coordinator still has the legal and administrative capacity to enter into PES Agreements with participants and to manage the disbursement of payments for ecosystem services (3.5)
- 3.3 A transparent mechanism and procedures for the receipt, holding and disbursement of PES funds is applied, with funds intended for PES earmarked and managed through an account established for this sole purpose, separate to the project coordinator's operational finances. (3.9)
- 3.4 The project coordinator has accurately described the progress, achievements and problems encountered by the project in the Annual Reports. The Annual Reports transparently report sales figures and demonstrate resource allocation in the interest of target groups (3.10; 3.11)

A. Findings (describe)	<p>3.1 The review indicates that institutional arrangements and legal agreements are in place and Vi Agroforestry has the capacity to manage the fiscal and programmatic elements of a Plan Vivo program. The project is managed and coordinated by Vi Skogen (Also known as Vi Agroforestry), an international NGO based in Sweden. The international arm provides oversight and fundraising support for the field offices in various countries including Tanzania. The project is being managed and implemented by the Country office of Vi Agroforestry located in Mwanza, Tanzania. Vi Agroforestry's strategies focus on working with local NGOs or farmers' networks. It is observed that networks were formed in Kaisho and Bugene. The activities of the project coordinator in partnership with the network association is as follows:</p> <ul style="list-style-type: none"> • To provide legal counsel to individuals/communities for the purpose of securing land ownership and entering into PES agreements • Organize meetings with ward and district officials • Engage with new farmers/community groups to scale up the project. The fact that many new farmers are interested in being part of the project is a testimony to the capacity of the project coordinator in scaling up the project and to sustain it. During on-site visits the verification team has interviewed a few farmers who have already established their farms according to the prescribed Plan Vivo management system while waiting to be registered. The verification team is informed that new recruitment of farmers is as per the
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	<p>budgetary allocations.</p> <p>The verification team has reviewed: i) The agreement between Vi Tree planting foundation and the govt of united republic of Tanzania ii) Collaboration agreement between INSAMLINGSSTIFTELSEN VI PLANTERAR TRAD and SOCREM, iii) Collaboration agreement between INSAMLINGSSTIFTELSEN VI PLANTERAR TRAD and CCAFS, CGIAR Research program on climate change, agriculture and food security.</p> <p>During interviews, the project beneficiaries confirmed to the audit team that they were taking into confidence in the participatory project design process, and in its implementation. The beneficiaries were given free hand in choosing the type of agroforestry systems for their land, although the technical expertise to suit the land type was provided by the project coordinator. The team reviewed the MoM copies, interviewed the village members/group leaders, local govt official and the beneficiaries for the conformance.</p> <p>Determining the capacity for project management is complex for all forest carbon projects of this nature, and it is opined that the project meets the Standard's criteria.</p> <p><u>3.2 and 3.3</u> The project has demonstrated that it still has the legal and administrative capacity to enter into PES Agreements with participants and to manage the disbursement of payments for ecosystem services. Continuous PES agreements signed with the new farmer recruits is a testimony to that effect, and through this the audit team are convinced that the requirement of the Standard is met. After the successful registration of the project with Plan vivo, the project has been generating carbon revenues through the sale of CO2 certificates (PVC's). The PVC sales are managed by the team in the Stockholm office through marketing initiatives. The carbon revenue disbursal is in the form of cash. Dedicated accounts are earmarked which are managed by the project team. Checks and balances are put forth in managing these accounts. Payments are made to the qualified participants as per the qualifying criteria defined in the monitoring plan. If a particular participant is not qualified for the payment, then the payment is withheld and is released once they achieve the target. It has been verified through interviews that the members are informed about the carbon sale in advance, its realised revenue attributed by the project activity, and even it is acknowledged by some of them in the meeting that only through effective implementation mechanism – the carbon revenue is assured to them in the coming years and they exhibited a good understanding of the inherent risks associated with the carbon forestry projects.</p> <p>During the latter stage of the monitoring period, all the payment schedule to the beneficiaries were met due to positive sales of PVC's. In this section Major CAR 01 was raised related to having a separate account for PES funds.</p> <p>3.4 The project has periodically submitted annual reports to the Plan Vivo Foundation, describing progress, milestones, and challenges the</p>
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	project faces. The reports detail sales of CO2 certificates, and describe the disbursal of funds as per requirement.			
B. Conformance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
C. Corrective Actions (describe)	<p>Major CAR 01: The project coordinator to explain whether/how the following requirement of <i>Plan vivo standard 2013</i>, is met by the project:-</p> <ul style="list-style-type: none"> • <i>Requirement 3.9 states that “funds intended for PES earmarked and managed through an account established for this sole purpose, separate to the project coordinator’s general operational finances.”</i> 			
D. (Insert Project Coordinator’s Name) Response	<p><i>At Vi-Skogen Stockholm head office the project has a separate bank account for the project receiving carbon credits or plan vivo certificates (PVC) from companies purchasing them. At Vi Agroforestry Tanzanian office where the project is implemented there is a general financial bank account. The incomes and costs of the project are assigned and coded P4010 as cost centre to keep entries of expenditures and it is able to separate records of PV project and extract records easily for financial monitoring and reporting. The financial audit reports are available and nothing wrong has ever been reported on this case.</i></p>			
E. Status	<p>The explanation provided by the project coordinator is found to be acceptable to the verification team. Further, the practice followed in managing the finances of the project activities was confirmed through the interview of Mr. Kent Larson, Country Manager, Vi Agroforestry and the accounts team.</p> <p><i>CLOSED</i></p>			

PARTICIPATORY DESIGN AND DEVELOPMENT OF PLAN VIVO

Requirement: the project has demonstrated community ownership: communities participate meaningfully through the design and implementation of plan vivos that address local needs and priorities.

Verification Questions: 1, 2 and 6

- 4.1 A voluntary and participatory planning that address local needs and inform the development of technical specification is taking place (4.1; 4.6; 7.1.). Barriers to participation are being identified and measures taken to encourage participation (4.3)
- 4.2 Smallholders or communities are not being excluded from participation in the project on the basis of gender, age, income or social status, ethnicity or religion, or any other discriminatory basis (4.2)
- 4.3 The project is not undermining the livelihood needs and priorities or reduce the food security of the participants (4.7; 7.1; 7.5)
- 4.4 There exist a system for accurately recording and verifying location, boundary and size of each plan vivo (4.8). Participants have access to their *plan vivos* in an appropriate language and format (4.9)

4.5 Participants are being provided with a forum to periodically discuss the design and running of the project with other participants and raise any issuance or grievances with the project coordinator (4.12). A robust grievance redressal system is in place (4.14)

A. Findings (describe)	<p>4.1 & 4.2: Participatory planning process by the stakeholders is already detailed in sec 3.1 of "PROJECT COORDINATION AND MANAGEMENT". The audit team has reviewed the participatory evidences - MoM of the periodical meetings, socio-economic impact study results (the project was registered using PV 2008 standard which does not require the baseline survey, however a socio-economic impact study was carried out by the project coordinator), and through the interview of a few of them confirm that the participation in the planning process exists and it is voluntary. With the informed technical inputs from the project coordinator, the participants are given free hand to choose the agroforestry types in their land. Through the entire audit trail, barriers to participation or discrimination of any nature in the participation have not surfaced.</p> <p>4.3 Severe drought during the monitoring period resulted in a few farmers pulling out of the project since the trees could not survive and thus failed to meet the prescribed monitoring target. Training sessions were conducted on "How to improve agricultural yields in a changing climate through agroforestry and SLM practices, the use of improved seeds and drought tolerant crops" and various sustainable agriculture land management practices to the project participants. The project also helped to provide improved seeds (food grains) to the participants, implement inter-cropping measures without affecting the food security of the households at the same time maintaining the agroforestry within the project.</p> <p>It can be confirmed that the project has recorded significant progress since inception and subsequent validation to improve community livelihoods without undermining their needs, priorities or food security.</p> <p>4.4 All Plan Vivo project areas are clearly mapped and their respective GPS coordinates are recorded in the agreement. During the on-site visit, the GPS coordinates, boundary, size, type of plantation were confirmed by the verification team. This information is already captured in the individual agreement copy maintained at the end user level as well as with the project coordinator. The correctness of information was also verified by the team during the visit. It is further confirmed that copies of the <i>plan vivos</i> (land management maps) also exist in the language commonly understood by the stakeholders.</p> <p>4.5 Corrective action 'CAR 02 Major' is raised to understand the grievance mechanism in place and also the farmers who dropped out of the project and the measures initiated by the project coordinator to mitigate this issue.</p>
B. Conformance	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>

C. Corrective Actions (describe)	<u>Major CAR 02:</u> <ul style="list-style-type: none"> It is reported in the annual reports that a considerable number of farmers dropped out of the program, and in a few cases new farmers are also recruited into the program. The project coordinator shall explain the instances of any farmer dropping out, and the measures carried out to minimise the drop out levels over the years. Kindly explain the 'grievance redressal mechanism' followed in the project, and submit evidence to show how the full cycle of redressal mechanism works
D. (Insert Project Coordinator's Name) Response	<p>In 2008 – 2011 period 778 farmers were registered, but to date only 620 farmers are complying with implementation procedures. About 20 % of farmers (158 farmers) referred to as drop off include those who were found non-citizens and evicted by Government of Tanzania to return to Rwanda abandoning their farms. Other farmers experienced prolonged dryspell weather periods where trees experineced low survival rates and continous replacement was unsuccessful. Some farmers were unable to replace died saplings. Some farmers gave up due to poor performance of their trees due to lack of water and labour to irrigate the trees. These problems were experienced during monitoring and the project excluded these farmers as non-compliant with project protocols or technical specifications. The project establsihed incentive mechanisms of promoting soil and water conservation measures such as mulching and domestic simple irrigation techniques to conserve moinsture for the trees to survive. Diversification of farm enterprises and trees was also promoted to enhance survival and commitment to protect trees established against, dryspells, grazing and fire outbreaks. Also registration of farmers after tree planting and survived enhanced survival of trees. There was also much focus on Dispersed Interplaning (DI) and Fruit Orchards (FO) technical specifications (TS) that are easily managed alongside agronomic practices of crops. Those interested with Woodlots (WD) were advised to establish the farm that can be easily managed and maximise labour or outputs. Farmers were in 44 groups and the project enhancing self-monitoring among group members to work together towards succeding.</p> <p>Due to drop out of 20 % of farmers, the project has worked with new additional 300 farmers to be registered as a replacement to maintain initial plan of 778 farmers and their ex-post PVC. An efficient plan was developed to reach this by 2019.</p> <p>These project framework of having staff closer to farmers, project management team, farmer groups and representatives form a strong base of grievance handling mechanisms. Regular meetings at all levels, follow ups, project committees, timely payments and monitoring plan. The project has not experienced major grievance but with this experience a grievance redressal mechanism is going to systematically developed and documented by end of 2018.</p>

E. Status	<p>The reasons explained for farmer drop out and the efforts to retain and bring in new farmers are found to be acceptable by the verification team. In fact the failure reasons are considered as learning and appropriate steps are initiated for redressal, e.g. the <i>incentive mechanisms of promoting soil and water conservation measures</i>, continued technical inputs in choosing the type of agro forestry suitable for the land.</p> <p>Regular meeting at all levels and having staff closer to farmers are some of the key proposals in achieving the project objectives. It is also proposed by the project coordinator that a grievance mechanism will be systematically developed and documented by end of 2018, relating to this requirement the verification team marks the finding CAR 02 as closed and opens Forward Action Request (FAR) 01 Minor and recommends the grievance mechanism to be verified in the next annual report or in the next verification event, as appropriate.</p> <p>FAR 01 Minor: OUTSTANDING to be closed during next annual reporting period or by the next verification event.</p>
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QUANTIFYING AND MONITORING ECOSYSTEM SERVICES	
Requirement: project generates real and additional ecosystem service benefits that are demonstrated with credible quantification and monitoring	
Verification Questions: 2, 3 and 4	
5.1 Sources of data used to quantify ecosystem services, including all assumptions and default factors, have been specified and updated when possible, with a justification why they are appropriate (5.1; 5.2) 5.2 The project coordinator has been conducting ground-truthing activities in order to collect real data and field measurements from the project sites that have been or will be used to update the project's PDD and technical specifications, including the quantification of climate benefits (5.3) 5.3 A clear and consistent Standard Operating Procedure (SOP), or equivalent, for remote sensing analysis has been elaborated by the project coordinator. 5.4 Ecosystem services forming the basis of the Plan Vivo project are still additional (5.4). 5.5 To avoid double counting of ecosystem services, the project interventions are not being used for any other project or initiative (5.14) 5.6 A monitoring plan has been correctly implemented and a system for checking its robustness is in place, where (5.9; 7.2.; 7.3): <ul style="list-style-type: none"> • Corrective actions and contingency plans are described when performance targets have not been met • The validity and assumptions of the technical specifications have been correctly tested • Communities have been actively participating in monitoring activities • Monitoring has been regularly shared and discussed it with the participants 	A. Findings (describe) Please refer to CAR 03 below for full assessment of this requirement.

B. Conformance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
C. Corrective Actions (describe)	<u>Major CAR 03:</u> <ul style="list-style-type: none"> The project coordinator is requested to submit the carbon calculation spreadsheet which details the ex-ante and ex-post carbon reductions achieved As per the instructions for the monitoring plan, 30% of the existing trees are to be measured for DBH (Diameter at Breast Height). But a review of the sampled monitoring sheet reveals that this is not always followed, e.g. for 830 trees in a farm only 50 tree measurement are taken and accounted for monitoring. The project coordinator is to explain how the monitoring procedure followed is meeting the requirement defined in the monitoring plan. As per the monitoring manual, 5% of the monitored samples are taken for QA/QC – please submit the results of QA/QC analysis done on the samples. It is said that for fruit orchard, thinning is not allowed whereas it is very much practiced for DI, Wood lot and BP - please explain how this variation is captured in the Carbon Model calculation. Demonstrate how double counting of ecosystem service is avoided in the project activity. 		
D. (Insert Project Coordinator's Name) Response	<p>The database have automated calculations of t CO2e</p> <p><i>We are submitting the 4 sets databases with ex-ante and ex-post carbon sequestrations to the verifier in the dropbox which has spreadsheets for verification with our reported t CO2e. The t CO2e calculations were done automatically in the 4 access databases. The calculations spread out to many spreadsheets and it is more efficient just to use the access databases to check the calculations or calculated t CO2e. The database's were simplified for the user just to check the t CO2e automatically calculated. We hereby submit in the dropbox access databases for four zones or project areas.</i></p> <p><i>The monitoring plan recorded this based on feasibility study which established the monitoring plan. From field experience most trees were growing uniformly and a diagonal's sampling was found sufficient to estimate DBHs of trees. Most trees were also pure stand or of common species and a small sample were sufficient and cost-efficient. The 30 % was found over-ambitious sample than the actual sampling. The cost, time and geography of sampling and monitoring or measurements for 30 % trees samples was not feasible in some cases, thus DBH observation revealed that a small sample was quite sufficient to estimate DBHs. Vi Agroforestry is going to review project monitoring to cater for project progress experience of monitoring.</i></p>		

	<p><i>Fruit orchards (FO) TS thinning was not feasible and recommended due to its recommended economic spacing. The spacing was wide enough as specified. This TS was not practised by many farmers. The other technical specification's were designed for thinning for farmers to benefit from poles, firewood and building materials allowing trees to grow to maturity and permanently as expected for carbon sequestration modelling. The database is designed to accept DBH data of all trees including the FO.</i></p> <p><i>Double counting of ecosystem services is avoided in the project activity in many ways. Currently there is no other project registered under plan vivo standard. There also non-existence of other carbon projects in the area. This project has geographical references i.e. GPS points taken for every farm registered for PVC. The project area is also is georeferenced</i></p>
E. Status	<p>The carbon calculations spreadsheet detailing the ex-ante and ex-post calculations are reviewed and accepted. The farmers who were removed from the project caused a decrease in t CO₂ sequestration for this monitoring period and this is appropriately captured in the carbon calculations.</p> <p>The monitoring of real data from the field is done by the Vi agroforestry team, this monitoring is done as per the defined qualifying criteria and this determines the eligibility of the beneficiaries for the payment. Through the review of sampled monitoring sheets it is observed that the monitoring procedure carried out deviates from the validated monitoring plan. The project coordinator explains that the monitoring mechanism initially defined is over ambitious with respect to the sample size and that the currently followed procedure is good enough to obtain the desired results. In this regard the project coordinator is proposing to review the project monitoring for future assessment. While assessing this requirement, the verification team marks the finding CAR 03 as closed and opens Forward Action Request (FAR) 02 Major and recommends the activities/events to be verified in the next annual reporting or in the next verification event, as appropriate.</p> <p>The verification team confirms that the eco-system services forming the basis of the plan vivo project continue to be additional.</p> <p>No other project is registered under the Plan Vivo Standard, and also no other carbon project exists in the project area. Further, at the time of recruiting new farmers into the project, the involvement in other programs is reviewed. And more importantly, the GPS coordinates are recorded for each farm and the project area is geo-referenced. Thus the verification team confirms that the double counting of eco-system services is avoided in the project activity.</p> <p><u>Robustness of monitoring plan</u></p> <p>The loss of farmers from the project activities calls for a review of performance targets and project objectives. The verification team</p>

	<p>confirms that through the historic experience from the start of the project activity the corrective actions and contingency plans are effectively employed by the project coordinators. Some of the actions are detailed as below:-</p> <ul style="list-style-type: none"> • Agroforestry trees have not performed well on the degraded land areas when compared to the fertile land • It is learnt that unsuccessful monitoring was mainly due to poor soil conditions and to the nature of trees under the specific technical specification. But <i>Maesopsis eminii</i> has performed well under the “Dispersed inter-planting” system in contrast. So, the recommended corrective action was to continue managing the farms rigorously and to undertake thinning activities where tree canopy is too large • In plots where most trees have grown (3 to 4 years) the main corrective action that farmers are advised to do are weeding, prevention/ avoid burning and grazing, avoid cutting trees for firewood, thinning and avoid over pruning. <p>Monitoring results are regularly discussed in the meeting and a visit is arranged to the farm of success farmers so that the learning is shared among the participants and is an encouragement for them to grow.</p> <p>FAR 02 Major: <i>Review of project monitoring for future assessment</i> OUTSTANDING to be closed during next annual reporting period or by the next verification event.</p> <p>After reviewing the Plan Vivo Secretariat team’s conformation vide letter dated 05/05/2021 referring to FAR 02, it is deemed that the FAR 02 is closed by the verification team.</p> <p><i>CLOSED</i></p>
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RISK MANAGEMENT

Requirement: The project manages risks effectively throughout its design and implementation.

Verification Questions: 2 and 4

- 6.1 Where leakage is likely to be significant, i.e. likely to reduce climate services by more than 5%, an approved approach has been used to monitor leakage and subtract actual leakage from climate services claimed, or as a minimum, a conservative estimation of likely leakage has been made and subsequently deducted from the climate services claimed (6.1; 6.2)
- 6.2 The level of risk buffer that has determined using an approved approach is adequate and is a minimum of 10% of climate services expected (6.3)
- 6.3 Does the project maintain a buffer account and is the cumulative total of credits deposited in the account equal to the total reported in the latest annual report? (6.3)

A. Findings (describe)	6.1 Leakage can be defined as net changes of anthropogenic emissions by GHG sources that occur outside the project or program boundary, but are attributable to the project or program due to being displaced by project activities. The project acknowledges the risks it faces e.g. namely land clearances, fire, drought and grazing and displacement of
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	<p>agricultural activity.</p> <p>Under Management Measures for Permanence risks it is said:- Annual third party verification</p> <p>Under Management Measures for Leakage risks it is said :-</p> <p>i) <i>A plan to monitor leakage on specific other woodland areas to ensure leakage is not occurring.</i></p> <p>ii) <i>"Formation of community based 'policing' to ensure that leakage resulting from displaced activities does not occur".</i></p> <p>But the list of such measures initiated and its effectiveness verified by the PP is not evident for this MR period. So it is raised as CAR 04 Major in this section.</p> <p>6.2 The project is applying a 20% risk buffer against the climate benefit claimed. Since this approach was used in the validated project documents, which the project achieved during initial registration, the Verification team is convinced that the validated approach used for the verification is appropriate and hence accepted.</p> <p>6.3 The project maintains a buffer account to which 20% of total credits are allocated by the project.</p>
B. Conformance	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>
C. Corrective Actions (describe)	<p><u>Major CAR 04:</u></p> <ul style="list-style-type: none"> The PDD says 20% buffer is considered in carbon calculations, but it's observed from the annual report that considerable number of farmers is dropped from the project due to various reasons at varying age of trees. Though new farmers have been inducted into the project during subsequent years, PP to explain how the drop out level is taken care within the assumed 20% buffer levels? Submit evidence for the following activities mentioned in the PDD:- <p>Under Management Measures for Permanence risks it is said:- Annual third party verification</p> <p>Under Management Measures for Leakage risks it is said :-</p> <p>i) <i>A plan to monitor leakage on specific other woodland areas to ensure leakage is not occurring</i></p> <p>ii) <i>"Formation of community based 'policing' to ensure that leakage resulting from displaced activities does not occur"</i></p>
D. (Insert Project Coordinator's Name) Response	<p><i>The permanence buffer of the PV project is still maintained at 20 %. Farmers (20%) who dropped were inactivated in the database and considered removed from the project. The project has mechanism, plan and budget of replacing them from the project boundary through scaling up plan or new farmers joining existing groups. The replacement is slightly above 20 % and is immediately. The all dropped farmers were replaced with the new farmers who have established trees. The project is also going to contract new farmers already established half of their farms with trees under different TSs and are on the waiting list. The trees that were planted by dropped farmers did</i></p>

	<p><i>not meet TS requirements, they exist but not counted, showing that trees in the project boundary were more than those in the baseline.</i></p> <p><i>The farmer drop off was mainly due to being discouraged by weather condition as there was strong dry period that caused most of planted trees to die. So they kept on replanting. It has to be noted that tree planting in Karagwe is not an issue, the concern was on agroforestry trees which require more attention. (See detailed documents have been submitted to show farmers dropped off, withdrawn and removed from the project due to non-compliance).</i></p> <p><i>The project had two forms leakage risks namely land clearances, fire, drought and grazing and displacement of agricultural activity. These risks had a package of measures to be used to manage risks depending on likelihoods and severity. In this case, participatory monitoring within groups and trainings has been able to report on risks leading to leakages. Farmers assess their situation especially of food security to allocate land to tree planting under best suited TSs. Farmers are trained on SALM practices to manage grazing, fire outbreaks, pests and diseases, tree survival and resilience to extreme weather events. The project risks had not triggered management option of monitoring leakage on other woodland areas using third party entity. The farmers themselves monitor one another to assess level of leakage and there was no need of formation of committees to police and monitor leakage. The annual monitoring with farmers and staff was sufficient enough to report on leakages. The individual PES sale contracts/agreements is sufficiently curbing leakages.</i></p>
E. Status	<p>The explanation provided by the Project coordinator in response to CAR 04 is found to be appropriate and accepted by the verification team. However, it is also found that management measures for permanence and leakage risks are either not applicable or inappropriate to the project context. So it is recommended to revise the management measures when the project monitoring is reviewed as referenced in FAR 02 above.</p> <p><i>CLOSED</i></p>

PES AGREEMENT AND BENEFIT SHARING

Requirement: project shares benefits equitably and transact ecosystem services benefits through clear PES Agreements with performance-based incentives.

Verification Questions: 1, 2 and 6

- 7.1. Procedures for entering into a PES Agreement with participants are being applied correctly **(8.2)**
- 7.2. Participants are entering into PES agreement voluntarily and according to the principle of free, prior, informed consent, in an appropriate language and format **(8.3)**
- 7.3. PES Agreements are not removing, diminishing or threatening participant's land tenure **(8.4)**
- 7.4. A fair and equitable benefit-sharing mechanism is in place and has been agreed with the participation of communities involved, identifying how PES funding will be distributed

among participants (8.8; 8.9; 8.10)

7.5. The project has committed to deliver at least 60% on average of the proceeds of the sales of Plan Vivo Certificates. Where less than 60% has been delivered, the project has justified why this was not possible (8.12)

A. Findings (describe)	<p>7.1 The Plan Vivo 2013 Standard specifies that PES agreements signed between the project coordinator and project participants should address the following points: the quantity and type of ecosystem services transacted, interventions to be implemented, the plan vivo the PES agreement relates to and its date of approval and implementation, performance targets and monitoring schedule, amount of payment or benefit to be received, consequences if performance targets are not met, PES period, impacts of the PES agreement on participant rights to resource usage, the deduction of a risk buffer, and a grievance mechanism.</p> <p>7.2 Based on interviews conducted during the on-site visit, the audit team can confirm that the project participants are entering in to the PES agreement voluntarily. They are completely aware of the terms of the agreement with the project coordinator, its implications, etc. They are informed through group meetings in advance, and it is also noted that new farmers visit existing farmers before they decide to be part of the project. The PES agreement contains the payment schedule and it is also in the common language understood by them.</p> <p>7.3 The project's PES agreements are not removing, diminishing or threatening participants' land tenure – it is as per the Plan Vivo Standard and it is in compliance.</p> <p>7.4 It is evident that a fair and equitable sharing mechanism is in place by way of written agreement among the parties involved. The project involves cash disbursal, the amount is deposited in a group account jointly managed by the beneficiaries, meaning the amount can only be withdrawn by the group leaders in the presence of project coordinator's representatives with authorisation letter. The group leader then distributes the amount to the qualified beneficiaries and takes signature. Checks and balances are in place for the funds to reach the end beneficiary, during on-site interviews with the PP/stakeholders it is observed that no dispute/complaint related to fund management has surfaced.</p> <p>7.5 The PP is to demonstrate how the committed delivery % on average of the proceeds of sales of PVC is continuously met for the entire Monitoring Report period – this is raised as CAR 05 Major</p>
B. Conformance	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
C. Corrective Actions (describe)	<p><u>Major CAR 05:</u></p> <ul style="list-style-type: none"> The PDD says 60% of the revenue is shared with the farmers and the plan vivo standard 2013 also recommend that, but the annual reports are silent whether the said revenue sharing percentage is consistently followed. Considering that the price per PVC varies, how the 60% share is ensured is not clear. During field visit and interview with the farmers, it's noticed that few farmers are not aware of the number of payments

	<p>received by them and the payment due to them in future. Considering that payment are made over the years, there is a risk that a farmer may not pursue in getting the payment as per the contract signed, in light of this scenario the project coordinator to explain how it would ensure that the entire payment reaches to the intended qualified farmer.</p>
<p>D. (Insert Project Coordinator's Name) Response</p>	<p><i>The PDD describes fair share of carbon revenues between Vi Agroforestry and farmers or producers. The farmers planned to get 60 % in a profitable business model where 40 % is expected to meet project investment costs. At the moment the project is financed by Vi Agroforestry and carbon revenue cannot pay the project investment costs. The project is an example of social enterprise and its investment in farmers enhance food, livelihoods and environmental benefits which without the project farmers would be much worse wallowing in poverty.</i></p> <p><i>The fundraising in Vi Agroforestry part is due to that Vi Agroforestry is an aid-foundation and we do not want to treat the received funds as an ordinary income that would be taxable. Fundraising is not a subject to taxes in Sweden (see attached document explaining revenue distribution)</i></p> <p><i>The project has a credible and transparent financial accounting system including incomes paid to farmers under the project. A few farmers who could not remember how much carbon revenues they were paid required they check their records. Some of them their records are kept with group leaders or their spouses. Every farmer has a sale agreement and payment record showing the payments schedules. The payment of carbon credits is also done through bank accounts and records can be traced. The Vi Agroforestry office has a bank record or statement showing the payment status of farmers. The farmers financial or payment records and book keeping is in both digital and print formats and any payment claims can be traced in transparent manner. Even carbon buyers are linked to particular farmers where their PVC has been allocated or purchased.</i></p> <p><i>How farmers are paid:</i></p> <p><i>After monitoring, the data are analyzed to find the qualified ones depending on the year. Payment calculation are done/ compiled (as stipulated in the sale agreement and summarized in excel sheet). Payment sheets are prepared per group with a list of all group members, the qualified ones with the amount to be paid and non qualified with zero amount. The sheets are cross checked by M&E Officers before being approved by Country Manager. After approval the Accountant deposit the money into group account and inform project staff. The staff then inform group leaders that their money has been deposited and staff agree on the day of disbursement. Signatories of groups collect the money from the bank and we give them the sheets (approved ones) where everyone who receive payment has to</i></p>

	<i>sign. The signed sheet are kept in the office. During the payment every member brings his/ her contract for quality assurance.</i>
E. Status	<p>The explanation provided by the project coordinator in response to CAR 05 is fully accepted by the verification team. The explanation is in line with the on-site visit observations and interaction with the beneficiaries confirms the same. The verification team has reviewed the annual reports, payment records, signed records by the beneficiary, plan vivo expense statement and financial records for the conformance.</p> <p><i>CLOSED</i></p>

Audit Plan

[PLEASE, INSERT AUDIT PLAN]

ANNEX 1

VALIDATION TABLE

Description of Area to be validated: Not applicable, as the assessment is limited to verification alone.

Date of Validation: Not applicable

Technical Specification: Not applicable

Validation Findings: Not applicable

F. Findings (describe)	Not applicable		
G. Conformance	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
H. Corrective Actions (describe)	Not applicable		
I. (Insert Project Coordinator's Name) Response	Not applicable		
J. Status	Not applicable		

The Verifier: (Name in Capital Letters)

Signature: Mr A PRABU DAS (Lead Auditor)
Dr D SIDDARAMU (Auditor)

Date: 10th July 2018

APPENDIX 1 - THE SITE VISIT PHOTOGRAPHS AND MAPS



PLAN VIVO PROJECT IN TANZANIA



Legend

- Other water source
- Lake Victoria
- Districts with Plan Vivo Project
- Kagera Region

Designed in February 2015.

0 30 60 120 180 240 Kilometers











