

VERIFICATION REPORT FOR THE LOWER ZAMBEZI REDD+ PROJECT



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Summary

This report describes the verification audit of the Lower Zambezi REDD+ Project ("the project"), a Reduced Emissions from Deforestation and Degradation (REDD+) project located in the Rufunsa district of Zambia, which was conducted by SCS. The report covers the monitoring period from:

CCB 22 June 2013 to 31 December 2017

VCS 01 January 2017 to 31 December 2017

The purposes of the verification audit were (1) to conduct, in accordance with the VCS rules, an ex-post independent assessment of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period and (2) to conduct, in accordance with the CCB rules, an ex-post independent assessment of the climate, community and biodiversity impacts that have occurred or are on track to occur as a result of the project during the monitoring period. The verification audit was performed through a combination of document review, interviews with relevant personnel and on-site inspections. A total of 8 findings were issued during the verification process. The project complies with all of the verification criteria, and the assessment team has no restrictions or uncertainties with respect to the compliance of the project with the verification criteria.

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1 INTRODUCTION

1.1 Objective

The objectives of the verification engagement were set out as follows.

1.1.1 Verification Objectives Under the Verified Carbon Standard

In accordance with Section 5.1.1 of the VCS Standard (see Section 1.2.2 below for full reference), SCS carried out an ex-post independent assessment of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period, conducted in accordance with the VCS rules. In accordance with Section 2.1.2 of the VCS Validation & Verification Manual, V3.1, the objectives of the verification engagement were to evaluate the monitoring report and assess the following:

- The extent to which methods and procedures, including monitoring procedures, have been implemented in accordance with the validated project description. This includes ensuring conformance with the monitoring plan.
- The extent to which GHG emission reductions and removals reported in the monitoring report are materially accurate.

The other objective of the verification engagement was to assess the non-permanence risk analysis.

1.1.2 Validation Objective Under the Climate, Community & Biodiversity Standards

In accordance with Section 4.1 of the CCB Program Rules (see reference in Section 1.2.3 below), SCS carried out an ex-post independent assessment of the climate, community and biodiversity impacts that have occurred or are on track to occur as a result of the project during the monitoring period, conducted in accordance with the CCB rules

1.2 Scope and Criteria

1.2.1 Scope

In accordance with Section 4.3.4 of ISO 14064-3:2006, the scope was defined as follows:

- The project and, where relevant, its baseline scenarios
- The physical infrastructure, activities, technologies and processes of the project
- The GHG sources, sinks and/or reservoirs that are applicable to the project
- The types of GHGs that are applicable to the project
- The crediting period, as discussed in Section 3.2.11 of this report

1.2.2 Criteria Under the Verified Carbon Standard

In accordance with Section 5.3.1 of the VCS Standard (see below for full reference), the criteria for validation was the VCS Version 3, including the following documents:

- VCS Program Guide, v3.7
- VCS Standard, v3.7
- VCS AFOLU Requirements, v3.6

- VCS Non-Permanence Risk Tool v3.3
- VCS CCB Monitoring & Implementation Report Template, v3.1
- The VCS-approved methodology VM0009, V2.1 (“the methodology”), as applied to the project

1.2.3 Criteria Under the Climate, Community & Biodiversity Standards

In accordance with Section 1.1 of the CCB Program Rules (see below for full reference) the criteria for validation was established as follows:

- The most recent validated project description using the same edition of the Climate, Community & Biodiversity Standards (in this case, the second edition) that was used for that validation
- All CCB Version 3 program documents other than the third edition of the Climate, Community & Biodiversity Standards, including the following:
 - CCB Program Rules, v3.1
 - CCB Program Definitions, v3.0
 - VCS CCB Monitoring & Implementation Report Template, v3.1

1.3 Level of Assurance

1.3.1 Level of Assurance Under the Verified Carbon Standard

In accordance with Section 5.3.1 of the VCS Standard, the level of assurance, insofar as it describes work performed under the Verified Carbon Standard, of this report is reasonable.

1.3.2 Level of Assurance Under the Climate, Community & Biodiversity Standards

The concept of “level of assurance” was not relevant to work performed under the Climate, Community & Biodiversity Standards.

1.4 Summary Description of the Project

- The project is located in the Rufunsa District of Zambia and is aimed at reducing emissions from unplanned deforestation. In addition to nurturing community protection of threatened forests, the project also generates local income, provides training and materials for improving local livelihoods, protects vital wildlife habitat, and supports conservation in the Lower Zambezi ecosystem.

2 VERIFICATION PROCESS

2.1 Audit Team Composition (*Rules 4.3.1*)

A table indicating how the audit team meets each of the requirements of the CCB Standards Rules is below.

Area of required expertise	Individual(s) on audit team containing required expertise	Summary of relevant qualifications
Proficiency in a relevant local or regional language for the project location	Boniface Mumbai	Native speaker (multiple languages) and citizen of Zambia
Relevant agriculture, forestry and/or other land use	Boniface Mumbai Francis Eaton	Familiar with common agricultural practices and

Area of required expertise	Individual(s) on audit team containing required expertise	Summary of relevant qualifications
experience in the project country or region		corresponding deforestation pressures in the project country
Relevant social and cultural expertise	Boniface Mumbai	Familiar with established social norms in rural Zambia
Relevant ecological and biodiversity expertise	Francis Eaton	Familiar with ecology and biodiversity best practices and measurements

2.2 Method and Criteria

The verification was performed through a combination of document review and interviews with relevant personnel, as discussed in Sections 2.3 through 2.5 of this report. At all times, the monitoring report and non-permanence risk analysis were assessed for conformance to the criteria described in Section 1.2 of this report. As discussed in Section 2.6, findings were issued to ensure conformance to all requirements.

The audit team created a sampling plan following a proprietary sampling plan workbook developed by SCS. Per Section 4.4.3 of ISO 14064-3:2006, the audit team identified possible risks of errors, omissions and misrepresentations with respect to the validation criteria. For each identified risk, the audit team assessed the likelihood of the material discrepancy occurring, the likelihood of the material discrepancy not being prevented or detected by the controls of the project and the likelihood of the material discrepancy not being detected by the audit team. Sampling and data testing activities were planned to address any risk where the likelihood of a material discrepancy not being detected by the audit team was judged to be unacceptably high. The audit team then created an audit plan that took the sampling plan into account.

2.3 Document Review

The monitoring report (version 2.1 dated 10 September 2018); “MR”) and non-permanence risk report (version 1 dated 19 April 2018; “NPRR”) were carefully reviewed for conformance to the verification criteria. The following additional documentation, provided by project personnel in support of the documents, was also reviewed by the audit team:

Document	File Name	Ref.
Request for extension	2018.05.02_BCP_LZRP_CCB_VerDeadline	/1/
Verra extension response	VCS_Response to extension_1202_May2018	/2/
Project management plan	20170505_LZRP_EnvironManPlan_Final_signed	/3/
Community monitoring guidelines	2015.01.22_Workshop_LessonsLearned Report _ Formal	/4/
Community monitoring guidelines	2015_BCP_FPIC_SOP_D5	/5/
Community monitoring guidelines	CES_Handbook_2015_d4	/6/

Document	File Name	Ref.
Community monitoring guidelines	Social Monitoring SOP V4_Community Engagement Strategy_2013.03.compressed	/7/
Community monitoring results	2012_LZRP_SocioBaseline	/8/
Community monitoring results	20180228 Social Monitoring Survey Report -FINAL	/9/
Conservation easement	LZRP_Annex_B-Signed_CRC_Rufunsa_FINAL	/10/
Inventory data	2017_02_23_MRV_LZRP_ForestInv	/11/
QA/QC inventory workbook	20170522_LZRP_MRV_M5_QC	/12/
Leakage plot data	20170730_LZRPLeakageV2_Leakage_M5	/13/
Illegal logging data	20180329_LZRP_IllegLog_M5	/14/
GHG calculations	20180419_LZRP_ER_Calc_M5	/15/
Sampling protocol	20160426_BCP_Biomass_Sampling_SOP_V2	/16/
Sampling protocol addendum	BCP_Biomass_SpotError_Protocol_Jan_2014	/17/
Leakage protocol	LZRP_Annex_M_BCP_Biomass_Sampling_LeakageMon_8June_2013	/18/
Leakage protocol addendum	LZRP_Annex_M_BCP_Biomass_Sampling_LeakageMon_8June_Addendum 2013	/19/
Financial risk evidence	2015 10 21_Musika_Grant_EC	/20/
Financial risk evidence	20170227_LZRP_VCS 30yr_Viability_Breakeven_M4	/21/
Financial risk evidence	AMOCPA Letter	/22/
Financial risk evidence	BCP PPF Service Level Agreement April 2016	/23/
Financial risk evidence	CFP LZRP-2016 expenses	/24/
Financial risk evidence	LOWER ZAMBEZI REDD+ PROJECT	/25/
Financial risk evidence	RC Expenses - Jan to Nov 2015 for VCS	/26/
Longevity risk evidence	RE Lower Zambezi REDD+ Project Monitoring plans	/27/
Longevity risk evidence	Rufunsa Ecological Management Plan ReviewAdvise Request	/28/
Ownership rights evidence	LZRP_Annex_A-CRC_Addendum	/29/
Ownership rights evidence	LZRP_Annex_A-Preliminary Registration	/30/

Document	File Name	Ref.
Ownership rights evidence	LZRP_Annex_A-Rufunsa_CERTIFICATE OF TITLE	/31/
Ownership rights evidence	Preliminary Registration	/32/
Risk calculation tool	20180520_LZRP_Non_Perm3.1	/33/
Biomass Plot data	BCP_LZRP_PlotMetaData_27Nov_2013	/34/
Project area roads shapefile	LZRP_Project_Roads_utm35s_02-03-2015	/35/
Project area shapefile	LZRP_VCS_Conservancy	/36/
Project accounting area shapefile	LZRP_VCS_Conservancy_Accounting_Area	/37/
Cleared areas shapefile	LZRP_VCS_Deforested_Perimeter	/38/
Eco-charcoal harvests shapefile	LZRP_VCS_EcoCharcoal_Harvest_2015	/39/
Eco-charcoal sites shapefile	LZRP_VCS_EcoCharcoal_Sites_2015	/40/
Project zone shapefiles	LZRP_VCS_Villages	/41/
Biodiversity evidence	20170128_LZRP_CCB_WildDogSight	/42/
Biodiversity monitoring results	20171215_LZRP_Conservation_Monitoring_v3	/43/
Grievance evidence	2013_BCP Grievance Mechanism	/44/
Grievance evidence	2018_BCP Grievance SOP _ Mechanism	/45/
Grievance evidence	20180903_Grievance Register_LZRPLCFP	/46/
Grievance evidence	20180911-Bunda Bunda Restructuring information Memo	/47/
Grievance evidence	20180912_CharpeneurContract	/48/
Grievance evidence	20180913_BCP_ EC Charprunuers grievance response letter	/49/
Grievance evidence	ATTENDANCE REGISTER CHILIMBA	/50/
Grievance evidence	DISTRIBUTION LIST CHILIMBA	/51/
Grievance evidence	GRIEVANCE MECHANISM 2013 SIGNED CHILIMBA	/52/
Grievance evidence	GRIEVANCE MECHANISM 2018 SIGNED CHILIMBA	/53/
Grievance evidence	Grievance response Chilimba 06-09-2018	/54/
Grievance evidence	Termination of Grievance 06-09-2018	/55/

Document	File Name	Ref.
Grievance evidence	20180914_Scouts_Grievance	/56/
Grievance evidence	ATTENDANCE REGISTER MWESHANG_OMBE	/57/
Grievance evidence	DISTRIBUTION LIST MWESHANG_OMBE	/58/
Grievance evidence	GRIEVANCE MECHANISM 2013 SIGNED MWESHANG_OMBE	/59/
Grievance evidence	GRIEVANCE MECHANISM SINED 2018 MWESHANGO_MBE	/60/
Grievance evidence	GRIEVANCE RESPONSE AND NOTIFICATION OF TERMINATION MWESHANG_OMBE	/61/
Grievance evidence	ATTENDANCE REGISTER NAMANONGO	/62/
Grievance evidence	DISTRIBUTION LIST NAMANONGO	/63/
Grievance evidence	GRIEVANCE MECHANISM SINED 2013 NAMANONGO	/64/
Grievance evidence	GRIEVANCE MECHANISM SINED 2018 NAMANONGO	/65/
Grievance evidence	ATTENDANCE REGISTER NDUBULULA	/66/
Grievance evidence	DISTRIBUTION LIST NDUBULULA	/67/
Grievance evidence	GRIEVANCE MECHANISM SINED 2013 NDUBULULA	/68/
Grievance evidence	GRIEVANCE MECHANISM SINED 2018 NDUBULULA	/69/
Worker training	20180913_BCP_LZRP_Staff	/70/
Worker training	Conservation Outcomes - Advanced Tactical Training Syllabus 2	/71/
Worker training	Conservation Outcomes - Field Ranger Selection Curriculum	/72/
Worker training	CONSERVATION OUTCOMES CORPORATE PROFILE 2012	/73/
Worker training	Conservation Outcomes Selection Recommendations	/74/
Worker training	RUFUNSA ATT Report FINAL	/75/
Allometry validation	LZRP_Annex_K_BCP_Ruf_Allom_Data_120trees_9Jul_2013	/76/
Allometry validation	LZRP_Annex_N-BCP_Biomass_Sampling_AllometryValidation_May_2013_V1.2	/77/
Climate Evidence	https://www.geog.ox.ac.uk/research/climate/projects/undp-cp/	/78/
Climate Evidence	The Use of General Circulation Models	/78/
Management capacity	AppendixKManCapacity	/79/
Financial health	20161031 FY16_Annual Report_CFP	/80/
Financial health	20171031 CFP_FY17 Annual report (1)	/81/
Financial health	BCorp	/82/
Biodiversity monitoring plan	LL_BM_Rufunsa_Methods_2016	/83/

Document	File Name	Ref.
Biodiversity monitoring plan	20170505_LZRP_EnvironManPlan_Final_signed	/84/

2.4 Interviews

2.4.1 Interviews of Project Personnel

The process used in interviewing project personnel was a process wherein the audit team elicited information from project personnel regarding (1) the work products provided to the audit team in support of the MR and NPRR, (2) actions undertaken to ensure conformance with various requirements and (3) implementation status of the project activity.

The following personnel associated with the project proponent and/or implementing partner were interviewed.

Individual	Affiliation	Role	Date(s) interviewed
Darlington Chipita	BioCarbon Partners (BCP)	Conservation Manager	9-14 August 2018
Elvin Muchimba	BCP	Forest management team leader	9-14 August 2018
Nchimunya Simwendengwe	BCP	Forest management team leader	9-14 August 2018
Lawrence Msoni	BCP	Forest management team leader	9-14 August 2018
Laison Chiyakamba	BCP	Forest management team leader	9-14 August 2018
Felix Mbewe	BCP	Logistics Technician	9-14 August 2018
Peter Mbewe	BCP	Logistics Technician	9-14 August 2018
Rose Mwape	BCP	Janitor	9-14 August 2018
Nelson Nyamundela	BCP	Caretaker	9-14 August 2018
Rebecca Nampemba	BCP	C.Scout Radio Operator	9-14 August 2018
Hassan Sachedina	BCP	Chief Executive Officer	Throughout Audit
Emma Roberts	BCP	Director Operations	9-23 August 2018
Jospeh Simfukwe	BCP	Monitoring and Evaluation Manager	9-23 August 2018
Lackson Theo	BCP	Logistics Supervisor	9-23 August 2018
Joke Hoffman	BCP	Chief Operating Officer	Throughout Audit
Leon-Jacques Theron	BCP	Director Technology	9-23 August 2018

2.4.2 Interviews of Other Individuals

- Residents of project communities located near the project boundary were also interviewed. Residents of the following villages were interviewed during the dates listed.
- 9-14 August 2018 – Ndubulula, Kantyatya, Shatunka, Chifita, Kabandi, Musanshika, Mwachombela, Malilakuta, Kasumba, Chilimba Cooperative, Lyoelo Cooperative, community market, Shimaluba, and Chikuse.

2.5 Site Inspections

The objectives of the on-site inspections performed were to:

- Select samples of data from on-the-ground measurements for verification to meet a reasonable level of assurance and to meet the materiality requirements of the project, as required by Section 5.1.3 of the VCS Standard;
- Perform a risk-based review of the project area and project activities to ensure that the project conformed to the requirements of the verification criteria throughout the monitoring period;
- Confirm the validity of information presented in the non-permanence risk report; and
- Ensure that monitoring was conducted in accordance with the requirements of the validated monitoring plan, the methodology employed and the VCS rules.

In fulfilment of the above objectives, the audit team performed an on-site inspection of the project area on the dates 9-14 August 2018. The main activities undertaken by the audit team were as follows:

- Interviewed Project Personnel (see Section 2.4.1 of this report) to gather information regarding the monitoring of the project;
- Interviewed Project Personnel (see Section 2.4.1 of this report) for the purpose of seeking evidence of conformance with respect to the specific requirements of the methodology and the VCS and CCB rules;
- Interviewed residents of communities near the project boundary to confirm the claims of the project proponents with respect to the extent of community engagement with the project implementation.
- Remeasured 11 biomass plots from the most recent inventory update, following the instructions provided in the project sampling protocol for the purposes of determining the accuracy of the reported standing carbon stocks in the project area.

- Sites Visited

Communities	Ndubulula, Kantyatya, Shatunka, Chifita, Kabandi, Musanshika, Mwachombela, Malilakuta, Kasumba, Chilimba Cooperative, Lyoelo Cooperative, community market, Shimaluba, and Chikuse
Biomass Plots	RU 108, Run 215, RU21, Run 151, Run 223, Run 184, RU 7, Run 160, Run 191, RU 117, Run 251, Run 207, Run 146, Run 199, Run 188, Leakage plot

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2.6 Resolution of Findings

Any potential or actual material discrepancies identified during the assessment process were resolved through the issuance of findings. The types of findings issued by SCS Global Services were characterized as follows:

Non-Conformity Report (NCR): An NCR signified a material discrepancy with respect to a specific requirement. This type of finding could only be closed upon receipt by SCS Global Services of evidence indicating that the identified discrepancy had been corrected. Resolution of all open NCRs was a prerequisite for issuance of a verification statement. A total of 5 NCRs were issued during the verification engagement.

New Information Request (NIR): An NIR signified a need for supplementary information in order to determine whether a material discrepancy existed with respect to a specific requirement. Receipt of an NIR did not necessarily indicate that the project was not in compliance with a specific requirement. However, resolution of all open NIRs was a prerequisite for issuance of a verification statement. A total of 3 NIRs were issued during the verification engagement.

Observation (OBS): An OBS indicates an area where immaterial discrepancies exist between the observations, data testing results or professional judgment of the audit team and the information reported or utilized (or the methods used to acquire such information) within the GHG assertion. A root cause analysis and corrective action plan are not required, but highly recommended. Observations are considered by the audit team to be closed upon issuance, and a response to this type of finding is not necessary. No OBS were issued during the verification engagement.

All findings issued by the audit team during the verification process have been closed. In accordance with Section 5.3.6 of the VCS Standard, all findings issued during the verification process, and the impetus for their closure, are described in Appendix A of this report.

2.6.1 Forward Action Requests

- This section is not applicable, as no forward action requests have been issued.

2.7 Eligibility for Validation Activities

This section is not applicable, as SCS holds accreditation for validation for the relevant sectoral scope (scope 14; AFOLU).

3 VALIDATION FINDINGS

3.1 Participation under Other GHG Programs

This section is not applicable, as the project is only seeking registration under Verra.

3.2 Methodology Deviations

After the initial validation and verification of the Lower Zambezi REDD+ Project (LZRP) personnel made the decision to add a geo-reference step to the data collection protocol for the leakage plots. The audit team reviewed this deviation in the project monitoring report and assessed the deviation against the requirements of Section 3.5.1 of the VCS Standard. It is the opinion of the audit team that this deviation is appropriate given the following:

- The additional data collection method represents a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan).

- The additional data collection method does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals and is likely to result in increased accuracy.

In response to the second deviation regarding a change in the monitoring of carbon stocks, the audit team assessed the deviation against the requirements of section 3.5.1 of the VCS Standard and recalculated the updated reported values. It is the opinion of the audit team that this deviation is appropriate given the following:

- Accounting for carbon stocks outside of the PSP's through monitoring of illegal logging represents a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan).
- The additional data collection method does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals and is likely to result in increased accuracy.

In response to the third deviation regarding the validation of the allometry used in the calculation of carbon stocks, resulting in an underestimation of standing tree biomass, the verification team reviewed the project documentation /76-77/ and confirmed that project personnel followed the proper procedures for validating allometry, as described in the methodology. In response to not meeting the required results of the methodology, project personnel resigned to set all trees larger with a diameter larger than the diameter of the largest tree in the representative sample to 55cm (diameter of the largest tree in the representative sample) to ensure that the use of the allometry does not result in a non-conservative estimate.

- Underestimating standing tree biomass represents a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan).
- Underestimating standing tree biomass does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals and is likely to result in increased accuracy.

In summary, the audit team agrees that the deviations to the methodology are appropriate and are conformance with Section 3.5.1 of the VCS Standard. Complete descriptions of the methodology deviations are located in the respective sections of the previous project monitoring reports.

3.3 Project Description Deviations (*Rules 3.5.7 – 3.5.10*)

This section is not applicable as there were no changes to the project description.

3.4 Minor Changes to Project Description (*Rules 3.5.6*)

- This section is not applicable as there were no minor changes to the project description.

3.5 Monitoring Plans (CL3.2, CM3.3, B3.3)

- During this assessment the audit team validated both the community and biodiversity monitoring plans. An assessment of each plan is as follows.
- CL3.2 - N/A
- **CM3.3** - The audit team reviewed the community monitoring plan and associated documents /4-7/ and confirmed that they provide a suite of variables to be monitored and the frequency of the data collection. Based on the experience of the audit team, both using the CCB standards and working in the region, the audit team agrees that the variables to be monitored are appropriate to measure the effect of the project activities on the communities and community groups in the project zone. Moreover, the plan is designed to be adaptive and so the frequency of monitoring can adapt as the project moves in to the future.
- **B3.3** - The audit team reviewed the biodiversity monitoring plan and associated documents /83-84/ and confirmed that they provide suite of variables to be monitored and the frequency of the data collection. Based on the experience of the audit team, both using the CCB standards and working in the region, the audit team agrees that the variables to be monitored are appropriate to measure the effect of the project activities on the biodiversity in the project zone. Moreover, the plan was designed in collaboration Western Ecosystems Technology Inc. and Lion Landscapes, who have a long history of successfully developing and implementing biodiversity monitoring plans in the region. The verification team held interviews with individuals from all the organizations who provided justification for both the variables selected and the frequency of monitoring.
- Base on the justifications provided above the audit team agrees that the monitoring plans are appropriate for the project design.

4 VERIFICATION FINDINGS

4.1 Public Comments (Rules 4.6)

- No public comments were received during this assessment period.

4.2 Summary of Project Benefits

- The audit team reviewed sections 1.1 and 1.2 of the project monitoring report and confirmed that the sections provide an adequate summary of the project benefits. All items required to be monitored and reported on have been included as required. Furthermore, all items summarized are supported in the appropriate climate, community, and biodiversity sections.

4.3 General

4.3.1 Implementation Status (G3.4, CL1.5)

The audit team assessed the implementation of the project activities against Section 4.3 of the project description (PD). The audit team confirmed that Section 2.1 of the monitoring report provided an accurate

description of the implementation of the project. For a complete description of the steps taken to assess the project implementation see below:

Item	Verification Findings
Material discrepancies between project implementation and the project description	The audit team performed a series of visits to the communities included in the project and observed the project activities taking place. The audit team held interviews with members of communities involved in the project and were informed that the project had thus far met all commitments in terms of the project activities. No material discrepancies were found.
Implementation status of monitoring plan and completeness of monitoring	Audit team confirmed that all monitoring activities documented in Section 3.1.3 of the monitoring report were correctly carried out accordingly with the requirements and frequency of the monitoring plan described in Section 5.2 and 5.3 of the PD, through the following: • Remeasured 11 plots across the project area and confirmed that the methods conformed to the sampling design as described in the field operating procedures /16-17/ follow best practices in forest mensuration. • Spent one week in the field with the project team, both re-measuring plots and confirming the implementation of project activities within communities and confirmed that the organizational structure and operation is as described in Section 2.4 of the monitoring report • Reviewed the process for data management and storage and confirmed that the description provided in Section 3.1.3 of the monitoring report was followed completely and is sufficient for providing quality data management and storage • Interviewed biomass team while on site and confirmed that the personnel were highly skilled and educated as to the processes described in the field operating procedures. In addition, the audit team spent over a week in both the office and the field with the team and confirmed that the description provided in the monitoring report to be accurate

Item	Verification Findings
	- Reviewed the allometric equations provided by Project Personnel and confirmed that the equations were correctly calculated in the workbooks. Finally, the audit team re-calculated the plot level biomass for a random plot selected for the field verification and produced consistent results with those reported in the project calculations /15/ - The audit team reviewed the calculation of baseline emissions as prescribed by the methodology. The audit team confirmed the simple addition to the value from the previously validated baseline emissions model was calculated correctly - Re-calculated the uncertainty deduction, as prescribed by the methodology and confirmed that the value provided in the project calculations to be accurate - Reviewed the process for the detection of forest fires across the project area. The audit team confirmed that the monitoring, as described in the disturbance monitoring procedures, was being followed appropriately and reported accordingly - Reviewed records for leakage plots in the Project Area and observed a remeasurement of one plot. In all cases the audit team confirmed the reported data to be consistent with the field records. In addition, the audit team agrees that the leakage monitoring employed by the Project is very likely to result in a conservative estimate of GHG emission reductions or removals - Re-calculated the GHG emission reductions or removals using a stepwise approach for each carbon pool included in the Project Area. The audit team values were consistent with those of the project. The audit team has a reasonable level of assurance that the

Item	Verification Findings
	area reported in the project calculations is accurate
Existence of material discrepancies between monitoring system and monitoring plan (as described in 4.3 of project description) and applied methodology	All tasks described in Section 3.1.3 of the monitoring report agreed with the monitoring plan as described above. No material discrepancies were found.
Whether GHG emission reductions or removals generated by the project have become included in emissions trading program or other mechanism that includes GHG allowance trading	- Audit team confirmed that REDD+ projects are not within scope of Clean Development Mechanism - Audit team applied professional judgment to determine there is very low risk of GHG emission reductions or removals having been included in any other program
Whether project has received or sought any other form of environmental credit, or has become eligible to do so since validation or previous verification	Audit team is unaware of any other environmental crediting program that project would be eligible to participate in
Whether project has participated or been rejected under any other GHG programs since validation or previous verification	The audit team confirmed that the project has not previously been rejected by the VCSA and that a compliance program does not exist in Zambia at this time. Therefore, the risk of the project not being in conformance with this requirement is non-existent currently
Sustainable development contributions	- Audit team reviewed the project monitoring plan and confirmed that it provides the necessary information regarding sustainable development. In addition, the team reviewed the 17 UN Sustainable Development Goals prescribed by the Zambia government to meet the country's sustainable development goals. http://www.zm.undp.org/content/zambia/en/home/sustainable-development-goals.html - Finally, the team confirmed that the project is monitoring conditions described above in efforts to help the country meet its goals.

- One previous deviation which is no longer valid is the deviation regarding the cumulative baseline emissions the audit team assessed the deviation against the requirements of section 3.5.1 of the VCS Standard and recalculated the updated reported values. It is the opinion of the audit team that this deviation is appropriate given the following:
- The additional computational methods represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted

where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan).

- The additional computational methods do not negatively impact the conservativeness of the quantification of GHG emission reductions or removals and is likely to result in increased accuracy.
- In conclusion, the audit team confirms that the deviation has no consequence on the project as it is not applicable to this monitoring period.

4.3.2 Risks to the Project (G3.5)

- The audit team reviewed the risks associated with the project activities prior to arriving on site, as well as any mitigation plans in place to avoid such risks. Once on site, the verification team held interviews with project personnel and local community members. In all cases the verification team was able to confirm the language in the monitoring report to be a correct assessment of the risks associated with the project activities. Also, the verification team has a history of working in the regions and have a strong understanding of the risk of such projects and agrees that the list provided in the monitoring report is complete.
- In addition to reviewing the risks in the monitoring report, the audit team reviewed the mitigation plans in place to ameliorate such risks. For each risk listed, the project has identified mitigation activities specific to the risk. The verification team reviewed the project documentation and interviewed both project personnel and community members in the project zone, as to the existence of mitigation activities. In addition, the audit team visited areas of the project zone where the mitigation activities are being implemented and confirmed the implementation claims described in the monitoring report. It is the opinion of the verification team that the steps taken to mitigate risk to the project described in the monitoring report are currently and have been taking place as described.

4.3.3 Enhancement of High Conservation Values (G3.6)

- The audit team reviewed the project plan for the maintenance and enhancement of the project high conservation values (HCV's). The audit team agrees with the project assessment that the project HCV's are maintained and enhanced through forest protection. Given that the community HCV's are inherently correlated with the climate benefits, the audit team agrees that avoided deforestation only results in positive impacts on the community HCV's. Finally, as forest protection is not an extractive or a deleterious activity, the process for maintaining and enhancing HCV's is in line with the precautionary principle.

4.3.4 Benefit Permanence (G3.7)

- As project benefits are directly correlated with carbon revenue, the assessment of the permanence of project benefits was assessed by the audit team while conducting a variety of different verification activities. Examples of such activities included ensuring that the revenue sharing mechanism in place is working for the communities that support the project. In addition, to date the other highly important activity for ensuring permanence is adequate training for community members taking part in the project. The audit team review training materials and

confirmed that the training plans include opportunities for local communities to continue to carry out such trainings beyond the project lifetime. These include conservation agricultural skills, bee keeping, environmental education, and sustainable charcoal making. Through interviews with community members, the audit team was able to confirm that at this time procedures are in place to ensure project benefits beyond the project lifetime and are consistent with the implementation plans described in the PD.

4.3.5 Stakeholder Engagement (G3.8 – G3.9)

- To assess the projects consultation methods used to inform communities as to the status of the project, awareness of the both the 30-day public comment period and of the presence of the audit team on site, the audit team performed the following:
- Reviewed the consultation procedures, as described in the PD.
- Reviewed documents located in the project headquarters to ensure records of information sharing and consultation meetings are kept and archived according to the data management procedures described in the PD.
- After gleaning all information from the previous steps, interviewed local community members as to the validity of what is being claimed by the project proponents.
- In all cases, the audit team was able to confirm that the validated procedures in place as of the time of the previous verification (also performed by SCS) were taking place during this monitoring period. Community members were highly educated as to the status of the project and were able to provide dates and locations as to where such information sharing took place. In addition, community members were able to confirm that meetings were publicized using traditional methods which can be considered as widely publicized and that meetings were conducted using the appropriate local languages. It is important to note that a high level of illiteracy exists throughout the project area, so in many cases full documentation is provided in the form of posters or summaries that can be easily translated and explained to stakeholders.
- Finally, the audit team met with individuals who had provided comments and feedback throughout the monitoring period who confirmed that their voices had been heard and project personnel had responded appropriately. Based on all the above the audit team confirms that the project has indeed carried out effective stakeholder engagement.

4.3.6 Stakeholder Grievance Redress Procedure (G3.10)

- Prior to the site visit, the audit team reviewed the project grievance redress procedures as described in the PD. Once on site, the audit team reviewed the grievance records /46-69/ held at the project headquarters and confirmed that the grievances and responses were properly documented and archived. After gleaning all information available at the project headquarters, the audit team interviewed local community members as to the workings of the redress procedure and asked for feedback from those who had raised grievances during the monitoring period. In all cases the audit team was able to confirm that the project grievance procedures were carried out effectively in accordance with the validated PD. In all cases but one, the grievances were

resolved prior to the end of the site visit and in all cases the audit team confirmed that project personnel have made all reasonable attempts to resolve grievances as required by the CCB Standards. Grievances received during both the monitoring period and during the site visit were addressed as follows:

- Communities upset with overall behavior of project game scouts
 - Project personnel were able to provide evidence that the scouts in question were not employed by BCP.
 - Grievance was appropriately terminated on 9 September 2018 /55/
- Charpenuers (charcoal producers) want BCP to supply uniforms
 - BCP provided evidence that uniforms were not part of the contract /48/ signed between BCP and Charpenuers and that BCP will provide uniforms one time after the first purchase of charcoal by BCP
 - Verification team confirmed that this is not an obligation of BCP through interviews with other Charpenuers
- Communities upset with lack of governance regarding the village grain mill
 - The verification team reviewed the project grievance logs and confirmed that the grievance had been properly recorded
 - BCP communicated that the project is implementing further sensitization regarding the use of the grain mill

4.3.7 Worker Relations (G4.3 – G4.6)

- Prior to the site visit the audit team reviewed the project monitoring report and cross checked the claims in the monitoring report against the requirements of the CCB standards. Once on site the audit team reviewed both employment and training records, as well as project hiring procedures. The results of the investigation showed that most of the project employees were hired from local communities and were trained for their respective positions.
- After understanding Zambian labor laws, the audit team interviewed project employees as to the requirements of the standards regarding employment. In the majority of cases, employees recalled being made aware of their rights as workers and had both been made aware of the risks associated with their work and had been provided training and tools to mitigate those risks. In addition, the audit team witnessed several individuals performing project tasks and confirmed that practices were in place to minimize risk as much as possible.

4.3.8 Technical and Management Capacity (G4.2, G4.7)

- The audit team reviewed the monitoring report and confirmed that it documents the key technical skills that will be required to implement the project successfully, including community

engagement, biodiversity assessment and carbon measurement and monitoring skills. The audit team confirmed that the project management team of BCP have successfully designed and implemented such projects.

- BCP have a unique team in which all the technical staff are full time employees of the company. Both during the site visit and during the previous verification (also performed by SCS) the audit team interviewed staff members, reviewed employee's knowledge through review of their CVs /79/.
- In addition, the audit team reviewed financial records /20-26/ while assessing the project budget and were able confirm that the budget was accurately calculated using real and verifiable inputs. The audit team cannot say whether the project will succeed long term, as the budget includes predictions of future carbon sales and prices. The audit team can say however, that the financial analyses were performed according the requirements of the AFOLU Non-Permanence Risk Tool and using best practices for financial accounting. Finally, while on site, the audit team reviewed financial records for BCP including non-project costs and revenues, including evidence of outside financial support (see section 2.4.6 of the monitoring report) /20-26/and confirmed that that the documentation provided is verifiable and that sufficient funds are available for implementing the project and the overall financial health of the organization /80-82/.
- Based on the activities described above, the audit team was able to confirm that the project has the capacity to implement the project as described in the validated project description.

4.3.9 Legal Status (G5.1)

- The audit team has a history of working in the region of the project area and are well versed with the land-use laws covering the project area. There are no restrictions in Zambia regarding forest protection and interactions with community members must follow local customs. The audit team held interviews with wildlife officials and community leaders who confirmed claims in the monitoring report that the project is following all legal requirements regarding the project activities.

4.3.10 Rights Protection and Free, Prior and Informed Consent (G5.3-G5.5)

- Whereas, this project is not a grouped project and Free Prior and Informed Consent (FPIC) was confirmed at validation, the verification team chose to employ a methodology in which any changes to the agreed upon project design that have occurred would be assessed. To ascertain if any changes have taken place that would require the FPIC process to be reopened, the audit team cross checked the monitoring report against the validated PD and confirmed that no changes were present with respect to community engagement processes. In addition, the audit team held interviews with community members throughout the project zone and confirmed that in no case have instances of the following occurred:
- Property rights have not been respected.
- The property is encroaching uninvited on private, community, or government property.
- The project did not have the FPIC of those whose property rights are affected by the project
- People were forced to relocate as a result of the project.

- Based on the above and information gleaned from community interviews, the audit team was able to confirm that the rights of indigenous peoples, communities and other stakeholders in accordance to the Climate, Community & Biodiversity Standards and the validated project design.

4.3.11 Identification of Illegal Activities (G5.5)

- As understood from the previous verification and interviews with local community members, there are four main illegal activities that could affect the project activities: poaching, illegal timber harvest, illegal charcoaling and slash and burn agriculture from outside communities. The audit team reviewed the validated PD and confirmed through employee and community interviews that the project activities include mechanisms to mitigate illegal activity, such as employing game scouts to patrol the project area and decrease incidences of charcoaling and poaching. The project activities also include providing incentives for sustainably produced charcoaling to slow the effects of illegal charcoal production.

4.4 Climate

4.4.1 Accuracy of GHG Emission Reduction and Removal Calculations

- The GHG emission reductions or removals have been quantified correctly in accordance with the project description and the applied methodology.
- For all instances in which values were transcribed between datasets (e.g., transcription from the project description to reporting workbooks, or between reporting workbooks), the audit team carefully traced values to ensure the absence of manual transposition errors.
- An identification of the data and parameters used to calculate the GHG emission reductions or removals and a description of the steps taken to assess each of them, follows:

	Steps taken by audit team to assess...		
Data/Parameter	accuracy of GHG Emission Reductions or Removals	whether methods/formulae set out in project description have been followed	appropriateness of default values
$C_B^{[m]}$ $C_{B\ BGB}^{[m]}$ $C_P^{[m]}$ $C_P^{[m-1]}$ $C_P^{[m=0]}$ $C_{P\ 1\ BM}^{[m]}$ $C_{P\ b}^{[m]}$	As described in the implementation section of this report, the audit team performed an independent re-measurement of 11 randomly selected biomass plots and one randomly selected leakage plot. In addition, the audit team recalculated the plot level carbon for each aboveground biomass plot in the project area.	The audit team reviewed and re-calculated these parameters using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	The default value for the below ground biomass was applied appropriately as defined by the methodology

	Steps taken by audit team to assess...		
Data/Parameter	accuracy of GHG Emission Reductions or Removals	whether methods/formulae set out in project description have been followed	appropriateness of default values
	Moreover, the audit team re-calculated the biomass emissions for both the current and previous monitoring period		
$C_{B\ BM}^{[m]}$	Given the issue with the overestimation of aboveground biomass using the original sampling protocol, the audit team used the methods described above to ensure that the carbon stocks at the end of the monitoring period were calculated correctly	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	The default value for the below ground biomass was applied appropriately as defined by the methodology
$E_{\Delta\ GER}^{[i]}$	The audit team re-calculated the GER values based on the updated carbon stock values in order to assess the accuracy of the project calculations	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$E_{\Delta\ NER}^{[i]}$	The audit team re-calculated the NER values based on the updated carbon stock values in order to assess the accuracy of the project calculations	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$E_B^{[m]}$ $E_B^{[m-1]}$ $E_{B\ \Delta}^{[m]}$	The audit team re-calculated the cumulative baseline emission values based on the updated carbon stock values in order to assess the accuracy of the project calculations	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A

	Steps taken by audit team to assess...		
Data/Parameter	accuracy of GHG Emission Reductions or Removals	whether methods/formulae set out in project description have been followed	appropriateness of default values
$E_{B \Delta BGB}^{[i]}$	The audit team reviewed the calculations for the change in below ground biomass and found that the original methods had not changed since the initial validation and subsequent verification	The audit team reviewed the implementation of the project calculations and cross-checked them against the project description and previous monitoring report and confirmed that the parameters were calculated using the methods and formulae set out in the project description and the methodology	N/A
$E_{B BGB}^{[m-1]}$	The audit team recalculated the cumulative baseline emissions from below-ground biomass at the beginning of the current monitoring period	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$E_{B BM}^{[m]}$	The audit team recalculated the cumulative baseline emissions from biomass at the end of the current monitoring period	The audit team reviewed and re-calculated this parameter using the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$E_{BA}^{[m]}$	The audit team reviewed the cumulative emissions allocated to the buffer account at the end of the current monitoring period	The audit team reviewed and traced the calculation of this parameter and determined that the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$E_L^{[m]}$ $E_L^{[m-1]}$	The audit team traced the flow of data from the raw field data throughout the process in order to assess the	The audit team reviewed and traced the calculation of this parameter and determined that the methods and formulae	N/A

	Steps taken by audit team to assess...		
Data/Parameter	accuracy of GHG Emission Reductions or Removals	whether methods/formulae set out in project description have been followed	appropriateness of default values
$E_{L\Delta}^{[m]}$ $E_{LAS}^{[m]}$ $p_{LDEG}^{[m]}$	accuracy regarding this parameter	set out in the project description and the methodology and confirmed that they were being followed	
$U_B^{[m]}$ $U_P^{[m]}$ $E_U^{[m]}$	The audit team recalculated the uncertainty in order to assess the accuracy regarding this parameter	The audit team recalculated this parameter and determined that the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A
$A_{P1}^{[m=0]}$ $A_{P2}^{[m=0]}$	The audit team recalculated the project area using the project provided shapefiles. In addition the audit team performed spot checking activities on site and confirmed the project area for each strata to be accurate.	The audit team recalculated this parameter and determined that the methods and formulae set out in the project description and the methodology and confirmed that they were being followed	N/A

- In summary, the audit team reviewed the QA/QC procedures for data management and determined that they were being followed. Overall, the workbooks have been designed in a way that limits user error, as the majority of the calculations are hard wired into VBA code. In addition, data is cell referenced as it is moved from tab to tab of the workbook, further limiting errors. The audit team has a reasonable level of assurance that the GHG emission reductions and removals have been quantified correctly in accordance with the project description and applied methodology.

4.4.2 Quality of Evidence to Determine GHG Emission Reductions and Removals

- The evidence used to determine the GHG reductions and removals was of sufficient quantity and appropriate quality. An identification of the categories of evidence used to determine the GHG Emission Reductions or Removals, and a description of the steps taken to assess the sufficiency of quantity, and appropriateness of quality, of each category of evidence, follows:

Category	Steps taken by audit team to assess...		
	reliability, source, nature of evidence	information flow from data generation and aggregation, to recording, calculation and final transposition into the monitoring report	appropriateness of implemented calibration frequency of monitoring equipment
Reporting workbooks	Workbooks originated from Project Personnel and were determined, after thorough testing, to be of high quality and highly reliable; quantity of workbooks provided to audit team was sufficient	In all cases, audit team traced data contained in the monitoring report from the emission reduction workbooks back to their respective sources, which were: /11/ /13/ /14/ /15/	N/A
Field Protocols	The field protocols were reviewed by the audit team, who confirmed that they were designed using best practices and are capable of capturing changes in carbon stock in conformance with the methodology	The audit team reviewed the field protocols and confirmed that the QA/QC procedures provide checks and balances to ensure high quality data collection (/12/, /16/)	N/A
GIS Data	All stratification and other demographic data was provided to the audit team, who confirmed that the data contained all the necessary information to recreate the processes employed by the project and found the calculations consistent with values stated in the project description, monitoring report and applied calculations.	The audit team re-calculated the total project area, as well as the area of each land class in the project area. In addition, the audit team collected GPS data at each plot point visited in order to ensure consistency with strata level reporting in the monitoring report.	N/A

- In summary, it is the opinion of the audit team that sufficient and appropriate quality of evidence exist to determine the GHG emission reductions or removals.

4.4.3 Non-Permanence Risk Analysis

- The determined value of the overall risk rating has not changed since the prior verification audit. The audit team did not perform a re-assessment of the non-permanence risk analysis from first principles, but did assess the following:

- Whether any circumstances or conditions may have transpired since the prior verification audit such that the determination made by the previous verification body is no longer valid; and
- Whether items meant to address certain risks are in place and functioning as intended.
- The determined value of the overall risk rating of 10% is appropriate and in conformance to the AFOLU Non-Permanence Risk Tool, to the extent that said determined value was appropriate and in conformance to the AFOLU Non-Permanence Risk Tool at the time of the prior verification audit. Finally, for instances in which there were no changes from the previous risk assessment, the audit team confirmed that the risk rating remains valid to the extent that it was valid in the first place.
- Internal Risk – Project Management

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• The project is a REDD/AUD AFOLU project and therefore does not rely on tree planting to generate GHG credits.	• N/A	• N/A

• (b)	• The Project has previously undergone validation and verification, however, in an attempt to dissuade deforestation in the project area, prior to determining the final project boundaries, an inhabited area along the border was removed in order to develop a use area and deter deforestation in the project area. Prior to the site visit, the audit team reviewed the project area imagery and noted the current deforestation and agree that at this verification event protection is not required to protect more than 50% of carbon stocks that have previously been issued. In addition, the audit team visited many of the project area boundaries with the knowledge of the fact that the methodology assumes that the lowest stocked strata are deforested first. Observations on site showed that the highest risk areas (proximity to human settlement) for deforestation were located such that the need for enforcement for 50% of the stocks for which credits had previously issued is highly unlikely at the time of this verification event	• The audit team used high quality Google Earth imagery • The audit team performed on site observations near most major human settlements near the project area	• Risk rating is appropriate
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• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (c)	• The audit team reviewed the work history and training of the Project Personnel and implementing partners. The audit team confirmed that the management team includes individuals with significant experience necessary undertake all project activities (i.e., any area of required experience is not covered by at least one individual with at least 5 years' experience in the area).	• N/A	• Risk rating is appropriate
• (d)	• Audit team worked and assessed the project in the country and in the project area and confirmed that the project management team meets this criterion.	• N/A	• Risk rating is appropriate
• (e)	• The project is undergoing verification for the 5th time under the same project management and thus meets the criteria of this risk item	• The audit team reviewed the information available on the VCS website in order to confirm the current status of the management team	• Risk rating is appropriate

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (f)	• The audit team assessed the adaptive management plan described in documents /3/ - /7/ and interviewed local community members who corroborated the language in such documents showing that an adaptive management plan is in place	• The documents referenced in section 2.3 of this report have been reviewed by the audit team and are of high quality	• Risk rating is appropriate

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• Internal Risk – Financial Viability

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• -	• -	• N/A
• (b)	• -	• -	• N/A

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (c)	• The audit team reviewed the financial budget of the project including grant funding documentation. The audit team also sampled inputs driving the model and confirmed that the future sale of credits is based on conservative estimates.	• The audit team found the project cash flow budget /20/-/26/ and associated documentation neat, organized and user friendly. The project team were able to provide a clear description of the inner workings of the budget as well as record keeping	• Risk rating is appropriate
• (d)	• -	• -	• N/A
• (e)	• -	• -	• N/A
• (f)	• -	• -	• N/A
• (g)	• -	• -	• N/A

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (h)	• See above for assessment of rationale • The audit team confirmed that with the concurrent grant funding available the project has secured 80% or more of funding needed to cover the total cash out before the project reaches breakeven	• The audit team found the project cash flow budget /21/ and associated documentation neat, organized and user friendly. The project team were able to provide a clear description of the inner workings of the budget as well as record keeping	• Risk rating is appropriate
• (i)	• See above for assessment rationale • The audit team was provided with an official letter from Thomas Hancock of Rockwood Leisure Group, titled "LOWER ZAMBEZI REDD+ PROJECT" who has confirmed that the callable resources necessary to cover at least 50% of the cost of cash out before the project reaches breakeven. Using a web based review, the audit team was able to confirm with a reasonable level of assurance that Thomas Hancock and Rockwood Leisure are legitimate entities	• The audit team considers the letter /20/ provided to the audit team, along with the available web information to be of high quality	• Risk rating is appropriate

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• Opportunity Cost

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• -	• -	• N/A
• (b)	• -	• -	• N/A
• (c)	• -.	• -	• N/A
• (d)	• The audit team reviewed evidence supporting the table provided in the Project risk report and confirmed that the baseline scenario is subsistence driven. In addition while on site, the audit team visited communities in the district in the project area further confirming this claim and that the project is resulting in positive community benefits	• The audit team reviewed the CCBA website and confirmed that the project has been certified at the gold level and is considered high quality http://www.climate-standards.org/category/projects/ (accessed 21 September 2018)	• Risk rating is appropriate
• (e)	• -	• -	• N/A
• (f)	• -	• -	• N/A

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(g)	-	-	N/A
(h)	-	-	Risk rating is appropriate
(i)	-	-	Risk rating is appropriate

- Internal risk – Project Longevity

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
•	• The audit team reviewed the calculation of project longevity score provided in the risk report and confirmed that it was calculated correctly. In addition, as stated above, the audit team confirmed that the project is covered by a conservation easement held by the Zambian government which requires the project activities legally be continued over the project crediting period. Also, the audit team reviewed the project management plan and confirmed that it had been submitted to the Zambian Wildlife Authority (ZAWA), as required for such projects. Moreover, the audit team received evidence that the financial plan for the project, covering the crediting period, had been submitted to AMOCPA (AMO Certified Public Accountants) a registered entity in Lusaka, Zambia	• The management plan, conservation easement, and certified audit letter are all considered of high quality by the audit team (/3/ /28/)	• Risk rating is appropriate

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- External Risk – Land Tenure and Resources Access/Impacts

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• N/A	• N/A	• N/A
• (b)	• While on site, the audit team visited local districts and reviewed the rights of use agreement for the project confirming that the ownership and rights of use are held by different entities	• The rights of use contract /19/ was clearly defined and confirmed by the leaseholder, Iqbal Y Alloo of Sable Transport Limited, who provided the audit team with his stamp, verifying that the right of use agreement is still in place, which is customary in the country. The audit team considers these documents of high quality	• Risk rating is appropriate
• (c)	• N/A	• N/A	• N/A
• (d)	• N/A – While on site, the audit team held interviews with community members near the project area boundaries, as well as the fee owners of the land and were unable to uncover any disputes in the project area	• N/A	• N/A
• (e)	• N/A – the project is not a WRC project	• N/A	• N/A

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (f)	• As the rights of use contracts have not changed, the legally binding commitment to continue the management practices confirmed at validation are still in place	• See item (b) above	• Risk rating is appropriate
• (g)	• N/A	• N/A	• N/A

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- Community Engagement

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• A few individuals have settled within the project boundaries. Whereas, these individuals were not selected as part of the verification sample, the audit team consulted the certified CCB documentation in order to confirm that they had been consulted about the project	• The audit team considers certified CCB documentation to be of high quality	• N/A
• (b)	• The audit team reviewed the certified CCB documentation and confirmed that a majority of individuals within 20 km of the project boundaries had been consulted. In addition, the audit team visited a number of communities outside of the project boundaries, all of which were taking part in project activities	• The audit team considers certified CCB documentation to be of high quality	• N/A
• (c)	• The project has been successfully certified under the CCB Standards and generates net positive impacts on the social and economic well-being of the local communities who derive livelihoods from the project area.	• The audit team considers certified CCB documentation to be of high quality	• Risk rating is appropriate

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• Political Risk

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• (a)	• -	• -	• N/A
• (b)	• -	• -	• N/A
• (c)	• The audit team downloaded dataset from World Bank Institute's Worldwide Governance Indicators (for the most recent five years, 2012-2017, as of March 2017) and confirmed the WGI score of -0.32 to 0.19	• The dataset used is required by the AFOLU Non-Permanence Risk Tool, and can be considered high quality	• Risk rating is appropriate
• (d)	• -	• -	• N/A
• (e)	• -	• -	• N/A

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
(f)	- The audit team was able to determine that Zambia is taking part in REDD Readiness (http://www.unredd.net/index.php?option=com_national_programme&view=countries&id=49&Itemid=689). - In addition, the audit team was provided with evidence that the project is receiving multi-lateral funding from USAID for implementing REDD readiness	The audit team considers the USAID grant funding and the UN-REDD Programme website to be of high quality	N/A

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- External Risk – Natural Risk

• Risk	• Assessment of rationale, assumptions and justification	• Assessment of quality of documentation and data provided	• Conclusion regarding appropriateness of the risk rating
• Fire	• Given the expertise of the audit team with the forest types comprising the project area, the audit team can confirm that miombo woodlands are highly fire adapted and are susceptible to loss of carbon stocks from natural fire due to human created conditions. The success of the project in reducing slash and burn agricultural activities that result in fire vectors near and within the project boundaries is sufficient for keeping the likelihood and significance of natural fire static. • The audit team was provided with a suite of peer reviewed literature confirming that natural fire does not present a risk to the project carbon stocks	• As is allowed by the non-permanence risk tool, the audit team considers peer reviewed literature to be high quality	• Risk rating is appropriate

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
Pest and Disease Outbreaks	Given the expertise of the audit team with the forest types comprising the project area, the audit team can confirm that miombo woodlands are highly resistant to pest and disease outbreaks. The audit team visited inventory plots across each district in the project area and confirmed that the species composition is consistent with the forest type listed above and therefore the risk of any changes to the ability of the forest areas to resist pest and disease outbreaks is insignificant	N/A	Risk rating is appropriate
Extreme Weather	No changes have occurred to the likelihood and significance of extreme weather since validation and the previous verification. The audit team is experienced working in the region and agrees that extreme weather does not pose a risk to the carbon stocks in the project area	N/A	Risk rating is appropriate

Risk	Assessment of rationale, assumptions and justification	Assessment of quality of documentation and data provided	Conclusion regarding appropriateness of the risk rating
Geological Risk	No changes have occurred to the likelihood and significance of geological events since validation and the previous verification. The audit team is experienced working in the region and agrees that geological events do not pose a risk to the carbon stocks in the project area	N/A.	Risk rating is appropriate
Elephants	The audit team reviewed the rationale provided by project personnel and confirmed that it is supported by the peer reviewed literature provided in the project risk report. In addition, whereas the audit team agrees with the rationale of the risks that elephants have on the carbon stocks, conversation with wildlife experts both near the project area and along the opposite banks of the Zambezi River allowed the audit team to confirm that the lack of significant elephant populations in or around the project area at this time supports the risk score	As is allowed by the non-permanence risk tool, the audit team considers peer reviewed literature to be high quality	Risk rating is appropriate

- In conclusion, the audit team found the risk analysis provided by the client to be accurate and well documented. The audit team agrees with the overall risk rating to be 10% as calculated according to the requirements of the AFOLU Non-Permanence Risk Tool. The total number of VCU's that should be deposited into the buffer account is 17,959 tCO₂e

4.4.4 Dissemination of Climate Monitoring Plan and Results (CL3.2)

- Prior to going on site, the audit team reviewed the project monitoring plan /4/ and confirmed that it meets the requirements of the standards. In addition, the audit team reviewed the project monitoring report and confirmed it provides a description of the project activities utilized to disseminate the monitoring plan and results to project stakeholder. While on site, the audit team held interviews with local communities and community groups who confirmed claims in the monitoring report regarding the status of the project implementation. In addition, the audit team visited community sign boards where pertinent information about the project implementation status are posted and reviewed community meeting minutes from information meetings held by project personnel. Overall, the verification team has a high level of confidence that the dissemination of the project monitoring plan results took place in conformance with the validated PD.

4.4.5 Optional Gold Level: Climate Change Adaptation Benefits (GL1.4)

- The audit team reviewed the monitoring report and confirmed it includes regional climate change and climate variability scenarios and impacts, using available studies, and identify potential changes in the local land-use scenario due to these climate change scenarios in the absence of the project. The audit team reviewed the suite of literature /78/ referenced in the monitoring report and confirmed that the climate predictions of the literature are consistent with the claims in the monitoring report.
- Whereas, the impacts of climate change are difficult to predict, the audit team agrees with the assessment in the monitoring report regarding the anticipation of climate change risks and the mitigation measures needed to avoid the expected risks.
- In addition, the audit team reviewed the monitoring report and the referenced literature for this section and confirmed that monitoring report provides information that the anticipated climate changes are having or are likely to have an impact on the well-being of communities and/or the conservation status of biodiversity in the project zone and surrounding regions.
- Finally, the audit team reviewed the monitoring report and confirmed that it provides an adequate demonstration that the project activities will assist communities and/or biodiversity to adapt to the probable impacts of climate change. Whereas, the effects of climate change are uncertain, the audit team agrees that the mitigation and adaptive strategies provided in the Monitoring report are appropriate for the communities and biodiversity in the project zone.

4.5 Community

4.5.1 Community Impacts (CM1.1)

- Prior to going on site, the audit team reviewed the project monitoring report and confirmed it provides a description of the community impacts of the project activities. While on site, the audit team held interviews with local communities and community groups who confirmed claims in the monitoring report regarding information on the project's community impacts. In addition, the audit team visited communities where project activities are taking place, along with community members who confirmed the activities were implemented by project personnel and are providing positive benefits. Overall, the verification team has a high level of confidence that the assessment of impacts as described in the project monitoring report are accurate.

4.5.2 Net Positive Community Well-being (CM1.1)

- Prior to going on site, the audit team reviewed the project monitoring report and associated community monitoring results /8-9/ and confirmed it provides evidence that the community impacts of the project activities are positive. While on site, the audit team held interviews with local communities and community groups who confirmed claims in the monitoring report regarding information on the project's community impacts. In all cases communities and community groups sampled during the assessment answered in the affirmative when questioned that the impacts of the project are positive. Given the evidence collected throughout the assessment, the audit team confirms that the impacts of the project on all identified communities and community groups are positive

4.5.3 Protection of High Conservation Values (CM1.2)

- Prior to going on site, the audit team reviewed the project description and the project monitoring report and confirmed that information exists describing the steps taken to ensure the protection of high conservation areas. During the site visit, the audit team held interviews with a range of community groups across communities in the project zone. Community members confirmed that communities are not restricted from collecting resources in the project zone. In addition, communities confirmed that access to areas within the project zone are not restricted by project personnel. The audit team noted individuals travelling freely throughout the project zone during the site visit and also noted gates to the project area are unlocked giving access to high conservation areas throughout the project zone. The audit team also held interviews with project personnel who attested that perennial rivers crossings are regularly monitored and maintained. In conclusion the audit team agrees that the project is being implemented in a way to ensure the protection of high conservation values..

4.5.4 Other Stakeholder Impacts (CM2.2-CM2.3)

- As the project design was validated as having no net impacts on other stakeholders, the audit team did not perform an assessment of impacts on first principles. While on site, the audit team did, however note that conservation agriculture techniques implemented in local communities include a training program that can be expanded to other areas. In addition, the audit team observed such techniques taking place outside of the project zone, which community members

confirmed to be a result of project activities. In addition, the audit team reviewed monitoring records and community consultation evidence /8-9/ confirming that measures taken to mitigate any negative effects are being implemented. This was further confirmed through interviews with communities in the project zone, who corroborated the claims in the monitoring report. Therefore, the audit team has great confidence that any net impacts are positive.

4.5.5 Community Monitoring Plan (CM3.1, CM3.2, GL2.5)

- Prior to the site visit the audit team reviewed the project monitoring report and confirmed that the Results are reported in conformance with the community monitoring plans /4-6/. In addition, while on site the audit team reviewed community monitoring records /8-9/ held at the BCP headquarters and confirmed that the variables monitored include all community groups, other stakeholders, and HCV's related to community well-being identified in the monitoring plan. Using the monitoring records, the audit team also confirmed that monitoring took place using the frequency and sampling methods in accordance with the validated project design. Finally, using knowledge of the results described in the monitoring plan, the verification team interviewed local community members and other stakeholders who confirmed the results presented to be accurately described in the project monitoring report.
- In review of the project documentation and interviews with government officials while on site, the audit team confirmed project claims that approximately 90% of the individuals in the project zone fall under the category of the poorest of the poor and therefore, are adequately considered in the monitoring. Furthermore, monitoring ensures that potential disadvantaged groups and women are specifically targeted for monitoring. Finally, the audit team confirmed that the monitoring results include specific data on women and other traditionally disadvantaged groups.
- Based on the activities described above, the audit team confirms that the community monitoring plan was carried out in accordance to the validated project design.

4.5.6 Community Monitoring Plan Dissemination (CM3.3)

- Prior to going on site, the audit team reviewed the project monitoring report and confirmed it provides a description of the project activities utilized to disseminate the monitoring plan and results to project stakeholders. While on site, the audit team held interviews with local communities and community groups who confirmed claims in the monitoring report regarding the status of the project implementation. In addition, the audit team visited community sign boards where pertinent information about the project implementation status are posted and reviewed community meeting minutes from information meetings held by project personnel. The audit team cross checked their findings in the field with the requirements of the project monitoring plan and confirmed that the dissemination methods employed are consistent with those described in the plan. Overall, the verification team has a high level of confidence that the dissemination of the project monitoring plan results took place in conformance with the validated PD.

4.5.7 Optional Gold Level: Barriers to Benefits (GL2.3)

- The verification team agrees with the justification in Section 4.4.1 of the monitoring report that no substantive barriers exist with respect to the flow of benefits to the poorest of the poor. As

described in section 4.5.5 above, the audit team reviewed the project monitoring plan and results /8-9/ and confirmed benefits are designed to specifically address issues surrounding traditionally disadvantaged groups. Given that the project zone consists almost entirely of individuals falling under this category, the audit team confirms that the project activities have increased the flow of benefits to poorer households.

4.5.8 Optional Gold Level: Protections for Poorer and the more Vulnerable (GL2.4)

- As described in the sections above, the project activities and monitoring are specifically designed to address issues affecting the poor and most vulnerable. Based on the activities described above, the verification team agrees with the justification in Section 4.4.2 of the monitoring report that no negative impacts are expected for vulnerable households or individuals.
- Based on the information provided and results from interviews with local communities and community groups, the verification team confirmed that the project conforms to the Standards with respect to section GL2.4 of the Climate Community and Biodiversity Standards Second Edition.

4.5.9 Biodiversity Changes (B1.1)

- As the biodiversity benefits associated with the project are highly correlated with forest conservation, the audit team reviewed claims in the monitoring report regarding avoided deforestation and degradation and confirmed the information to be sufficient to describe the effects of the project activities. In addition, the audit team reviewed the biodiversity monitoring records /42-43/ and confirmed that the monitoring of biodiversity is taking place as described in the validated PD. While on site, the audit team interviewed individuals implementing the monitoring who corroborated the implementation of the biodiversity monitoring. The audit team observed game scouts leaving and returning from patrols and that data management of such data took place in conformance with the monitoring plan. Based on the activities performed on site and the recalculation of climate data, the audit team confirmed the reported results to be both accurate and appropriate.

4.5.10 High Conservation Values Protected (B1.2)

- As the high conservation values associated with the project are highly correlated with forest conservation, the audit team reviewed claims in the monitoring report regarding avoided deforestation and degradation and confirmed the information to be sufficient to describe the effects of the project activities. In addition, the audit team re-measured and recalculated carbon stocks across the project area and confirmed the claims in the monitoring report to be accurate.

4.5.11 Invasive Species (B1.3)

- The audit team reviewed the activities implemented by the project and confirmed that the project activities do not include the introduction of any known invasive species. While the project does promote the practice of conservation agriculture, the project does not include the introduction of known invasive species. In addition, the project activities include protecting existing forest, but does not introduce new species to the existing forest native forests. The few species that have been introduced are well known to the audit team and are used throughout east Africa and have

been for more than a decade. The audit has observed mature species of each in the project area and in no case observed any natural regeneration of such. Based on these activities, the audit team confirms that no invasive species have been introduced by the project.

4.5.12 Impacts of Non-native Species (B1.4)

- The audit team reviewed the list of non-native species used by the project and confirmed that these species are indeed planted extensively throughout the eastern province of Zambia. The audit team held interviews with communities in the project zone who confirmed that there has been no evidence of negative impacts from the use of such species. Furthermore, the audit team confirmed that these species were used in the project zone prior to the project implementation and therefore not introduced by the project. The audit team agrees that food crops are highly unlikely to have adverse impacts in the project zone.

4.5.13 GMO Exclusion (B1.5)

- The audit team reviewed the activities implemented by the project and confirmed that the project does not include the introduction of any species. While the project does promote the practice of conservation agriculture, the project does not include the introduction of species. In addition, the project activities include protecting existing forest, but does not introduce new species to the existing native forests. Based on these activities, the audit team confirms that no GMO's are included in the project and thus the project does not generate any GHG emission reductions through the use of GMO's.

4.5.14 Negative Offsite Biodiversity Impacts and Mitigation (B2.2)

- As stated in the validated PD has not identified any negative effects on biodiversity. The audit team agrees that the project zone consists of miombo woodlands, which are not distinct from forested areas surrounding the project zone. In addition, the audit team reviewed the baseline biodiversity results and agree that is highly unlikely that poaching and trapping displacement will occur give the scarcity of wildlife in the project zone. The audit team reviewed monitoring results and confirmed that project personnel regularly hold sensitisation meetings and have a monitoring plan that is adaptive in nature to allow for mitigation of any negative impacts should they arise. Net Biodiversity Benefits (B2.3)
- See section 4.6.1 and 4.6.6 above. Given that no negative impacts on biodiversity (either inside or outside the project zone) have occurred, the net biodiversity benefits are clearly positive.

4.5.15 Biodiversity Monitoring Results (B3.1, B3.2)

- Prior to the site visit the audit team reviewed the project monitoring report and confirmed that the language regarding biodiversity monitoring remains unchanged. In addition, while on site the audit team reviewed biodiversity monitoring records /42-43/ held at the BCP headquarters and confirmed that the results include the dates and frequency of the biodiversity variables monitored. The sampling methods used are in accordance with the validated project design and the monitoring plan and demonstrate the effectiveness of measures taken to maintain or enhance all identified high conservation values identified in the monitoring plan. Finally, while the effect of the project on biodiversity is difficult to assess in the short term, biodiversity in the project is highly

correlated with habitat protection. Based on the success of the project in protecting vital habitat, the audit team confirms the claims in the monitoring report regarding biodiversity results to be accurate.

- Based on the activities described above, the audit team confirms that the biodiversity monitoring plan was carried out in accordance to the validated project design.

4.5.16 Biodiversity Monitoring Plan Dissemination (B3.3)

- Prior to going on site, the audit team reviewed the project monitoring report and confirmed it provides a description of the project activities utilized to disseminate the monitoring plan and results to project stakeholder. While on site, the audit team held interviews with local communities and community groups who confirmed claims in the monitoring report regarding the status of the project implementation. In addition, the audit team visited community sign boards where pertinent information about the project implementation status are posted and reviewed community meeting minutes from information meetings held by project personnel. The audit team cross checked their findings in the field with the requirements of the project monitoring plan and confirmed that the dissemination methods employed are consistent with those described in the plan. Overall, the verification team has a high level of confidence that the dissemination of the project monitoring results took place in conformance with the validated PD and the monitoring plan.

4.6 Additional Project Implementation Information

- No additional project implementation information was assessed during this verification event.

4.7 Additional Project Impact Information

- No additional project impact information was assessed during this verification event.

5 VERIFICATION CONCLUSION

The audit team asserts that:

- The project complies with the verification criteria for projects GHG emission reductions or removals set out in VCS Version 3 and CCB Version 2.
- The project has been implemented in accordance with the project description and subsequently validated variations.
- To the extent that the verification engagement described in this report has included validation activities, the project complies with the validation criteria for projects set out in CCB Version 2 and VCS Version 3.

The first and second of the above bullet-pointed statements are made without qualification or limitation. The third of the above bullet-pointed statements is limited to those aspects of the project specifically assessed by the audit team as part of validation activities undertaken as a part of the verification engagement described in this report.

The audit team has thoroughly reviewed the project documentation, results of monitoring, and performed a suite of onsite activities, in which the team was able to confirm the validity of the net positive climate

change adaptive capacity and resilience (if any), community and biodiversity benefits achieved by the project during the project implementation period and whether the project has achieved.

Verification/monitoring period:

CCB 22 June 2013 to 31 December 2017

VCS 01 January 2017 to 31 December 2017

Verified GHG emission reductions and removals in the above verification period:

Year	Baseline emissions or removals (tCO ₂ e)	Project emissions or removals (tCO ₂ e)	Leakage emissions (tCO ₂ e)	Net GHG emission reductions or removals (tCO ₂ e)
2017	179 602	15	0	161 628
Total	179 602	15	0	161 628

-
- Buffer Allocation 2017 – 17,959

APPENDIX A: VERIFICATION FINDINGS

- The findings below are a record of issues raised throughout the verification process. All responses from Project Personnel are titled “Client Response” and are a verbatim transcription of their responses.

NCR 1 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Section 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Title Page

Finding: The VCS Standard states "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology in order to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

The instructions on the title page require the user to use the dating format DD Month YYYY, the interpretation of this format should result in the month being spelled out and not abbreviated numerically, as this would be represented by DD MM YYYY. Given the project documentation does not use the proper dating convention, the project is not in conformance with the standard at this time.

Project Personnel Response: The project proponent has corrected the monitoring report according to the requirements of the template.

Auditor Response: Upon issuance of this finding, the project proponent has correctly updated the monitoring report to follow the standard.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 2 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Section 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Title Page

Finding: The VCS Standard states "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

In considering the Gold Level Criteria section of the title page, the template guidance states "List which Gold Level criteria are being used and provide a brief description of the activities implemented and results achieved that enable the project to qualify for each relevant Gold Level," however in review of the project monitoring report the audit team is unable to locate evidence meeting the requirement of providing a brief description of the activities implemented and a brief description of the results achieved that enable the project to qualify for each relevant Gold Level.

Given the evidence required by template has not been provided as required, the project is not in conformance with the standard at this time.

Project Personnel Response: The monitoring report title page has been updated to conform to the standard.

Auditor Response: Upon issuance of this finding, the project proponent has correctly updated the monitoring report to follow the standard. A brief description of the activities implemented, and a brief description of the results achieved that enable the project to qualify for each relevant Gold Level have been provided.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 3 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Sections 3.5.1 and 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Section 2.2.2

Finding: The VCS Standard states "Deviations from the applied methodology are permitted where they represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan). Methodology deviations shall not negatively impact the conservativeness of the quantification of GHG emission reductions or removals, except where they result in increased accuracy of such quantification. Deviations relating to any other part of the methodology shall not be permitted."

And "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

Section 2.2.2 of the template states "Describe and justify any methodology deviations applied during this monitoring period. Include evidence to demonstrate the following:

- The deviation does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals.
- The deviations relate only to the criteria and procedures for monitoring or measurement, and do not relate to any other part of the methodology."

In review of the project monitoring report the audit team noted that the evidence provided does not demonstrate that "The deviation does not negatively impact the conservativeness of the quantification of GHG emission reductions or removals." Or " The deviations relates only to the criteria and procedures for monitoring or measurement, and do not relate to any other part of the methodology." And therefore, is not in conformance with the standard.

Project Personnel Response: The specified section of the monitoring report has been updated to explain that the methodology deviations did not impact conservativeness nor any other components of the methodology except for monitoring and measurement.

Auditor Response: Upon issuance of this finding, the project proponent has correctly updated the monitoring report to follow the standard. A clear description of the impacts of the deviations was provided, and evidence of how the conservativeness of quantification was not impacted.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 4 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Section 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Section 2.3.4

Finding: The VCS Standard states "Deviations from the applied methodology are permitted where they represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan). Methodology deviations shall not negatively impact the conservativeness of the quantification of GHG emission reductions or removals, except where they result in increased accuracy of such quantification. Deviations relating to any other part of the methodology shall not be permitted."

And "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

Section 2.3.4 of the template states "Provide information about how grievance(s) have been received, resolved and documented using the project's grievance redress procedure during the monitoring period."

In review of the project monitoring report, the audit team was able to find information of the lone grievance that was received, however the team was unable to locate any information on how the grievance was resolved and documented using the project's grievance redress procedure. Given that the full requirement has not been addressed the audit team requests more information to assess this section of the monitoring report.

Project Personnel Response: The project proponent has addressed the identified grievance using the project's grievance procedure and has provided the VVB with a signed copy to show that the grievance has been resolved. It must be noted that purchasing uniforms are not the obligation of the project proponent. Reference for this is provided to the VVB in a contract sample with Charpreneurs. BCP has offered, and will continue to offer staff time and transport at no cost to Charpreneurs to procure and deliver uniforms to Charpreneurs at cost (i.e. with no administration fee billed to the Charpreneur). This is because uniform factories are far from the EC forests, and BCP in some cases is able to obtain bulk discounts. A copy of the contract has been submitted in the new Annex L. The charpreneurs are paid a 20% bonus for producing EC above market rates. In addition, each Cooperative receives substantial 'conservation fees' (otherwise referred to as revenue share), and Charpreneurs can apply to this community fund to purchase their uniforms. In the past, the project proponent was able to purchase uniforms due to success linked to donor fundraising. However, we feel it is an important ownership component and linked to self-empowerment for Charpreneurs to own their own uniforms moving forward, and have communicated to this effect in writing.

Auditor Response: Upon issuance of this finding, the project proponent has provided Appendix L. The appendix includes BCP's Stakeholder Grievance Response SOP, BCP's Grievance Mechanism, Termination of Grievance, and all cases of grievances. Photos and memos are also supplied. Enough has been provided to be in conformance with the Standard.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 5 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Section 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Section 2.4.2

Finding: The VCS Standard states "Deviations from the applied methodology are permitted where they represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan). Methodology deviations shall not negatively impact the conservativeness of the quantification of GHG emission reductions or removals, except where they result in increased accuracy of such quantification. Deviations relating to any other part of the methodology shall not be permitted."

And "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

Section 2.4.2 of the template states "Describe activities and/or processes implemented during the monitoring period to provide orientation and training for the project's workers and a wide range of people from the communities. Explain how, once it has been built, local capacity is not lost."

In review of the project monitoring report the audit team noted that evidence regarding training during the monitoring period has taken place, however the team is unable to locate evidence meeting the requirements of how the trainings target a wide range of people from the communities or how, once it has been built, local capacity is not lost." And therefore, is not in conformance with the standard.

Project Personnel Response: The project proponent has provided a list of staff that work on the LZRP with an indication which of the staff are residents from the local community. Currently of the 39 dedicated project staff members, 32 are local community members. A list has been included in appendix M and text in the MR updated, section 2.4.3. Whenever such staff leave the project they are replaced and replacement staff are trained. Copies of some of the training is included in Appendix M. Local capacity building and employment creation is one of the core focus points of BioCarbon Partners and this is clearly reflected in our approach to field based carbon accounting practices. Table 4 in the PD is a summary of all forest inventory training undertaken for the first monitoring period. BCP initially trained a group of 19 local residents consisting of neighbouring villagers, officials from the Department of Forestry and local post graduate ecology students in basic forest enumeration techniques followed by hands-on sampling and data collection according to our carbon stock assessment field manual (Appendix G). The Community Scouts received 3 months of basic training at Chunga DNPW, and then Advanced Tactical Training (ATT) in 2017 (documents shared with VVB). This in-service training is an important refresher and is not lost because the CS patrol year-round under the supervision and guidance of DNPW.

Auditor Response: In review of the project response along with a further understanding of the project training procedures and responses from community members while on site, the verification team agrees that the project design and associated documentation were created with the intent to ensure the requirements of the template and standard have been met.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 6 Dated 31 Aug 2018

Standard Reference: VCS_Standard_v3.7 Section 3.16.6

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Section 2.4.6

Finding: The VCS Standard states "Deviations from the applied methodology are permitted where they represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan). Methodology deviations shall not negatively impact the conservativeness of the quantification of GHG emission reductions or removals, except where they result in increased accuracy of such quantification. Deviations relating to any other part of the methodology shall not be permitted."

And "The monitoring report describes all the data and information related to the monitoring of GHG emission reductions or removals. The project proponent shall use the VCS Monitoring Report Template, VCS Joint Project Description & Monitoring Report Template, VCS & CCB Monitoring Report Template or VCS+SOCIALCARBON Monitoring Report Template, as appropriate, and adhere to all instructional text within the template."

In addition, the CCB_VCS_Monitoring_Report_Template_CCBv2.0_VCSv3.4 states "...This template must be completed in accordance with both standards, and the preparer will need to refer to the relevant CCB and VCS Program documents and the methodology to complete the template. It is also expected that relevant guidance, as it relates to the project and methodology, is followed. Note that the instructions in this template are intended to serve as a guide and do not necessarily represent an exhaustive list of the information the preparer must provide under each section of the template."

Section 2.4.6 of the template states "Document the financial health of the implementing organization(s) to demonstrate that financial resources budgeted will be adequate to continue to implement the project."

Whereas the audit team agrees that information regarding the project breakeven analysis is indeed provided in the project non-permanence risk report, the information provided only addresses the budget of the LZRP project and does not address the financial health of the organization(s) implementing the project as entities. Given the implementing organization(s) are likely to have ventures outside of the LZRP project, the information provided is not sufficient for addressing this requirement.

Project Personnel Response: The project proponent has submitted the 30 year financial management plan of BCP pertaining to it's other project, the Luangwa Community Forests Project to the VVB to show the overall health of the company.

Auditor Response: Upon issuance of this finding, the project proponent has submitted additional financial information concerning an additional project BCP is involved with. This provides a more complete picture of the financial situation the organization is in. They are now in conformance with the standard.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NIR 7 Dated 31 Aug 2018

Standard Reference: CCB Standards Second Edition G3.10

Document Reference: N/A

Finding: The CCB Standards state "Formalize a clear process for handling unresolved conflicts and grievances that arise during project planning and implementation. The project design must include a process for hearing, responding to and resolving community and other stakeholder grievances within a reasonable time period. This grievance process must be publicized to communities and other stakeholders and must be managed by a third party or mediator to prevent any conflict of interest. Project management must attempt to resolve all reasonable grievances raised, and provide a written response to grievances within 30 days. Grievances and project responses must be documented."

As is quite common during verification events, the audit team receives numbers of comments from communities and other stakeholders while on site. While on site for this project the audit team received several comments that are categorized as grievances (actual grievances provided outside the cover of this workbook). To assess the project's grievance redress procedures, please provide evidence on how these items were addressed using the grievance redress procedures as described in the project design document.

Project Personnel Response: In 2013, BCP formalized a Grievance Mechanism. This was signed by all 4 zones, twice. The first set were misplaced, and in the office move, the 2nd set were misplaced. In 2018, BCP updated the Grievance Mechanism. Both the 2013 and 2018 Grievance Mechanisms were signed again in 2018, following refresher training at each Cooperative. BCP has established a grievance register tool, and begun to use this management tool (shared with the VVB as Appendix L). In addition, BCP is now making sure that quarterly stakeholder meetings moving forward formally include 'Grievances' as an agenda item. The 2018 Grievance Mechanism was also distributed to central locations such as schools, clinics, Headmen, Cooperatives and GRZ (Forestry Department). Distribution registers are included in Appendix L.

Auditor Response: Upon issuance of this finding, the project proponent has provided Appendix L. The appendix includes BCP's Stakeholder Grievance Response SOP, BCP's Grievance Mechanism, Termination of Grievance, and all cases of grievances. Photos and memos are also supplied. Adequate evidence has been provided to be in conformance with the Standard.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 8 Dated

Standard Reference: CCB Standards Second Edition G3.10

Document Reference: N/A

Finding: The CCB Standards state "Formalize a clear process for handling unresolved conflicts and grievances that arise during project planning and implementation. The project design must include a process for hearing, responding to and resolving community and other stakeholder grievances within a reasonable time period. This grievance process must be publicized to communities and other stakeholders and must be managed by a third party or mediator to prevent any conflict of interest. Project management must attempt to resolve all reasonable grievances raised, and provide a written response to grievances within 30 days. Grievances and project responses must be documented."

During the site visit, the audit team interviewed several community members in the project zone regarding the project grievance redress procedures. In many cases it was apparent to the audit team that individuals were either unaware of the project procedures or there had been a breakdown in the chain of command in which grievances had not been addressed using the project grievance redress procedures as described in the project design document. Given the project grievance procedure either hasn't been formalized or other issues exist which keep the procedure from being properly implemented, the project is not in conformance with the standards at this time.

Project Personnel Response: The project proponent did have the grievance procedure signed by all community representatives during 2013. Due to unforeseen circumstances these signed documents were lost. The project proponent has had the grievance procedure resigned by all community representatives and submitted signed copies to the VVB. The 2018 Grievance Mechanism is formalized, and in action, with grievances being closed out. In addition, we are taking new opportunities to remind leaders of the Grievance Mechanism, and provide alternate contacts up to COO an CEO level, if anyone encounters blockages in the management chain within BCP, or at Headman.

Auditor Response: Upon issuance of this finding, the project proponent has shown that formalized procedures do exist and that additional routes of communication are open and encouraged to avoid any delays in the grievance process. This finding is closed as they are considered in conformance.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 9 Dated

Standard Reference: VCS_Standard_v3.7 Section 3.5.1

Document Reference: 20180409_LZRP_M5_CCBv2.0_VCSv3.4

Finding: The VCS Standard requires that "Deviations from the applied methodology are permitted where they represent a deviation from the criteria and procedures relating to monitoring or measurement set out in the methodology (i.e., deviations are permitted where they relate to data and parameters available at validation, data and parameters monitored, or the monitoring plan). Methodology deviations shall not negatively impact the conservativeness of the quantification of GHG emission reductions or removals, except where they result in increased accuracy of such quantification. Deviations relating to any other part of the methodology shall not be permitted." In addition, the methodology states "When equations are taken or modified from existing literature that is not similar to the project area as described above or are selected from a biome-wide database, such as those provided in Tables 4.A.1 to 4.A.3 of the GPG-LULUCF (IPCC, 2006), they shall be verified by measurements of trees within the project area or in stands similar to the project stands in the same forest type as project stands and near the project area. It is always best and most accurate to use equations developed from trees in the project area or from existing literature that is based on research in areas similar to the project area. The project proponent should commit to improve and update allometric equations over time to reduce uncertainty..."

In the case where the representative sample does not include a tree that is as large or larger than the largest tree in the inventory (a right-censored sample), the project proponent must demonstrate that the equation selected does not over-predict biomass for very large trees by demonstrating two additional criteria.

1. That the biomass measurement of the largest tree in the representative sample is greater than its predicted biomass by the equation.
2. That the equation behaves similarly beyond the range of measurements taken for the representative sample. To demonstrate this, do the following:
 - a. Find the first order derivative of the equation.
 - b. Determine the value of the derivative given the measurements of the largest tree in the representative sample.
 - c. Determine the value of the derivative given the measurements of the largest tree in inventory to which the equation is applied.
 - d. Compare the values from (b) and (c). The value from (c) shall be no more than 10% greater than the value from (b)."

In review of the project validation work with respect to allometry, the verification team noted that trees in the project inventory are indeed larger than the largest tree in the representative sample. Also, that the resulting values from item d above does not meet the 10% threshold. The verification team also noted that project personnel decided to use a method for calculating biomass for large trees in the inventory using a more conservative method, however no methodology deviation was provided in the monitoring report and therefore is not in conformance with the standard.

Project Personnel Response: Project personnel responded to this finding outside the cover of this workbook.

Auditor Response: The verification team reviewed an updated version of the monitoring report which appropriately addresses the applicable deviation. The updated language in the monitoring report is sufficient for resolving this issue.

Bearing on Material Misstatement or Conformance (M/C/NA): C

NCR 10 Dated**Standard Reference:** VM0009-Methodology-for-Avoided-Deforestation-v2.1.pdf**Document Reference:** 20180409_LZRP_M5_CCBv2.0_VCSv3.4 Section 3.2.4**Finding:** The methodology defines net emission reductions by stating:

"To quantify NERs, first quantify GERs including the confidence deduction (if any) and subtract the buffer account allocation."

In review of the project monitoring report the verification team noted that table 10 was populated with values consistent with the gross emission reductions (GER's), rather than the net emission reductions as required and therefore is not in conformance with the methodology.

Project Personnel Response: Project personnel responded to this finding outside the cover of this workbook.**Auditor Response:** The verification team reviewed an updated version of the monitoring report which accurately presents the net emission reductions as required. The updated language in the monitoring report is sufficient for resolving this issue.**Bearing on Material Misstatement or Conformance (M/C/NA):** C

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