



# VALIDATION REPORT

Hieu Commune REDD Project  
COORDINATED BY FAUNA AND FLORA INTERNATIONAL (FFI)

Lead Validator: Duong Van Thao  
Date of Report: 07.02.2021

## Validation of Hieu Commune Plan Vivo Project

**Name of Reviewers:** Duong Van Thao

**Date of Review:** 18-06-2020 until 23-06-2020

**Project Name:** Hieu Commune Plan Vivo Project

**Project Description:** Avoided unplanned deforestation and degradation in 3 M'nam ethnic minority villages (1,238 hectares of forest).

**List of Principal documents reviewed (including list of sites visited and individuals/groups interviewed):** PDD

**Visited sites:** 1) FFI Office in Kon Tum City; 2) Kon Plong People Committee Office; 3) Hieu Commune People Committee Office; 4) Vi Chring Village Community House; 5) Vi Chring community forest, including community forest boundary markers; 6) Rice field of the Vi Chring Village; 7) Coffee field of the Vi Chring Village; 8) Buffalo grazing areas of the Vi Chring Village; 9) Dak Lieu Village Community House; 10) Dak Lieu community forest, including community forest boundary markers; 11) Cassava field of the Dak Lieu Village; 12) Coffee field of Dak Lieu Village; 13) Buffalo grazing areas of the Dak Lieu Village; 14) Dak Lom Village Community House; 15) Dak Lom community forest, including community forest boundary markers; 16) The Dak Lom community forest areas has been cleared for Cassava planting.

**List of individuals interviewed:**

- 1) Mr. Dang Thanh Liem (FFI - the project coordinator);
- 2) Mr. Nguyen Van Phuong (FFI – technical staff);
- 3) Mr. Ha Duc Giao (Kon Tum KfW10 PPMU – Coordinator);
- 4) Mr. Le Duc Tin (Kon Plong DPC – Vice Chairman);
- 5) Mr. Pham Thanh Binh (Kon Plong DPC – Head of the Agricultural Division);
- 6) Phan Dinh Hoi (Kon Plong DPC – Deputy Chief of Office);
- 7) Mr. Pham Huu Ba (Kon Plong KfW10 DPMU – Coordinator);
- 8) Mr. Hoang Minh Thuan (Kon Plong KfW10 DPMU – Field technical staff);
- 9) Mr. A Thao (Hieu CPC – Vice Chairman);
- 10) Mr. Tran Van Thanh (Hieu CPC – Land management staff);
- 11) Mr. Hoang Van Dao (Hieu CPC – Vice Chairman);
- 12) Mr. A Gia (Vi Chring Village Community Forest management Board (CFMB) – Accountant/Village Head);
- 13) Mr. A Trieu (Vi Chring Village CFMB – Head);
- 14) Mr. A Tim (Vi Chring Village CFMB – Head of the Monitoring Board);
- 15) Mr. A Troi (Vi Chring Village CFMB – Head of the community forest patrolling team);
- 16) Mr. A Chieng (Vi Chring Village CFMB – Treasurer);
- 17) Mr. A Ham (Vi Chring Villager);
- 18) Mr. A Hong (Vi Chring Villager);

- 19) Ms. Y Thi (Vi Chring Villager);
- 20) Mr. Dinh Xuan Do (Vi Chring Villager);
- 21) Ms. Y Cuong (Vi Chring Villager);
- 22) Mr. A Tuan (Dak Lieu Village CFMB – Head);
- 23) Mr. Dinh Ngoc Huong (Dak Lieu Village CFMB - Head of the Monitoring Board);
- 24) Mr. A Dau (Dak Lieu Village CFMB – Accountant);
- 25) Ms. Y Hao (Dak Lieu Villager);
- 26) Ms. Y Huynh (Dak Lieu Villager);
- 27) Mr. A Chum (Dak Lieu Villager);
- 28) Mr. A En (Dak Lieu Villager);
- 29) Mr. A Khoan (Dak Lieu Villager);
- 30) Ms. Y Thung (Dak Lieu Villager);
- 31) Mr. A Tho (Dak Lom Village CFMB – Vice Head);
- 32) Mr. A Trong (Dak Lom Village CFMB – Vice Head)/Village Communist Party Secretary);
- 33) Mr. A Hom (Dak Lom Village CFMB - Head of the community forest patrolling team);
- 34) Ms. Y Gai (Dak Lom Village CFMB – Treasurer);
- 35) Mr. A Veo (Dak Lom Villager);
- 36) Mr. A Trao (Dak Lom Villager);
- 37) Ms. Y Gom (Dak Lom Villager);
- 38) Mr. A Di (Dak Lom Villager);
- 39) Ms. Y Brang (Dak Lom Villager);
- 40) Ms. Y Chui (Dak Lom Villager);
- 41) Mr. A To (Dak Lom Villager);
- 42) Mr. A Chom Dak Lom Villager).

**Description of field visit:** 18-06-2020 (afternoon): Meeting with FFI technical staff in Kon Tum City; 19-06-2020: Meeting with Kon Plong District People Committee (DPC) staff and KfW10 District Project Management Unit (DPMU) staff and Hieu Commune People Committee (CPC) staff and Hieu Commune KfW10 Project Implementation staff; 20-06-2020: Interacting with local community and visiting land use systems in Vi Chring village; 21-06-2020: Interacting with local community and visiting land use systems in Dak Lieu village; 22-06-2020: Interacting with local community and visiting land use systems in Dak Lom village; 23-06-2020 (morning): Meeting with Kon Tum KfW10 Provincial Project Management Unit (PPMU) staff.

**Validation Opinion:**

The project documents represent fairly accurate and clear description of the project and its activities. Three out of six CARs have been resolved. The remaining 3 CARs have been addressed and it will be confirmed that the strategy to address them has been successful once the monitoring data for the first annual report is received. Plan Vivo reserves the right to refuse issuance if the first annual reports shows that strategies to address CARs have not been implemented.

Moreover, in order to fully address CAR 1,2 and 3, the project should consider working with the local government on potentially reviewing and reallocating traditionally used community forests to Dak Lieu and Dak Lom villages. Measures for enhancing the

performance of the forest patrolling activities should be thoroughly addressed and this should be demonstrated through the annual reports submitted to Plan Vivo. Moreover, carbon leakage mitigation measures should be implemented in the three villages. In conclusion, the project meets the Plan Vivo Standard on the condition that concrete evidence of strategies resolving CAR 1, 2 and 3 have been implemented can be demonstrated with the first annual monitoring report.

Based on findings the project is set up to deliver 30,111 tCO<sub>2</sub> over the project lifespan.

*Table 1 - Report Conformance*

Theme	Conformance of Draft Report		Conformance of Final Report
<b>Governance</b>	No		Yes
<b>Carbon</b>	No		Yes
<b>Ecosystem</b>	No		Yes
<b>Livelihoods</b>	No		Yes

*Table 2 – Summary of non-conformance*

Non-conformance	Requirement of PV Standard	Actions Required and Recommendations	Means of verification and timeline
In Dak Lieu and Dak Lom data from forest patrol data is not collected accurately by farmers who lack the capacity to operate GPS units and record required information (see Findings in Sections 1.4 and 2.7). In Vi Chring, forest patrolling activities are conducted regularly but GPS coordinates and data regarding biodiversity is not recorded properly. Interviews have shown that forest patrolling teams are not able to use the GPS device and record data.	5.9	FAR 1 Provide additional training to forest patrol teams so that they are able to collect accurate monitoring data	Update on additional training provided to be provided in first annual report to Plan Vivo.  Capacity of forest patrol teams to be re-assessed at first Verification.
	5.10	CAR 1 Develop and implement a system for checking the robustness of forest patrol data collected by Project Participants e.g. by checking a random sample of monitoring results by the project coordinator.	Plan for checking robustness of forest patrol data to be approved by Plan Vivo prior to finalising validation
		REC 1: Consider the use of alternative GPS devices	NA

		(e.g. smart phones) that may be easier for farmers to operate.	
The risk of leakage and the area that could be affected by leakage are both underestimated (see Findings in Sections 2.1 and 2.5). Moreover, the field visit raised concerns that there are serious ecological impacts and decrease in carbon stocks outside the project intervention area in Dak Lieu and Dak Lom (findings 3.2) which is due to conversion of forest into cassava fields. There are concerns that the current land-use plans of community forests would lead to higher risk of leakage.	5.19; 5.20	<p>CAR 2</p> <p>Revise assessment of leakage risk, and the leakage buffer in response to the risks identified in the validation report</p> <p>CAR 3</p> <p>Expand leakage belt to include all areas where leakage could occur as a result of project activities.</p>	<p>Revised leakage risk assessment and leakage buffer to be approved by Plan Vivo prior to finalising validation</p> <p>Revised leakage belt to be approved by Plan Vivo prior to finalising validation.</p>
There are no formal mechanisms in place to prevent double-counting of Climate Benefits with Vietnam's NDC	5.14	<p>CAR 4</p> <p>Contact national agency responsible for the NDC to confirm measures in place to prevent double counting with the NDC</p>	<p>Measures taken to avoid double counting the NDC and evidence of agreement with these measures from the relevant government agency included in PDD and approved by Plan Vivo prior to finalising validation</p>
Forest protection activities in Dak Lieu and Dak Lom villages are likely to be less effective than	5.11	<p><b>Request for clarification</b></p> <p>Clarify whether request for certificates is based on measured reduction in deforestation or expected</p>	<p>Please clarify if issuance of credits is based on measured or expected</p>

expected (see Findings in Section 3.2)		reduction in deforestation.	deforestation.
Proposal regarding monitoring indicators that trigger requests for certificates unclear.	5.9		
It is not clear from the PDD and validation visit whether the project has had discussions on project-level units and whether they are able to sell them on the voluntary carbon market or whether they will count towards the country's NCD	3.7	See CAR 4	
No PES agreement has been provided during the PDD review or validation	8.1 – 8.13	CAR 5 Develop and submit a PES agreement	PES agreement to be approved by Plan Vivo prior to finalising validation
The project has not submitted a financial plan and the validator was not able to talk to the relevant staff member about this as this was not available during the validation visit. There are concerns around the long-term financial sustainability of this project as carbon benefits are low and it is not quite clear how the project will be funded once KfW funding runs out.	3.10	CAR 6 Submit a financial plan that allows Plan Vivo to assess the long-term sustainability of the project.	Provide financial plan demonstrating model calculations based on floor prices and how funds for verification will be set aside prior to finalising validation.

<b>Theme</b>	<b>1. Effective and Transparent Project Governance</b>
<i>Ensuring that the project meets requirements 1.1 – 1.2, 3.1-3.16 of the Plan Vivo Standard</i>	

(2013)

<b>A. Requirement</b>	<p><b>1.1 Administrative capabilities</b></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"> <li>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</li> <li>1.1.2 Standard sale agreement templates for the provision of carbon services</li> <li>1.1.3 Systems for maintaining transparent and audited financial accounts able to the secure receipt, holding and disbursement of payments to producers</li> <li>1.1.4 All necessary legal permissions to carry out the intended project activities</li> <li>1.1.5 Mechanisms for participants to discuss issues associated with the design and running of the project</li> <li>1.1.6 Procedures for addressing any conflicts that may arise</li> <li>1.1.7 Ability to produce reports required by Plan Vivo on a regular basis and communicate regularly with Plan Vivo</li> </ul>
<b>B. Guidance Notes for Validators</b>	<p>Organizational and administrative capacity may be demonstrated through:</p> <ul style="list-style-type: none"> <li>• A record of managing other projects - especially those involving the receipt, safeguarding and management of funds and disbursement of these to small-holders/community groups</li> <li>• 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.</li> <li>• The views of others who have worked with the organisation in the past (such as government, other project partners or other NGOs)</li> <li>• A visibly efficient and functioning office with all necessary staff</li> </ul>
<b>C. Findings (describe)</b>	<p><i>(To be filled out by the Validator)</i></p> <p>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</p> <ul style="list-style-type: none"> <li>➤ FFI Vietnam has been recognized as a high reputation Non-Government Organization in wildlife and ecosystem conservation in Vietnam.</li> <li>➤ Three Community Forest Management Boards (CFMBs) were established under the approval of Kon Plong District People's Committee. CFMBs are responsible for conducting forest management activities to ensure compliance with laws and regulations pertaining to the LUCs. The CFMBs will function as the legally recognised community forest management institutions for the purposes of the Plan Vivo project.</li> <li>➤ The project coordinator (FFI's staff) – Mr. Liem has held project management positions for 10 years with much experience in human resource management, project planning, supervision and reporting. He has technical expertise in the preparation of training materials,</li> </ul>

	<p>guidelines and policy briefs; and training/coaching of local partners and project staff in community forest management, land use planning, land allocation and social thematic in REDD.</p> <ul style="list-style-type: none"> <li>➤ FFI has committed to market the project and facilitate negotiation of ERPAs directly between buyers/funders and communities.</li> </ul> <p>1.1.2. Standard sale agreement templates for the provision of carbon services</p> <ul style="list-style-type: none"> <li>➤ FFI has capability to mobilise relevant experts such as Dr. Dorothea Pio, a Biodiversity Finance Specialist, FFI UK to conduct sale agreements with multiple producers or producer groups for carbon services</li> </ul> <p>1.1.3. Systems for maintaining transparent and audited financial accounts able to the secure receipt, holding and disbursement of payments to producers</p> <ul style="list-style-type: none"> <li>➤ The project village community represented by the CFMBs legally approved by the district authority (Kon Plong DPC), is recognized as a legal entity/Civil law, a forest owner/Forest law and a land user/Land law over the allocated forestland that is able to enter into sale agreements. The CFMBs have already set up a bank account with Agriculture and Rural Development Bank in Kon Plong district under their names.</li> <li>➤ Each CFMB consists of 5 to 6 members who have been elected by villagers and legally approved by the local authority (Kon Plong DPC): head, vice head, accountant, treasury, forest patrolling team leaders and the supervisor. Accountants in 3 CFMBs have been trained and coached by KfW10 project's staffs. The results of interviewing CFMBs' members showed that CFMBs' members are able to maintain transparent and audited financial accounts. In addition, financial account books are properly recorded and kept by accountants.</li> <li>➤ FFI (the project coordinator) has committed to supervise CFMBs in maintaining their financial accounts to ensure adherence to the requirements and recommendations of the Plan Vivo Standard.</li> </ul> <p>1.1.4. All necessary legal permissions to carry out the intended project activities</p> <ul style="list-style-type: none"> <li>➤ Land Use Certificates (red book) for stable and long-term use are granted to three villages in the project site (the copy of red books are kept at the community houses of the three villages).</li> <li>➤ Sustainable five-year community forest management plan has prepared and approved by local authority (Kon Plong DPC) for each village.</li> <li>➤ It has been seen that Local authorities strongly support for carrying out the intended project activities (evidence from interviewing Hieu CPC, Kon Plong DPC)</li> </ul> <p>1.1.5. Mechanisms for participants to discuss issues associated with the design and running of the project</p> <ul style="list-style-type: none"> <li>➤ It seems that local people have less chances in participating in the process of designing village development plan (VDP) as well as preparing five-year community forest management plan (CFMP). Most villagers do not understand VDP and CFMP.</li> </ul> <p>1.1.6. Procedures for addressing any conflicts that may arise</p> <ul style="list-style-type: none"> <li>➤ Grievance mechanisms have been developed for 3 villages with the participating of villagers. In each village community house, the picture</li> </ul>
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	<p>of grievance mechanism is hang on the wall. Local villagers more or less understand it.</p> <ul style="list-style-type: none"> <li>➤ FFI (project coordinator) has committed to regularly organize community consultation meetings to discuss issues as they emerge. Any individuals in the community is also encouraged to raise questions, complaints and/or suggestions through the agreed grievance mechanism.</li> </ul> <p>1.1.7. Ability to produce reports required by Plan Vivo on a regular basis and communicate regularly with Plan Vivo</p> <ul style="list-style-type: none"> <li>➤ The project coordinator (FFI's staff) – Mr. Liem has excellent capacity to produce reports and communicate with Plan Vivo. The PDD has well written by him. Moreover, some exchange emails among him, other FFI's staff and Plan Vivo's staffs show that the project coordinator is good at communicating in English.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<p><i>None</i></p>
<b>F. (Insert Project Coordinator's Name) Response</b>	<p><i>N/A</i></p>
<b>G. Status</b>	<p><i>CLOSED</i></p>
<b>A. Requirement</b>	<p><b>1.2 Technical capabilities</b>      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>B. Guidance Notes for Validators</b>	<p>Technical capabilities may be determined through:</p> <ul style="list-style-type: none"> <li>• Discussions with project staff who should be able to define clearly who is responsible for the provision of technical support</li> <li>• 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</li> <li>• Feedback from farmers/communities who have been supported in the past</li> <li>• On-site evidence of project activities (possibly from other projects) that have benefited from technical support</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ FFI's staff in Kon Tum are able to provide timely and qualitative technical assistance to communities to run the activities as outlined in the PDD. A field visit showed that the communities had received</li> </ul>

	appropriate advice and discussions during preparing their village development plans.			
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>E. Corrective Actions (describe)</b>	<i>None</i>			
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>			
<b>G. Status</b>	<i>CLOSED</i>			
<b>A. Requirement</b>	<p><b>1.3 Social capabilities</b></p> <p>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"> <li>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.</li> <li>1.3.2 Groups/communities that are well-informed about the Plan Vivo System and the nature of carbon and ecosystem services</li> <li>1.3.3 Local groups/communities that can demonstrate effective self-governance and decision-making</li> <li>1.3.4 Well-established and effective participatory relationships between producers and the project coordinator</li> <li>1.3.5 Demonstrated ability to establish land-tenure rights through engaging with producers/communities and other relevant organisations</li> <li>1.3.6 Ability to consult with and interact with producers/communities on a sustained basis through participatory 'tools' and methods</li> <li>1.3.7 Established system for conflict resolution</li> </ul>			
<b>B. Guidance Notes for Validators</b>	<p>Social capabilities may be determined through:</p> <ul style="list-style-type: none"> <li>• Records/minutes/photographs of community meetings and training workshops etc.</li> <li>• Project staff able to explain (in line with PDD) how land tenure is checked by the project</li> <li>• Project staff and communities able to explain how community's/target groups were selected and involved in the development of the project and in the choice of activities</li> <li>• Project staff able to demonstrate that they are familiar with the community's/target groups and able to interact with them easily through meetings facilitated during the validation</li> <li>• Meetings held with specific target groups e.g. women, socially disadvantaged etc.</li> </ul>			
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ It has been seen that field FFI staff (FFI REDD+ office in Kontum) are able to demonstrate an understanding of the social conditions of three communities. In particular, the project coordinator has been working</li> </ul>			

	<p>with FFI since the inception of the Community Carbon Pools Development Programme in Vietnam in May 2011 acting as National Project Manager/National Coordinator. He has a lot of experience in working with local communities in the Central Highland of Vietnam.</p> <ul style="list-style-type: none"> <li>➤ The communities were well informed on the Plan Vivo scheme and do understand their responsibility in protecting the forest to avoid deforestation. The interview local villagers in three villages found that not all community members did understand the nature of carbon, they did understand the mechanism that they will receive money if their forest are well protected.</li> <li>➤ It has been seen that project staff interact with local people easily through meetings facilitated during the validation.</li> <li>➤ During the preparation of village development plan (VDF) in 3 villages, FFI staff have conducted household wellbeing assessment to categorize households into 5 different vulnerable groups: non poor, poor with household's head is female and elder people, poor and old (&gt;30 years old), poor and young with enough production land, and poor and young, not enough production land. Livelihood development plans were developed separately for each group.</li> <li>➤ A lot of minutes/photographs of community meetings with the facilitating of project staff have been found and attached in the PDD report.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<i>None</i>
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>
<b>G. Status</b>	<i>CLOSED</i>
<b>A. Requirement</b>	<p><b>1.4 Monitoring and Reporting capabilities</b></p> <p>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>B. Guidance Notes for Validators</b>	<p>Monitoring and reporting systems and capabilities may be determined through:</p> <ul style="list-style-type: none"> <li>• Staff and participating communities able to explain the monitoring system (how each of the indicators in the PDD will be monitored)</li> <li>• Records of any monitoring already undertaken e.g. baselines or other information</li> <li>• Project staff showing an understanding of the importance of annual reporting to Plan Vivo as a requirement for issuance of certificates</li> <li>• Demonstrated ability to produce simple reports (e.g. for other projects)</li> </ul>

<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Yes, a community based reporting system has been established in the field but differently among 3 villages.</li> <li>➤ By interviewing CFMBs in 3 villages, it has found that in the Vi Chring village, CFMBs manage its forest patrolling team well with records for every patrolling including GPS coordinates of the cleared forest location and felled trees. Every household in the Vi Chring village are participating in forest patrolling. The village is divided into 4 forest patrolling teams. Each team conducts forest patrolling with a frequency of 2 to 3 days per month. However, only some villagers showed how to use GPS device.</li> <li>➤ In the remaining 2 villages (Dak Lieu and Dak Lom): By interviewing CFMB's members and 5 to 7 other villagers per village, it has found that forest patrolling activity has not been carried out properly. Forest patrolling was taken place in the ground but with less frequency compared to the Vi Chring Village. The records of forest patrolling keeping at their community house seem to be made up by one or several people, not really recorded by forest patrolling members. The evidence is that the hand writing is from only one for other 2-3 people. The result of interviewing patrolling members found that this conclusion is correct. Moreover, in these 2 villages, GPS devices are equipped but no GPS coordinate information was recorded in the forest patrolling records. Patrolling members were not able to use such GPS device.</li> <li>➤ FFI staff were able to explain the monitoring system and understanding of the importance of annual reporting to Plan Vivo as a requirement for issuance of certificates.</li> </ul>
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>E. Corrective Actions (describe)</b>	<p><b>FAR 1</b></p> <ul style="list-style-type: none"> <li>• Provide additional training to forest patrol teams so that they are able to collect accurate monitoring data</li> </ul> <p><b>CAR 1</b></p> <ul style="list-style-type: none"> <li>• Develop and implement a system for checking the robustness of forest patrol data collected by Project Participants e.g. by checking a random sample of monitoring results by the project coordinator.</li> </ul> <p><b>Request for clarification</b></p> <ul style="list-style-type: none"> <li>• Clarify whether issuance of credits is based on expected reduction in deforestation or measured reduction in deforestation</li> </ul>
<b>F. (Insert Project Coordinator's Name) Response</b>	<p><b>FAR1:</b></p> <ul style="list-style-type: none"> <li>• FFI, in collaboration with KFW10 project, will provide technical additional trainings to the community ranger teams (CFMB). Training will be competed using co-funds, and undertake at the</li> </ul>

	<p>same time as training already planned for other community patrol members in nearby communes (achieving economy of scale). We expect additional support from GFA, the KfW10 consulting office, but we can undertake this activity regardless. Training will cover patrol, monitoring/data collection techniques, including the use of paper-based and smartphone ('mobile') data collection, plus GPS use and laptop-based data entry. Laptops were already equipped, for each the CFMBs.</p> <ul style="list-style-type: none"> <li>• In order to enhance sense of responsibility and improve patrol performance, structural reorganization of the community-based forest patrolling is underway; the project is setting up a dedicated, full-time community ranger team for each village (in place of the previous model where all community members are involved, on a revolving and very much part-time basis).</li> <li>• Further GPS devices be procured and provided to three project villages (01 or 02 GPS for each village).</li> </ul> <p><b>CAR1:</b></p> <ul style="list-style-type: none"> <li>• To check the robustness of forest patrols and patrol data, the project will provide ongoing oversight via FFI's full-time SMART/Community Patrol Team Coordinator. The SMART Coordinator will check and support analysis of all data collected, and will also compare monthly SMART an GPS records to ensure that patrol are taking place, in accordance with the contracts and patrols protocols. The SMART Coordinator, along with other project / field staff, will also undertake regular visits to check and support the CFMBs (i.e. on their patrol performance, data collection, recording and reporting). Additional training will also be provided to build capacity (See FAR1 - above). Evidence that FFI has in place the human resources with the necessary technical expertise to support the REDD+ project in Hieu Commune, Kon Tum, now and going forward, has been provided through a letter from FFI's Director of Operations, Asia-Pacific, Dr Stephen Browne.</li> </ul>
<b>G. Status</b>	<p><i>FAR1: To be checked at 1<sup>st</sup> verification</i></p> <p><i>CAR1: Closed, issuance pending data of first annual report</i></p>

Theme	2. Carbon Benefits
<i>Ensuring that the project meets requirements 5.1-5.20, 6.1 – 6.4. of the Plan Vivo Standard (2013)</i>	

<b>A. Requirement</b>	<b>2.1 Accounting methodology</b> 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>B. Guidance Notes for Validators</b>	Check the carbon accounting methodology used including: <ul style="list-style-type: none"> <li>• The level of understanding of the methodology used amongst technical project staff</li> <li>• Whether all references and sources of information are available (include copies with the validation report if possible)</li> <li>• 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?</li> <li>• Are local experts able to comment on the accounting methodology and on the sources of information used?</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ During the field visit, FFI's staff who are responsible for carbon inventory and accounting of the project were not in the field (Kon Tum Province). However, it is noted that the carbon accounting methodology has been checked by Plan Vivo Foundation's specialists.</li> <li>➤ The accounting methodology of carbon leakage 2 km wide buffer around the PV area and an ex ante leakage estimate of 10% of baseline deforestation, seem not to be reliable. Three villages are located along the Inter-provincial road number 24 which connecting Kon Tum Province and Quang Ngai Province. The majority of forest outside of the project area within and surrounding these three villages is managed by state-owned companies or local authorities where are vulnerable to illegal logging. It has been seen during the field visit that local people using their motorbikes carried wood logs along the Inter-provincial road number 24.</li> <li>➤ The results of interviewing villagers in the 3 villages showed that local people have high demand for timber for building and renovating their timber houses, buffalo barns, rice-keeping building. They usually refer to close and easily accessed forests for collecting timber. It does not matter with the Vi Chring village because their community forest is closed to their residential area and large enough (808 ha) for sustainable usage. However, it is a problem with Dak Lieu and Dak Lom Villages because their community forests are small and all good quality forest blocks are located far away from their residential areas. This leads to they often go to state owned and CPC managed forests for timber.</li> </ul>
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>E. Corrective Actions (describe)</b>	A minor corrective action is required: the accounting methodology of carbon leakage (2 km wide buffer around the PV area and an ex ante leakage estimate of 10% of baseline deforestation) need to be revised by considering evidence given in the finding.

	<ul style="list-style-type: none"> <li>Refer to CAR 2 and 3</li> </ul>
F. (Insert Project Coordinator's Name) Response	<p><b>FFI:</b></p> <p>The 2 km-wide carbon leakage buffer around the Plan Vivo project area is the 'cost threshold' for the local people in the three villages, which represents the maximum cost-distance local community members will travel to deforest or degrade a forest. The project area is located within the administrative boundaries of Dak Lom, Dak Lieu and Vi Chring Villages. Most of the forested areas outside the project area within these three villages are managed by contract: the villagers receive payments for protection and sustainable management of ecosystem services (PES) for state-owned companies or local authorities. In each monitoring period the rate of deforestation in the leakage belt will be measured ex post (using the updated Global Forest Watch forest lost data set). Any deforestation above the baseline rate of 0.54% per year (which cannot be attributed to pressures separate from the project) will be considered leakage, and the GHG emissions from this deforestation will be subtracted from the observed GHG emissions reductions from the PV area. Adjustments will not therefore need to be made, as PV certificates will be issued ex post.</p> <p>Considering that the three communities need timber for construction of houses and maintenance of storage structures, the project will develop alternative timber sources. While establishment of small woodlots and afforestation are not feasible due to land constraints, the project will maximise enrichment tree planting and agroforestry to meet the timber requirements of the three villages. Forfeited revenue from sale of timber will be compensated through development of sustainable livelihood activities including sustainable agricultural intensification. The combined effect of contractual payments for ecosystem service for protection of forests owned by state-owned companies or local authorities, agricultural intensification, agroforestry and assisted natural regeneration will mitigate carbon losses and emissions through illegal selective logging. These mitigations measures mean that there may not be need to widen the leakage belt and increase the ex ante leakage estimate of 10% of baseline deforestation.</p> <p>The project will monitor leakage and report annually to Plan Vivo.</p>
G. Status	<i>Closed, issuance pending monitoring data in first annual report</i>
A. Requirement	<p><b>2.2 Baseline</b></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"> <li>Check that baseline measurements have been carried out and information properly recorded</li> </ul>

	<ul style="list-style-type: none"> <li>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)</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>During the field visit, FFI's staff who are responsible for carbon inventory and accounting of the project were not in the field (Kon Tum Province). Other FFI field staff are not familiar with carbon accounting methodology. However, it is noted that the carbon accounting methodology has been developed by FFI international staff and has been checked by Plan Vivo Foundation's specialists.</li> <li>Evidence from interviewing local people showed that FFI's staff did go to the field to carry out forest measurements.</li> <li>The assumption of "no new economically attractive opportunities available to local communities or material changes to the social, technical or cultural barriers preventing a reduction in deforestation" is well-matched with the current social economic condition of the project areas. Therefore, baseline scenario is the continuation of historical trends in deforestation within the project boundary is acceptable.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<i>None</i>
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>(To be filled out by the Project Coordinator)</i>
<b>G. Status</b>	<i>CLOSED</i>
<b>A. Requirement</b>	<p><b>2.3 Additionality</b></p> <p>Are the carbon benefits additional? Would they be generated in the absence of the project? Will activities supported by the project happen without the availability of carbon finance?</p>
<b>B. Guidance Notes for Validators</b>	<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>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>Three villages have been receiving payments from KFW 10 Project but this fund will be stopped at the end of the project in June 2021. Beside the fund from KfW10 Project, they have received money from protecting state-owned enterprise forest and local authority managed forest but in general, the duration of these fund is 5 years (until 2020).</li> </ul>

	<ul style="list-style-type: none"> <li>➤ In case the government will renew the policy of continuing paying villagers money for protecting state-owned forest and local authority managed forest, the total money is too small to attract farmers to protect forest. Observation during the field visit found that the social economic conditions of three target villages are very low compared to the remaining mountainous areas of Vietnam.</li> <li>➤ Moreover, the current government's authorized agencies are not able to monitor local people in the forest protection activities. The result from interviewing local villagers showed that they usually conduct forest patrolling only twice per year.</li> </ul>			
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>E. Corrective Actions (describe)</b>	<i>None</i>			
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>			
<b>G. Status</b>	<i>CLOSED</i>			
<b>A. Requirement</b>	<p><b>2.4 Permanence</b>            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>B. Guidance Notes for Validators</b>	<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>			
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Yes, 20%. VCS Risk report analysis shows that mitigation interventions are in place.</li> <li>➤ The interview local villagers in three villages found that not all community members did understand the nature of carbon, they did understand the mechanism that they will receive money if their forest are well protected;</li> </ul>			
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>E. Corrective Actions (describe)</b>	<i>None</i>			

F. (Insert Project Coordinator's Name) Response	N/A		
G. Status	CLOSED		
A. Requirement	<b>2.5 Leakage</b> Have potential sources of leakage been identified and are effective and feasible mitigation measures in place for implementation		
B. Guidance Notes for Validators	Check the sources of leakage and the effectiveness of mitigation measures: <ul style="list-style-type: none"> <li>• By discussions with local experts, the project coordinator and others.</li> <li>• Assess whether there is a good understanding of the importance of addressing leakage amongst project participants</li> <li>• Assess whether the mitigation measures proposed are really effective and likely to be implemented. Have they already started?</li> </ul>		
C. Findings (describe)	<ul style="list-style-type: none"> <li>➤ The accounting methodology of carbon leakage 2 km wide buffer around the PV area and an ex ante leakage estimate of 10% of baseline deforestation, seem not to be reliable. Three villages are located along the Inter-provincial road number 24 which connecting Kon Tum Province and Quang Ngai Province. The majority of forest outside of the project area within and surrounding these three villages is managed by state-owned companies or local authorities where are vulnerable to illegal logging. It has been seen during the field visit that local people using their motorbikes carried wood logs along the Inter-provincial road number 24.</li> <li>➤ The results of interviewing villagers in the 3 villages showed that local people have high demand for timber for build and renovate their timber houses, buffalo barns, rice-keeping building. They usually refer to close and easy accessed forests for collecting timber. It does not matter with the Vi Chring village because their community forest is closed to their residential area and large enough (808 ha) for sustainable usage. However, it is a problem with Dak Lieu and Dak Lom Villages because their community forests are small and located far away from their residential areas. This leads to they often go to state owned and CPC managed forest for timber.</li> </ul>		
D. Conformance	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
E. Corrective Actions (describe)	<b>CAR 2</b> <ul style="list-style-type: none"> <li>• Revise assessment of leakage risk, and the leakage buffer in response to the risks identified in the validation report</li> </ul> <b>CAR 3</b> <ul style="list-style-type: none"> <li>• Expand leakage belt to include all areas where leakage could occur as a result of project activities.</li> </ul>		
F. (Insert Project Coordinator's Name) Response	<b>CAR2:</b>		

	<ul style="list-style-type: none"> <li>• The leakage buffer, and associated mitigation measures, are already addressed in the related (minor) CAR, in section 2.1, Accounting Methodology (box F). In addition to the mitigation measures already outlined (and the existing 2km buffer) the project recognizes that leakage is indeed a significant risk for two villages, Dak Lom and Dak Lieu, where the recently allocated community forests are small and somewhat lower quality forest, meaning they might well not meet local demand for timber (for house construction) and other forest products. Indeed, some of the allocated forest blocks are far (around 5km) from the villages and the topographically difficult. In response to the validation report (i.e. CAR2 etc.), Kon Plong District People's Committee (DPC) have <b>committed</b> to allocate further forest land, from the state owned forests, to these villages as part of a comprehensive strategy of REDD+ scaling up for the whole Hieu commune. The allocated forest land would then be taken into sustainable forest management planning, with mature forest protected, and degraded or replanted areas used to supply construction timber and firewood. There is no written evidence of this commitment from the Kon Plong DPC, but Mr Thao has received verbal commitment from Mr. Le Duc Tin, Vice Chairman of Kon Plong.</li> <li>• Concerning whether the leakage belt is appropriate, FFI surveys revealed that slash and burn/forest clearance has only taken place within the 2 km leakage management area of each village. Due to simple harvesting tools and extremely difficult terrain (i.e. very steep slopes) for timber transport by truck, the logging is restricted to populated areas only. While the national route No.24 may seem convenient for timber haulage by trucks from other regions (over 2 or 10 km), harvesting timber from forests farther way from the national road (if legally and socially acceptable) would be extremely difficult because these forests are far from the national route. So there is no evidence of any kind of timber haulage trucks accessing the project site, unlike other areas in the Central Highlands.</li> <li>• Although some leakage is expected, there is a buffer zone and management plan (i.e. tree planting) to address this. The project is committed to address leakage by planting timber tree species in agricultural systems and degraded forests. There is a budget for establishment of a native tree nursery that will provide saplings for integration of fast-growing native tree species in agroforestry parklands, homegardens and plantations, and for enrichment planting of economic tree species in degraded mosaic forests. Tree-based land use systems including agroforestry parklands, homegardens and plantations are common practices, which villagers have implemented in the region. The project will also ensure villagers have the skills to establish and manage nurseries, and plant trees in different land use systems. The benefits of increased agricultural yields and other ecosystem services of integrating trees in various land use systems, and</li> </ul>
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	<p>carbon revenue for forest conservation and restoration will incentivise farmers to conserve their forests.</p> <p><b>CAR3:</b></p> <ul style="list-style-type: none"> <li>As above, between the mitigation measures and the commitment of the DPC to support additional forestland allocation, the project is confident that the leakage belt does not need to be expanded at this time. However, this can be changed at any time, and the project can do that – if / as required – either pre-validation, or at the end of Year 1 (annual report).</li> </ul>
<b>G. Status</b>	<i>CAR 2 and 3 closed, issuance pending monitoring data in first annual report</i>
<b>A. Requirement</b>	<p><b>2.6 Traceability and double-counting</b></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>B. Guidance Notes for Validators</b>	<p>Check the possibility of double counting and whether the carbon sales are traceable by:</p> <ul style="list-style-type: none"> <li>By discussions with local experts, the project coordinator and other projects (including any national or regional level GHG coordination unit)</li> <li>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)</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>CFMBs were officially established in 3 villages. A field visit found that accountants had trained, coached and are able to record financial matter.</li> <li>No carbon credits have been sold yet, but all information regarding funding allocation (currently from KfW10 project) are properly recorded.</li> <li>The project coordinator has not contacted with the Vietnam Nationally Determined Contribution (NDC) and there are no formal mechanisms in place to avoid such double counting.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<p><b>CAR 4</b></p> <ul style="list-style-type: none"> <li>Contact national agency responsible for the NDC to confirm measures in place to prevent double counting with the NDC</li> </ul>

<b>F. (Insert Project Coordinator's Name) Response</b>	<b>CAR4:</b> <ul style="list-style-type: none"> <li>The project has contacted the national agency responsible for the NDC – The Ministry of Agriculture and Rural Development (MARD), via the Vietnam REDD+ Office (VRO), to ensure there is no double counting – as explained below:           <ul style="list-style-type: none"> <li>(i) MARD is the NDC responsible agency and have been assigned to manage the climate change mitigation of two sectors: Agriculture and LULUCF (Land Use, Land Use Change and Forestry). According to Decision No. 891/QD-BNN-KHCN dated 17/3/2020 on approval of the Paris Agreement implementation plan in period 2021-2030, the Department of Science, Technology and Environment (DSTE), under MARD, is assigned to be responsible for carbon accounting in Agriculture and LULUCF. The Management Board for Forestry Projects (MBFP) under MARD, as the KFW10 contracting partner (in place of FFI), has the mandatory responsibility to report and/or inform DSTE of the REDD+ Plan Vivo project, for accounting and safeguards compliance.</li> <li>(ii) At the time of validation, Vietnam has no national REDD+/forest carbon law and no function international or domestic REDD+ financing scheme. As such, there is no risk of double counting at this time. Moreover, should the situation arise, in the coming years of the project, that double counting could potentially take place, the NDC and National REDD+ Implementation Plan make allowances for nesting and grandfathering (see also below).</li> <li>(iii) Vietnam is a signatory to the Cancun Agreements. These agreements indicate that countries may start out implementing subnational accounting systems for REDD+ while preparing for full-scale national REDD+ implementation. Countries are implicitly free to create incentives for project-level activities after the adoption of national reference levels, as long as the overall performance of the country is measured at the national level. Nesting becomes relevant under both scenarios: in the first one, when subnational pilot areas and programs will eventually have to be integrated into future national accounting systems; in the second, when incentives are passed on to sponsors of programs and projects within the context of already established national accounting systems.</li> </ul> </li> <li>The project is already and will updated on MARD's REDD+ website, as it is officially operating 'carbon certificates issuance and sale', and all information is accessible here for international and national audiences.</li> </ul>
<b>G. Status</b>	<i>CLOSED</i>
<b>A. Requirement</b>	<b>2.7 Monitoring</b>

	<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>B. Guidance Notes for Validators</b>	<p>Check whether the monitoring plan is effective and likely to be fully implemented:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Are the selected indicators (covering all aspects of monitoring) SMART? I.e. Specific, Measurable, Achievable, Relevant and Time-bound?</li> <li>• Do the selected indicators properly measure impacts of the project or are they only able to measure inputs/activities?</li> <li>• Are communities effectively involved in monitoring and do they understand their role?</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Yes, a community based reporting system has been established in the field but differently among 3 villages.</li> <li>➤ By interviewing CFMBs in 3 villages, it has found that in the Vi Chring village, CFMBs manage its forest patrolling team well with records for every patrolling including coordinates of the cleared forest location and felled trees. All households in the Vi Chring village are participating in forest patrolling. The village is divided into 4 forest patrolling team. Each team conducts forest patrolling with a frequency of 2 to 3 times per month. However, only some villagers showed how to use GPS device.</li> <li>➤ In the remaining 2 villages (Dak Lieu and Dak Lom): By interviewing CFMB's members and 5 to 7 other villagers per village, it has found that forest patrolling activity has not been carried out properly. Forest patrolling was taken place in the ground but with less frequency compared to the Vi Chring Village. The records of forest patrolling keeping at their community house seem to be filled in by one or several people, not really recorded by forest patrolling members. The evidence is that the hand writing is from only one or other 2-3 people. The interviewing patrolling members found that this conclusion is correct. Moreover, in these 2 villages, GPS devices are equipped but no coordinate information was recorded in the forest patrolling records. Patrolling members were not able to use such GPS device.</li> <li>➤ Project staff were able to explain the monitoring system and understanding of the importance of annual reporting to Plan Vivo as a requirement for issuance of certificates.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>

<b>E. Corrective Actions (describe)</b>	<ul style="list-style-type: none"> <li>• FAR 1 Provide additional training to forest patrol teams so that they are able to collect accurate monitoring data</li> <li>• CAR 1 Develop and implement a system for checking the robustness of forest patrol data collected by Project Participants e.g. by checking a random sample of monitoring results by the project coordinator.</li> <li>• REC 1 Consider the use of alternative GPS devices (e.g. smart phones) that may be easier for farmers to operate.</li> </ul>
<b>F. (Insert Project Coordinator' Name) Response</b>	<p><b>FAR1: CAR1:</b></p> <ul style="list-style-type: none"> <li>• See FAR1 and CAR1, above (these are the same corrective actions and have been addressed already).</li> </ul> <p><b>REC1:</b></p> <ul style="list-style-type: none"> <li>• Two additional GPS units will be provided (see CAR1), and accompanying by additional training. Moreover, smartphones for forest patrol data collection and reporting will be provided and training on their use and SMART will be provided – See also FAR1 and CAR1.</li> </ul>
<b>G. Status</b>	<i>Closed, issuance pending based on monitoring data of first annual report</i>
<b>A. Requirement</b>	<p><b>2.8 Plan Vivos</b></p> <p>Are the <i>plan vivos</i> (or land management plans) clear, appropriate and 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?</p>
<b>B. Guidance Notes for Validators</b>	<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>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Village development plans (VDFs) have been prepared for 3 villages. FFI staff have conducted detail household surveys and categorized households into 5 different vulnerable groups: non poor, poor with household's head is female and elder people, poor and old (&gt;30 years old), poor and young with enough production land, and poor and</li> </ul>

	<p>young, not enough production land. Livelihood development plans were developed by villagers separately for each group.</p> <ul style="list-style-type: none"> <li>➤ A lot of minutes/photographs of community meetings with the facilitating of project staff have been found and attached in this report.</li> <li>➤ With the coaching of FFI's staff in Kon Tum, it is likely that VDFs will be viable and sustainable.</li> </ul>		
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>E. Corrective Actions (describe)</b>	<i>None</i>		
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>		
<b>G. Status</b>	<i>CLOSED</i>		

Theme	3. Ecosystem benefits
<i>Ensuring that the project meets requirements 2.1-2.4 of the Plan Vivo Standard (2013)</i>	
<b>A. Requirement</b>	<p><b>3.1 Planting native and naturalised species</b>            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?</p>
<b>B. Guidance Notes for Validators</b>	Check this using a number of sources: <ul style="list-style-type: none"> <li>• Visual observations of local tree-growing practices</li> <li>• Discussions with communities and project staff</li> <li>• Discussions with local experts (forestry and biodiversity experts)</li> <li>• Published information (refer to this in the validation report if used)</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Although the PDD stated one of the project activity is replanting multi-purpose tree species (MPTS) (Page 2 of the PDD – “Summary of proposed activities”), in the ground MPTS has not been planted yet. It seems that project gave up this activity.</li> <li>➤ <b>Observations:</b> Project coordinator should confirm that the activity of planting MPTS will be implemented or not. If yes, which species will be planted.</li> </ul>
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
<b>E. Corrective Actions (describe)</b>	<i>None</i>
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>
<b>G. Status</b>	<i>CLOSED</i>

<b>A. Requirement</b>	<b>3.2 Ecological impacts</b> Have the wider ecological impacts of the project been identified and considered including impacts on local and regional biodiversity and impacts on watersheds?		
<b>B. Guidance Notes for Validators</b>	Check this using a number of sources: <ul style="list-style-type: none"> <li>Visual observations of the environment in the project area</li> <li>Discussions with communities and project staff</li> <li>Discussions with local experts (environmental experts)</li> <li>Published information (refer to this in the validation report if used)</li> </ul>		
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>There is likely no negatively ecological impact in the Vi Chring village because the forest there is well managed and protected with regular and proper forest patrolling by all villagers. Community forest in this village is large and quality enough for the village to use it sustainably. Good quality forest blocks, which are used for timber harvesting in sustainable way, is also located closed to the village's residential area. This makes their forest patrolling activities more effectively.</li> <li>However, in Dak Lieu and Dak Lom Villages, there are likely negatively ecological impacts. Community forests of these two villages are too small (170 ha and 260 ha respectively) and located far away from the villages' residential areas. Local people in these two villages usually access to state-owned and CPC managed forests for timbers and firewood where closed to their residential areas. It seems that they are not able to protect their community forest because it is far away and adjacent to the non-forest villages such as Tu Can village. In addition, the forest patrolling activities did not be conducted properly. Thus, biodiversity and environmental values tend to be degraded along with degradation of natural forest in the project areas.</li> <li>Cassava cultivation can lead to soil erosion and conversion of forest into cassava areas. This cultivation activity is clearly a major driver of forest degradation and loss. New Cassava fields were found a lot during the field visit especially in Dak Lieu and Dak Lom Villages. It seems that land use planning in these two villages was not conducted properly with meaningful participation of communities.</li> </ul>		
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
<b>E. Corrective Actions (describe)</b>	<ul style="list-style-type: none"> <li>For Vi Chring Village, no corrective action is required.</li> <li>For Dak Lieu and Dak Lom, the local government should consider to review and reallocate the traditional used community forests to these two villages. Carbon leakage mitigation measures should be implemented.</li> </ul>		
<b>F. (Insert Project Coordinator's Name) Response</b>	<p><i>(To be filled out by the Project Coordinator)</i></p> <p><b>FFI:</b></p> <p>Beyond the measure mentioned in the section "2.5 leakage" above, ecological impacts would positively be gained through the sustainable land use plan focused on livelihood improvements. Accordingly, technical</p>		

	<p>measures are included as below:</p> <ul style="list-style-type: none"> <li>• Degraded forests mostly in Dak Lom and Dak Lieu villages, would be enriched by planting multi-purpose native plant species, mostly fast growth ones such as <i>Hopea odorata Roxb</i>, <i>Talauma Gioi</i>, <i>Magnolia</i>. <i>Forkienia hodginsii</i> (Fujian cypress in English name) classified as rare species was successfully planted in Vi Chring village.</li> <li>• Soil erosion and leaching would be reduced as poorly farmed hybrid cassava land is gradually converted into high income farmings such as coffee and medicinal plants under sustainable sloping land cultivation and agroforestry.</li> <li>• Fallowed farmland is also planned for coffee and medicinal plants in replace of hybrid cassava as previously.</li> <li>• As livestock (mostly buffalo &amp; native pig species) at scale is developed, local people would be encouraged to use manure for farming in term of organic agriculture.</li> <li>• Community forests would be enriched / diversified through development of medicinal plant species including NTFPs under forest canopy in replace of overexploitation as previously. Additional to this, Participatory Market System Development (PMSD), focused key subsectors (medicinal plant species and NTFPs mostly) would be facilitated for the next 5 years.</li> </ul>
<b>G. Status</b>	<i>Closed, issuance pending monitoring data of first annual report</i>

<b>Theme</b>	<b>4. Livelihood Benefits</b>
<p><i>Ensuring that the project meets requirements 1.1 – 1.2., 4.1-4.14, 7.1-7.5 and 8.1-8.13 of the Plan Vivo Standard (2013)</i></p>	
<b>A. Requirement</b>	<p><b>4.1 Community-led planning</b></p> <p>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?</p> <p>Do project interventions take place on land where smallholders and/or communities have clear, stable land tenure or user rights?</p>
<b>B. Guidance Notes for Validators</b>	<p>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.</p>
<b>C. Findings (describe)</b>	<p>➤ Land Use Certificates (red book) for stable and long-term use are granted to three villages in the project site (the copy of red books are kept at the community houses of the three villages).</p>

	<ul style="list-style-type: none"> <li>➤ Five-year community forest management plan has prepared and approved by local authority (Kon Plong DPC).</li> <li>➤ It has seen that Local authorities strongly support for carrying out the intended project activities (evidence from interviewing Hieu CPC, Kon Plong DPC)</li> <li>➤ Village development plans (VDFs) have been prepared for 3 villages. Project staff have conducted detail household surveys and categorized households into 5 different vulnerable groups: non poor, poor with household's head is female and elder people, poor and old (&gt;30 years old), poor and young with enough production land, and poor and young, not enough production land. Livelihood development plans were developed by villagers separately for each group.</li> </ul>			
<b>D. Conformance</b>	Yes <input style="background-color: black; width: 15px; height: 15px;" type="checkbox"/>	No <input style="width: 15px; height: 15px;" type="checkbox"/>	N/A <input style="width: 15px; height: 15px;" type="checkbox"/>	
<b>E. Corrective Actions (describe)</b>	<i>None</i>			
<b>F. (Insert Project Coordinator's Name) Response</b>	<i>N/A</i>			
<b>G. Status</b>	<i>CLOSED</i>			
<b>A. Requirement</b>	<p><b>4.2 Socio-economic impact assessment/monitoring plan</b></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>B. Guidance Notes for Validators</b>	<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"> <li>• Whether the livelihoods indicators can effectively monitoring socio-economic changes taking place</li> <li>• 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</li> <li>• 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</li> </ul>			
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Socio-economic impact assessment and monitoring plan has been carried out using both secondary data sources and direct survey by FFI staff.</li> <li>➤ The primary data seemed to be correct and updated (evidence from interviewing and interacting with local villagers). However, data from secondary sources appeared quite out of date such as from Word Bank, 2009 and from FFI's EU-funded regional community carbon pools programme in 2014.</li> </ul>			

	<ul style="list-style-type: none"> <li>➤ FFI staff are able to conduct and understand the importance of social economic survey. Project has already conducted the baseline survey and they plan to repeat every 5 years, applying well-develop social economic indicators.</li> </ul>			
<b>D. Conformance</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>	
<b>E. Corrective Actions (describe)</b>				
<b>F. (Insert Project Coordinator's Name) Response</b>	N/A			
<b>G. Status</b>	CLOSED			
<b>A. Requirement</b>	<p><b>4.3 Sale agreements and payments</b></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>B. Guidance Notes for Validators</b>	<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>			
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ FFI has capability to mobilise relevant experts such as Dr. Dorothea Pio, a Biodiversity Finance Specialist, FFI UK to support the project in conducting sale agreements with multiple producers or producer groups for carbon services</li> <li>➤ The project village community represented by the CFMBs legally approved by the district authority (Kon Plong DPC), is recognized as a legal entity/Civil law, a forest owner/Forest law and a land user/Land law over the located forestland that is able to enter into sale agreements. The CFMBs have set up a bank account with Agriculture and Rural Development Bank in Kon Plong district under their names.</li> <li>➤ Each CFMB consists of 5 to 6 members who have been elected by villagers and legally approved by the local authority (Kon Plong DPC): head, vice head, accountant, treasury, forest patrolling team leader and the supervisor. Accountants in 3 CFMBs have been trained and coached by KfW's staffs. The results of interviewing CFMBs' members showed that CFMBs' members are able to maintain transparent and audited financial accounts. In addition, financial account books are properly recorded and kept by accountants.</li> </ul>			

	<ul style="list-style-type: none"> <li>➤ FFI (the project coordinator) has committed to supervise CFMBs in maintaining their financial accounts to ensure adherence to the requirements and recommendations of the Plan Vivo Standard.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<p><b>CAR 5</b></p> <ul style="list-style-type: none"> <li>• Develop and submit a PES agreement with the PDD</li> </ul> <p><b>CAR 6</b></p> <ul style="list-style-type: none"> <li>• Submit a financial plan that allows Plan Vivo to assess the long-term sustainability of the project.</li> </ul>
<b>F. (Insert Project Coordinator's Name) Response</b>	<p><i>(To be filled out by the Project Coordinator)</i></p> <p><b>CAR5:</b></p> <ul style="list-style-type: none"> <li>• Accompanying with PDD, the PES agreement is developed and submitted herewith.</li> </ul> <p><b>CAR6:</b></p> <ul style="list-style-type: none"> <li>• The financial plan is revised (please see the modified PDD).</li> </ul>
<b>G. Status</b>	<i>CLOSED</i>
<b>A. Requirement</b>	<p><b>4.4 Benefit sharing and equity</b></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>B. Guidance Notes for Validators</b>	<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"> <li>• Checking whether a local stakeholder/well-being analysis has been conducted to identify socio-economic groupings in the communities</li> <li>• Assessing the level of governance of local groups (are issues of equity and benefit sharing discussed during meetings?)</li> <li>• 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.</li> </ul>
<b>C. Findings (describe)</b>	<ul style="list-style-type: none"> <li>➤ Benefit sharing mechanism have been prepared by villagers with the intensive facilitation by FFI's staff. The payment structure is different among villages, but in all 3 villages, the project villages will receive 85%</li> </ul>

	<p>of the revenue from sales of Plan Vivo certificates. This benefit then be divided into different payments, mainly for livelihood improvements, expenditure of CMFBs and forest patrolling activities.</p> <ul style="list-style-type: none"> <li>➤ The VDF accounts which have established in the three villages (under a KfW10 project) will be used as transaction accounts.</li> <li>➤ To ensure transparent and equitable benefit sharing distribution, FFI has planned to regularly community consultation meetings to discuss issues as they emerge. Any individuals in the community is also encouraged to raise questions, complaints and/or suggestions through the agreed grievance mechanism.</li> <li>➤ Well-being analysis has been conducted to identify socio-economic groupings in the communities. FFI staff have conducted detail household surveys and categorized households into 5 different vulnerable groups: non poor, poor with household's head is female and elder people, poor and old (&gt;30 years old), poor and young with enough production land, and poor and young, not enough production land. Livelihood development plans were developed by villagers separately for each group.</li> <li>➤ Evidence from interviewing local villagers showed that majority if local villagers have participated in many meeting to discuss and to vote for benefit sharing mechanism. About 50% of interviewees during the field visit are from poor households. The majority of them showed understanding the benefits they are likely to get from the project.</li> </ul>
<b>D. Conformance</b>	<p>Yes <input checked="" type="checkbox"/></p> <p>No <input type="checkbox"/></p> <p>N/A <input type="checkbox"/></p>
<b>E. Corrective Actions (describe)</b>	<p><i>None</i></p>
<b>F. (Insert Project Coordinator's Name) Response</b>	<p><i>N/A</i></p>
<b>G. Status</b>	<p><i>CLOSED</i></p>

Table 3. Site Visit Itinerary

**FIELD VISIT PLAN FOR CARBON VALIDATION**  
**Hieu Commune PLAN VIVO Project**  
**18 - 23 June 2020**

Day	Time	Activities	Place
18 June	Morning	<ul style="list-style-type: none"> <li>• Moving from Thai Nguyen to Kon Tum</li> </ul>	
	14:00 – 17:00	<ul style="list-style-type: none"> <li>• Interview FFI's staff including the project coordinator</li> </ul>	FFI office in Kon Tum
19 June	08:30 – 11:00	<ul style="list-style-type: none"> <li>• Interview Kon Plong DPC &amp; DPMU</li> </ul>	Kon Plong DPC
	14:00 – 16:00	<ul style="list-style-type: none"> <li>• Interview Hieu CPC &amp; KFW10 Project Implementation Unit</li> </ul>	Hieu CPC
20 June	07:30 – 11:30	<ul style="list-style-type: none"> <li>• FGD at Dak Lom CFMB</li> <li>• Interview different stakeholder groups</li> </ul>	Dak Lom Village
	13:30 – 17:00	<ul style="list-style-type: none"> <li>• Field visit of land use systems</li> </ul>	
21 June	07:30 – 11:30	<ul style="list-style-type: none"> <li>• FGD with Dak Lieu CFMB</li> <li>• Interview different stakeholder groups</li> </ul>	Dak Lieu Village
	13:30 – 17:00	<ul style="list-style-type: none"> <li>• Field visit of land use systems</li> </ul>	
22 June	07:30 – 11:30	<ul style="list-style-type: none"> <li>• FGD with Vi Chring CFMB</li> <li>• Interview different stakeholder groups</li> </ul>	Vi Chring Village
	13:30 – 17:00	<ul style="list-style-type: none"> <li>• Field visit of land use systems</li> </ul>	
23 June	8:00 – 10:00	<ul style="list-style-type: none"> <li>• Interview DARD &amp; PPMU/KFW10 project (province level)</li> </ul>	Kon Tum PPMU
	Afternoon	<ul style="list-style-type: none"> <li>• Moving from Kon Tum to Thai Nguyen</li> </ul>	

**The Validator: (Insert Validator's Name)**

**Duong Van Thao**

**Signature:** \_\_\_\_\_

**07 February, 2021**

**Date:** \_\_\_\_\_

## Appendix 3: (e.g. photos, lists of participants, scanned copies of receipts, etc.)

### 3.1. List of participants at the meeting with Kon Plong People Committee



**FAUNA & FLORA  
INTERNATIONAL**

**VIETNAM PROGRAMME**  
118 Tu Hoa, Tay Ho, Hanoi, Vietnam  
Tel: +84 (0) 2437194117 Fax: +84 (0) 2437194119  
Email: fflvietnam@fauna-flora.org

**DANH SÁCH THAM GIA**  
Kon Plong, 19/06/2020

*Nội dung: Thăm tra Carbon*  
*Địa điểm: Huyện Kon Plong*

STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	Đường Văn Thảo	Thăm tra viên		
2	Đặng Thành Liêm	Quản lý dự án Redd+		
3	Nguyễn Văn Phương	Nhân viên FFI		
4	Hoàng Minh Thuận	EB hiện trường KJW10		
5	Phạm Thủ Bạ	chiếu phô viên KJW10		
6	Lê Đức Tin	phó chủ tịch, UBND		
7	Phạm Thành Bình	TP nông nghiệp		
8	Phan Bình Hải	Phó chánh văn phòng		
9				

### 3.2. Photo of the meeting with Kon Plong People Committee



### 3.3. List of participants at the meeting with Hieu Commune People Committee

**DANH SÁCH THAM GIA**  
Xã... Hieu..., 29/...6/...2020

*Nội dung: Thăm tra Carbon*  
*Địa điểm: Trụ sở UBND xã Hieu*

STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	A Thảo	Phó chủ tịch UBND xã		
2	Trần Văn Thành	Cán bộ địa chính		
3	Hoàng Minh Thuận	Cán bộ hiện trường KFW		
4	Đường Văn Thảo	Thăm tra viên		
5	Đặng Thành Liêm	Quản lý dự án Redd+		
6	Nguyễn Văn Phương	Nhân viên FFT		

**DANH SÁCH THAM GIA**  
Xã... Hieu..., 29/...6/...2020

*Nội dung: Thăm tra Carbon*  
*Địa điểm: Trụ sở UBND xã Hieu*

STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	Hoàng Văn Dao	Phó chủ tịch UBND xã	0378968581	
2	Đường Văn Thảo	Thăm tra viên		
3	Đặng Thành Liêm	Quản lý dự án Redd+		
4				

### 3.4. Photos of the meeting with Hieu Commune People Committee



### 3.5. List of participants at the meeting with Vi chring Village

DANH SÁCH THAM GIA				
Vi...Chring..., 20./...6.../2020				
Nội dung: Thám tra Carbon				
Địa điểm: Nhà văn hóa thôn Vi Chring, Xã Thiệu				
STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	A Triều	Trưởng ban QL RCD	0966151876	
2	Đinh Thành Tim	Trưởng ban GS RCD		
3	A Chiêng	Thư ký QL RCD		
4	A Hồng	Thành viên thôn		
5	A Hâm	Thành viên thôn		
6	A Trai	Tổ trưởng tổ QL BVR		
7	Hoàng Minh Thuận	Cán bộ hiện trường KFW		
8	Đường Văn Thảo	Thám tra viên		
9	Đặng Thành Liêm	Quản lý dự án Redd+		
10	Nguyễn Văn Phương	Nhân viên FFT		
11				

### 3.6. Photo of the meeting with Vi chring Village



### 3.7. List of participants at the meeting with Dak Lieu Village

**DANH SÁCH THAM GIA**  
Dak Lieu..., 21./.06./2020

*Nội dung: Thám tra carbon.....  
Địa điểm: Nhà văn hóa cộng đồng thôn Dak Lieu - Xã Hiếu.....*

STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	A Tuấn	Trưởng ban QLRCĐ	0372920668	
2	Dinh Ngoc Huong	Trưởng ban FS RCD		
3	A Dau	Kế toán BQL RCD	0355105862	
4	A En	Thành viên RCD		
5	A Chum	Thành viên RCD	0367701560	
6	Y Huynh	Thành viên RCD		
7	Y Hao	Thành viên RCD		
8	Hoang Minh Thuon	Cán bộ hiện trường KFW		
9	Duong Van Thao	Thám tra viên		
10	Đặng Thành Liêm	Quản lý dự án Redd+		
11	Nguyen Van Phuong	Nhân viên FFI		
12	Nguyen Bac Lanh	Cán bộ dự án KFW10 tỉnh		

### 3.8. Photo of the meeting with Dak Lieu Village



### 3.9. List of participants at the meeting with Dak Lom Village

DANH SÁCH THAM GIA				
Dak Lom, 22/06/2020				
STT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại	Ký tên
1	A Thọ	Phó ban QLRCD	0979348120	
2	A Vếu	Thành viên RCD		
3	A Hóm	Tổ trưởng tổ QLBVR		
4	A Trao	Thành viên RCD		
5	Y Góm	Thành viên RCD		
6	Y Gái	Thư ký BAN RCD		
7	Hoàng Minh Thuận	Cán bộ hiện trường KFW		
8	Đường Văn Thảo	Thăm trại viên		
9	Đặng Thành Liêm	Quản lý dự án Redd'		
10	Nguyễn Văn Phượng	Nhân Vụ FFI		
11				

### 3.10 . Photo of the meeting with Dak Lom Village



3.11. List of participants at the meeting with KfW10 Provincial Project Management Unit

DANH SÁCH THAM GIA  
Kon Tum, 23/06/2020

Đối tượng: Thăm tra Carbon,.....  
Điểm: Hồi truồng dự án KfW10, tỉnh Kon Tum.....

TT	Họ và Tên	Chức vụ - Đơn vị/Thôn	Số điện thoại
1	Hà Đức Giao	Điều phối viên dự án KfW10 tỉnh Kon Tum	
2			
3	Đường Văn Thảo	Thăm tra viên	
4	Đặng Thành Liêm	Quản lý dự án Redd+	
5	Nguyễn Văn Phường	Nhân viên FFI	

3.12. Photo of the meeting with KfW10 Provincial Project Management Unit



3.11. Photo of community forest's boundary marker



3.12. Photo of community forest in Vi chring Village



3.13. Photo of a typical woody house in the project area



## Appendix 4: Project-specific questions

Question number	Question	Validator findings	Corrective Action Requests (CAR) (if any)
1	Confirm that 2km leakage buffer is appropriate given the mobility of farmers in the region and the potential for leakage noted by McElwee et al. <i>Forests</i> 2017, 8, 11; doi:10.3390/f8010011 [G6.2] (see the paper attached in the folder).	<ul style="list-style-type: none"> <li>➤ The accounting methodology of carbon leakage 2 km wide buffer around the PV area and an ex ante leakage estimate of 10% of baseline deforestation, seem not to be reliable. Three villages are located along the Inter-provincial road number 24 which connecting Kon Tum Province and Quang Ngai Province. The majority of forest outside of the project area within and surrounding these three villages is managed by state-owned companies or local authorities where are vulnerable to illegal logging. It has been seen during the field visit that local people using their motorbikes carried wood logs along the Inter-provincial road number 24.</li> <li>➤ The results of interviewing villagers in the 3 villages showed that local people have high demand for timber for build and renovate their timber houses, buffalo barns, rice-keeping building. They usually refer to close and easy accessed forests for collecting timber. It does not matter with the Vi Chring village because their community forest is closed to their residential area and large enough (808 ha) for sustainable usage. However, it is a problem with Dak Lieu and Dak Lom Villages because their community forests are small and located far away from their residential areas. This leads to they often go to state-owned and commune CPC managed forest for timber.</li> </ul>	<ul style="list-style-type: none"> <li>➤ A corrective action is required: the accounting methodology of carbon leakage (2 km wide buffer around the PV area and an ex ante leakage estimate of 10% of baseline deforestation) need to be re-accounting by considering evidence given in the finding.</li> </ul>
2	<ul style="list-style-type: none"> <li>• Ensure that the project has an agreement with the locals (a PES agreement) through which it will be ensured that payments will be made to locals on the ground.</li> <li>• Understand how these agreements differ between villages and the</li> </ul>	<ul style="list-style-type: none"> <li>➤ The project already has an agreement with 3 villages (a PES agreement). Evidence from minutes of meeting and photos showed that in the Vi Chring Village, 38/41 households had voted, 38/38 households voted for PES Agreement (100%). In Dak Liem Village, 29/38 households had voted, 24/29 households voted for PES Agreement (82.76%). In Dak Lom Village, 52/74 households had voted, 51/52 households voted for PES Agreement (98%).</li> <li>➤ In the Dak Lieu and Dak Lom Villages, their community forests are small and far away from their residential areas. It seems that almost of communities in the Central Highland of Vietnam have their own traditional forest and being recognized</li> </ul>	<ul style="list-style-type: none"> <li>➤ Communication of project information should be carried out more and more, especially those households were not participated in the meeting for voting PES agreement.</li> <li>➤ Community forest allocation for other villages should apply bottom up approach with the active</li> </ul>

	<p>difference in benefit sharing between these villages.</p> <ul style="list-style-type: none"> <li>• Ensure that this agreement is understood by locals.</li> </ul>	<p>among local communities. The revenue from selling carbon credits is expected quite small amount due to small forest area. In addition, the new allocated community forests of Dak Liem and Dak Lom villages seem not to be their traditional forests.</p>	<p>participation of local villagers.</p>
3	<p>Confirm the second FPIC (<i>Free Prior and Informed Consent</i>) process that had occurred as described in the PDD:</p> <ul style="list-style-type: none"> <li>• Was it applied in all the three target villages? And were all the 150 households involved and did all of them vote? If not, how many households voted?</li> <li>• How was consent provided? And how many people agreed?</li> </ul> <p>Assess this by reviewing meeting minutes and completing interviews with the locals.</p>	<ul style="list-style-type: none"> <li>➤ From the minute of meeting, it found that the second FPIC process has already occurred:           <ul style="list-style-type: none"> <li>• Was it applied in all 3 villages;</li> <li>• 119 out of 153 households involved;</li> <li>• 113 out of 119 households voted.</li> </ul> </li> <li>➤ These activities were conducted in Mid of 2018, only about half of the interviewees (villagers) remembered such events.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Communication of project information should be carried out more and more, especially those households were not participated in the meeting for voting PES agreement.</li> <li>➤ Community forest allocation for other villages should apply bottom up approach with the active participation of local villagers. It is ideal if a village is allocated its traditional forest with enough forest are for securing sustainable management of its community forest.</li> </ul>
4	<p>The socio-economic baseline study appears to be from 2014. Please assess as to whether this is still accurate.</p>	<ul style="list-style-type: none"> <li>➤</li> <li>➤ Socio-economic impact assessment and monitoring plan has been carried out by both second data sources and direct survey by project staffs.</li> <li>➤ The primary data seemed to be correct and updated (evidence from interviewing and interacting with local villagers). However, data from secondary sources appeared quite out of date such as two documents from Word Bank, 2009 and one reference from FFI's EU-funded regional community carbon pools programme in 2014.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Project will provide data from PWA</li> </ul>
5	<p>The PDD mentions that villages have been receiving payments from KFW and through the</p>	<ul style="list-style-type: none"> <li>➤ There villages have been receiving payments from KFW 10 Project but this fund will be stopped at the end of the project in June 2021. Beside the fund from KfW10 Project, three villages have received money from protecting state-owned enterprise forests and</li> </ul>	<ul style="list-style-type: none"> <li>➤ None</li> </ul>

	<p>protection of state forest for forest protection – do you see an issue with the additionality of the project? Are those funds running out come 2020?</p>	<p>local authority managed forest but in general, the duration of these fund is 5 years.</p> <p>➤ In case the government will renew the policy of continuing paying villagers money for protecting state-owned forest and local authority managed forest, the total money is too small to attract farmers to protect forest. Observation during the field visit found that the social economic conditions of three target villages are very low compared to the remaining mountainous areas of Vietnam.</p> <p>➤ Moreover, the current government's authorized agencies are not able to monitor local people in the forest protection activities. The result from interviewing local villagers showed that they usually conduct forest patrolling only twice per year.</p>	
6	<ul style="list-style-type: none"> <li>• Which office responsible for the creation and coordination of REDD+ activities and the Vietnam Nationally Determined Contribution (NDC)? Is the project coordinator in contact with this department?</li> <li>• The PDD does not reference the NDC of Vietnam. Assess what the current situation is. Will the government allow the project to trade carbon certificates?</li> <li>• Is there a risk of these regulations being changed in the near future?</li> </ul>	<p>➤ CFMBs were officially established in 3 villages. A field visit found that accountants had trained, coached and are able to record financial matter.</p> <p>➤ No carbon credits have been sold yet, but all information regarding funding allocation (currently from KfW10 project) are properly recorded.</p> <p>➤ The project coordinator has not contacted with the Vietnam Nationally Determined Contribution (NDC) and there are no formal mechanisms in place to avoid such double counting.</p>	<p>➤ A corrective action is required: the project coordinator need to contact Vietnam NDC to make sure the project intervention areas are not covered by any other national initiatives.</p>
7	<p>Is the project complying with all relevant laws? E.g Child labour, employment, forests</p>	<p>➤ The project complies with all relevant laws and local authority's regulation.</p> <p>➤ FFI Vietnam has managed many projects in line with governance principles of transparency,</p>	None

		<p>accountability, participation, etc; strictly following national regulations and donor requirements.</p> <p>➤ The result from interviewing local government from commune, district and provincial level confirmed that the project complies with all law and regulations.</p>	
8	Does the project have a financial plan? And has the project secured donor funding for these activities yet?	<p>➤ The project has prepared the financial plan (page 46 of the PDD). However, the plan was accounted 11 villages participated in the carbon project while the current target number is only 3 villages.</p> <p>➤ The financial plan was prepared by a FFI financial specialist who was not appeared during the validation field visit. The project coordinator was not able to explain numbers in the financial plan.</p> <p>➤ According to the financial plan, a minimum annual donor contribution needed is 53,000 USD. The project has not secured donor funding for this annual needed amount yet.</p>	<p>➤ Project should clarify the issues in the findings</p>