

Project Update - Mozambique

Sofala Community Carbon Project to close in 2015

- Sofala CCP will wind down operations in 2015 due to persistent financial difficulties
- Since February 2013, the local Mozambique non-profit, Associação Envirotrade Carbon Livelihoods (AECL), has held 100% ownership of the project
- A final third-party verification has been scheduled for Q4 2015

Edinburgh, 13/10/2015 - The Plan Vivo-certified Sofala Community Carbon Project, operated by Associação Envirotrade Carbon Livelihoods (AECL) and supported by the Africa Carbon Livelihoods Trust [ACLT], has communicated its decision to wind down in October 2015, with a view to closing operations by year end.

As one of the first pilot PES initiatives worldwide, the Sofala project developed a range of community-focused agroforestry and forest protection activities in its 13 years of operation, supporting as many as 50 local staff. More than \$2.14 million has been distributed in direct farmer payments. Importantly, the project has provided many valuable lessons for the design and implementation of similar initiatives, both in sub-Saharan Africa and elsewhere.

AECL are currently finalising plans for final payments to participating farmers, as well as studying the possibility for local stakeholders to provide ongoing extension services to participating communities. As has been widely reported, the project has been subject to financial difficulties for the last three years, owing primarily to low carbon market prices, and an ambitious business model developed at the height of optimism around emerging carbon markets. Nevertheless, it has been possible for project implementers to honour the majority of the administrative, technical and financial obligations of the project due to a combination of carbon sales and a series of philanthropic donations.

Following on from the Rainforest Alliance verification in 2010, an independent, third-party verification will be conducted in November 2015 to assess the delivery of emissions reductions, ecosystem services and livelihoods impacts. The Plan Vivo Foundation will publish the final report on its website in early 2016, while assessing any further technical implications at that time. Plan Vivo will conduct an internal audit of project monitoring reports and technical specifications. In the event of any shortfall of emissions reductions resulting from its early closure, the Plan Vivo Standard would make a cancellation of certificates from its pooled risk buffer account.

About Sofala CCP

Set up by Envirotrade in 2002 as a pilot study, the grant-funded Sofala Community Carbon Project transitioned to become a certified community forestry project in 2008, aiming to finance itself through voluntary carbon market sales. In 2010, the project received CCB Gold Level certification. Participating local communities, from the Gorongosa and Zambezi Delta regions of Mozambique,

committed to 7-year, results-based agroforestry and forest conservation contracts – the last of which were signed in 2009. These contracts have reached, or are very close to reaching, their natural end, and farmers have received all or the majority of payments owing to them, according to the level of performance of their contracts.

In addition to helping mitigate and adapt to climate change, the agroforestry systems implemented have delivered and will continue to deliver multiple livelihood benefits to farmers, including: improved soil fertility, increased crop yields, sustainable timber and firewood, Non-timber Forest Products (NTFP) including fruits and fodder, among other benefits. These interventions have helped farmers in one of the poorest parts of Mozambique recover from decades of conflict, and the project has catalysed the development of new skills, crops, and market opportunities as they re-established their community after the war.

About Plan Vivo

The Plan Vivo Foundation is an international, Edinburgh-based charity, responsible for administering the Plan Vivo Standard. The Plan Vivo Foundation has created a set of requirements for smallholder farmers and rural communities wishing to manage their land and natural resources more sustainably. For further information, please contact the Foundation Secretariat.